

CENTRAL  
ASI  
METALS  
PLC

2019  
RESULTS  
PRESENTATION

APRIL 2020



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April 2020

## Kazakhstan

- Currently no employees or contractors diagnosed with COVID-19
- Kounrad currently operating as normal
- State of Emergency declared
- Borders closed for movement of people, not trade
- Cities of Nur-Sultan and Almaty are in lock down
- Latest numbers, 308 cases of COVID-19 in-country
  - 13 cases in Karaganda
  - 0 cases in Balkhash / Kounrad

## Board decision - no final 2019 dividend recommended

- Short term priority, welfare of all CAML employees and contractors
- Potential impact on CAML operations remains uncertain, cannot rule out:
  - more stringent host government restrictions as number of cases increases and spreads throughout the countries
  - challenges in selling metal products due to significant reduction in global manufacturing and / or transport issues
- Prudent to maintain a strong cash position, also analysing 2020 capex budget to identify cuts
- Dividend decision to be revisited pending greater clarity on pandemic

## North Macedonia

- Currently, no employees or contractors diagnosed with COVID-19
- Sasa currently operating as normal
- State of emergency declared
- Borders closed for movement of people and increasing restrictions on movement of goods (Sasa unaffected as yet)
- Schools closed, night time curfews (Sasa able to continue night shift)
- Latest numbers, 285 cases of COVID-19 in-country
  - 0 cases in Makedonska Kamenica and surrounding areas

# 2019 RESULTS HIGHLIGHTS

## EBITDA margin broadly maintained at 60%

- Met 2019 production guidance for all three metals
- Strong 2019 EBITDA and cash generation
  - EBITDA \$108.6m (2018: \$125.3m)
  - EBITDA margin 60% (2018: 61%)
  - Free cash flow \$69.8m (2018 adjusted: \$73.8m)
- Deleveraging
  - 2019 debt repayments, \$38.4m (2018: \$38.5m)
  - 31 December 2019 gross debt, \$108.8m (2018: \$144.9m)
  - 31 December 2019 net debt (excl. restricted cash), \$80.2m (2018: \$110.3m)
- Building a sustainable business
  - Emphasis on looking after all of our stakeholders
  - 2019 LTIs, 1 (2018: 8)
- Q1 2020 production
  - Unaffected by COVID-19

**2020 outlook - global uncertainty related to COVID-19 pandemic**

2019 revenue

**\$180.8m**

2018: \$204.2m

2019 EBITDA

**\$108.6**

2018: \$125.3m

2019 margin

**60%**

2018: 61%

2019 gross debt

**\$108.8m**

2018: \$144.9m

2019 LTIFR

**0.42**

2018: 3.76

Cu production

**13,771t**

2018: 14,049t

Zn production

**23,369t**

2018: 22,532t

Pb production

**29,201t**

2018: 29,388t

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# Financial results



# 2019 MARKET CONDITIONS

## Copper

- US - China trade wars led to an underperformance in 2019 global copper consumption growth
- 2020 broker consensus price, \$6,195/t

## Zinc

- Global mine zinc output growth of 2% led to increased TCs
- 2020 broker consensus price, \$2,307/t

## Lead

- Weak auto sales led to a 0.4% fall in lead consumption YoY
- 2020 broker consensus price, \$1,962/t

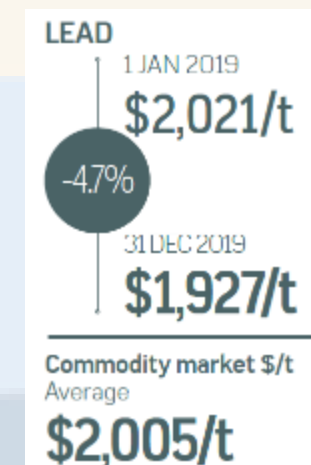
## Currencies

- Kazakh Tenge (KZT) to US Dollar averaged 383 in 2019
- North Macedonian Denar (MKD) pegged to Euro
- US economy strong, US Dollar strong against all major currencies

## Inflation

- Kazakhstan, 5.4% (2020 target 4-6%), North Macedonia, 0.8% (2020 target 1.5%)
  - Potential inflationary pressures on cost base

## 2020 outlook, global uncertainty due to COVID-19 pandemic



# 2019 INCOME STATEMENT

## EBITDA margin 60%

- Gross revenue 11% lower due to weak commodity prices
- Broadly maintained EBITDA margin due to cost control
- EPS from continuing ops 6% lower at 29.36c

## Kounrad

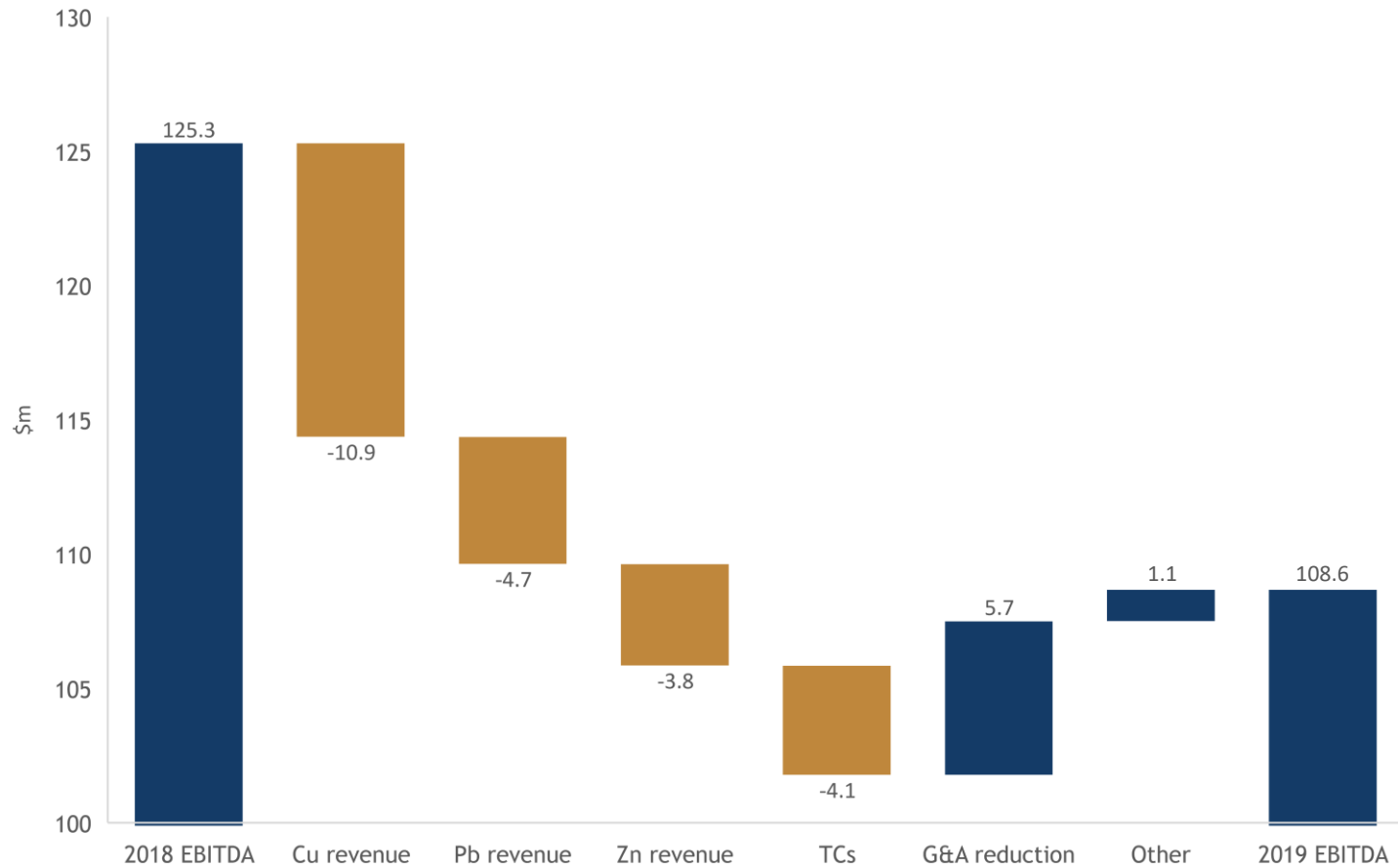
- Gross revenue \$81.7m (2018: \$92.6m)
- EBITDA \$61.7m (2018: \$66.8m)
  - EBITDA margin increased to 76% (2018: 72%)

## Sasa

- Gross revenue \$99.1m (2018: \$111.5m)
  - Reflects broadly similar production but reduced zinc and lead prices
- EBITDA \$59.6m (2018: \$71.2m)
  - EBITDA margin 60% (2018: 64%)

Highlights	2019	2018	% change
Gross revenue, \$m	180.8	204.2	-11%
Cost of sales, \$m	73.1	76.4	-4%
Admin expenses, \$m	18.3	24.0	-24%
Profit before tax, \$m	67.8	72.7	-7%
EBITDA, \$m	108.6	125.3	-13%
EBITDA margin	60%	61%	-1%
EPS from cont. ops, c	29.36	31.33	-6%

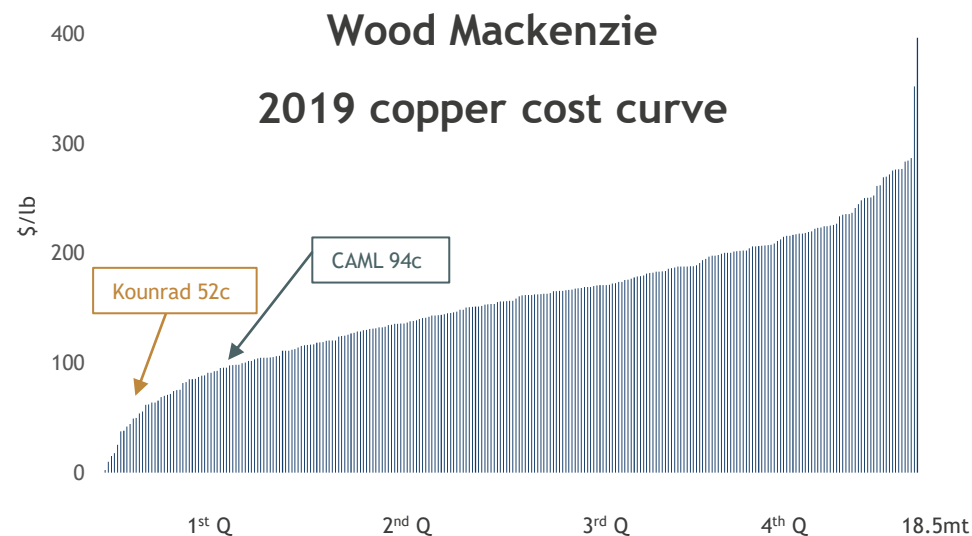
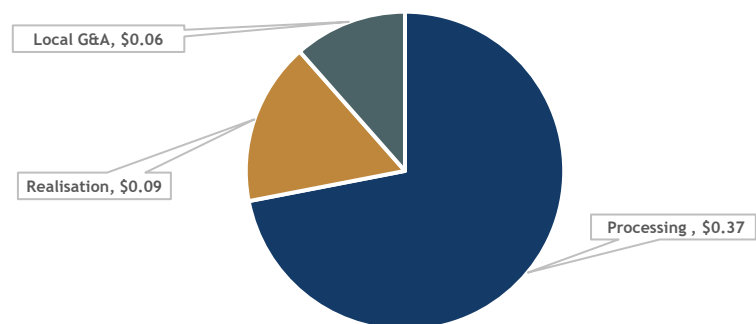
# EBITDA 2018 VS 2019





# 2019 KOUNRAD C1 COPPER CASH COST

2019 C1 cash cost \$0.52/lb



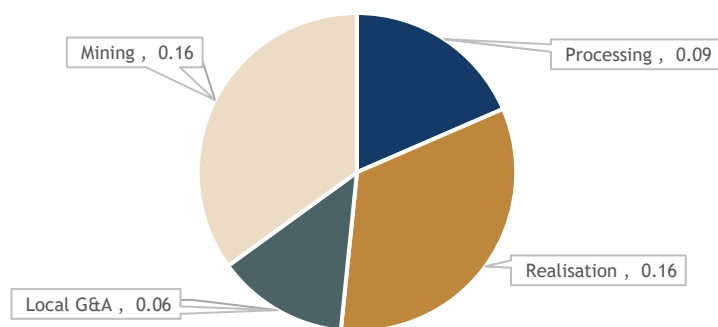
Cost	2019 \$/lb	2018 \$/lb
Reagents	0.08	0.08
Power	0.06	0.07
Payroll	0.12	0.12
Materials	0.04	0.04
Consulting & other	0.07	0.08
Processing total	<b>0.37</b>	<b>0.39</b>

2019 Kounrad EBITDA margin

**76%**

# 2019 SASA C1 ZINC EQ. CASH COST

## 2019 C1 cash cost \$0.47/lb



Unit costs, Run of Mine (RoM)	2019	2018
Mining, \$m	17.3	15.7
Processing, \$m	9.1	8.4
Local G&A, \$m	6.6	7.1
<b>Total operating costs, \$m*</b>	<b>33.0</b>	<b>31.2</b>
RoM mine, t	817,308	803,101
<b>Unit cost, \$/t</b>	<b>40.3</b>	<b>38.8</b>

\*2018 unit costs updated to include Sasa related costs incurred by other Group entities

C1 cash cost	2019 \$m	2018 \$m	2019 \$/lb	2018 \$/lb
Zinc payable production, t			19,601	18,842
Pro-rata costing zinc			41%	44%
Mining	17.3	15.7	0.16	0.17
Processing	9.1	8.4	0.09	0.09
Local G&A	6.6	7.1	0.06	0.06
Realisation	16.2	12.5	0.16	0.14
<b>Sasa C1 costs</b>	<b>49.2</b>	<b>43.7</b>	<b>0.47</b>	<b>0.46</b>

## 2019 Sasa EBITDA margin

**60%**

# 2019 GROUP C1 CASH COST

## Kounrad copper C1 cash cost \$0.52/lb

- Remains firmly in lowest quartile of industry cash cost curve
- 4% lower YoY due to weaker Tenge and cost control
- Average C1 cash cost over life of project, \$0.55/lb

## Sasa zinc equivalent C1 cash cost \$0.47/lb

- Approx. 25<sup>th</sup> percentile of zinc industry cost curve
- 2% higher YoY due to higher zinc TCs

## CAML Group Cu eq. C1 cash cost \$0.94/lb

- 8% higher YoY due to
  - lower Cu eq. production units as a result of lower Cu production
  - increased zinc TCs
- Group average cost in lowest industry quartile

	2019	2018	% change
Kounrad Cu C1 cash cost, \$/lb	0.52	0.54	-4%
Sasa Zn eq. C1 cash cost, \$/lb	0.47	0.46	+2%
Cu eq. production, t	31,233	31,459	-1%
CAML Cu eq. C1 cash cost, \$/lb	0.94	0.87	+8%



# 2019 FULLY INCLUSIVE CU EQ. UNIT COST

## CAML Group fully inclusive cost, \$1.50/lb

- 9% lower YoY
- Lower capex YoY due to higher TSF4 costs in 2018
- Lower loan interest
- Decrease in corporate overheads due to:
  - Reduced share based payments of \$1.1m (2018: \$4.9m) due to amended policy and prior year one-off Sasa acquisition option issue
  - Weaker GBP



	2019 (\$/lb)	2018 (\$/lb)	% change
C1 cash cost	0.94	0.87	+8%
Capital expenditure	0.16	0.24	-33%
Concession tax	0.04	0.04	-
MET	0.07	0.07	-
Loan interest	0.16	0.22	-27%
Corporate overheads	0.13	0.20	-35%
Fully inclusive cost	1.50	1.64	-9%

# 2019 CAPEX

## CAML 2019 Group capex

- \$11.0m

## Sasa capex

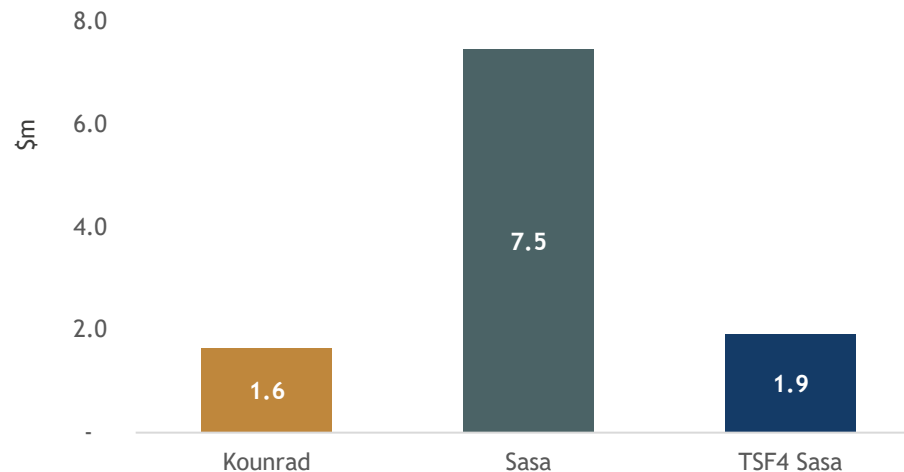
- includes
  - Underground development \$2.6m
  - Processing equipment \$2.1m (includes crushers \$0.6m)
  - Mining equipment \$1.5m
  - Safety expenditure \$0.5m
  - TSF4 capex of \$1.9m (total project \$16m)

## Kounrad capex

- includes
  - SX-EW capex \$0.3m
  - Irrigation pipes \$0.3m
  - Fleet purchases \$0.1m

## FY2020E capex

- Current guidance \$12-14m
  - Analysis underway to identify potential savings



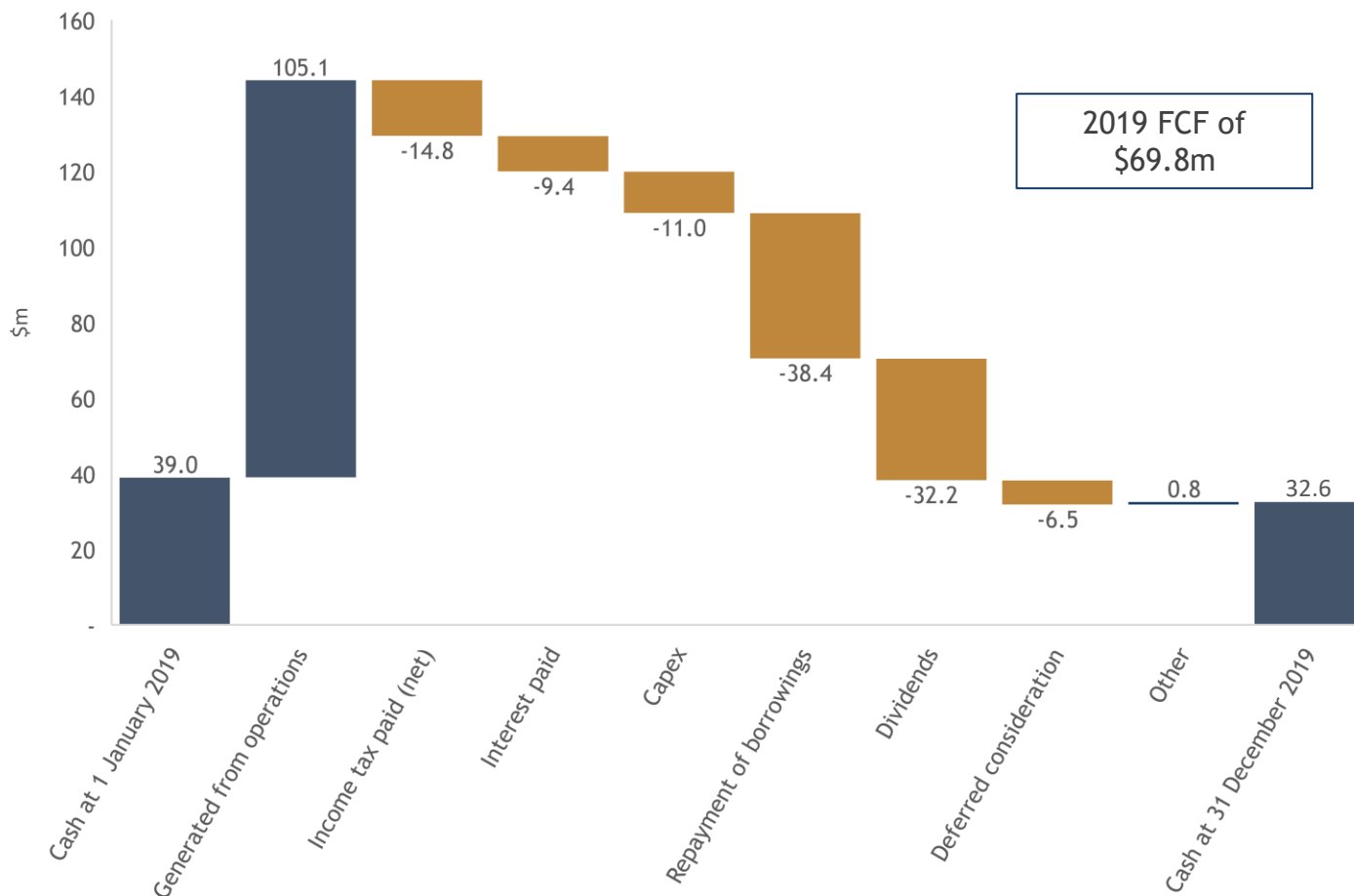
# 31 DECEMBER 2019 BALANCE SHEET

## Net debt \$80.2m (2018: \$110.3m)

- Group gross debt, \$108.8m (2018: \$144.9m)
  - 2019 repayments of \$38.4m
- Group cash balance, \$32.6m
- Other liabilities reduced to \$13.1m
  - \$6.5m due to payment of deferred consideration
- Debt interest reduction from 4.75% +LIBOR to 4.00% +LIBOR wef April 2020
- FY2020E debt repayments \$38-39m

	31 Dec 2019, \$m	31 Dec 2018, \$m
PPE	406.4	429.6
Intangible assets	58.7	61.3
Cash	28.6	34.6
Restricted cash	4.0	4.4
Other assets	17.4	19.8
<b>Total assets</b>	<b>515.1</b>	<b>549.7</b>
Borrowings	108.8	144.9
Silver stream commitment	22.9	25.2
Other liabilities	13.1	20.9
Deferred tax & provisions	35.2	32.8
Equity & reserves	335.1	325.9
<b>Total equity &amp; liabilities</b>	<b>515.1</b>	<b>549.7</b>

# 2019 CASH FLOW



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# Sustainability

The background image shows an industrial facility at dusk or night. A large, multi-story building with a blue facade and several lit windows is the central focus. To the left, a tall, thin tower with a bright light at the top stands against the dark sky. In the foreground, there are various industrial structures, including what appears to be a large rectangular tank or basin. The bottom of the image is overlaid with a decorative graphic consisting of several horizontal, wavy bands in shades of orange, yellow, and blue.



# OUR PURPOSE, CULTURE AND VALUES



## Our purpose

Our purpose is to produce base metals, which are essential for modern living, profitably in a safe and sustainable environment for all our stakeholders.

## Our culture

Since inception of the Company, our culture has been to operate in an open and transparent manner and develop a long-term and sustainable business. CAML as a business has been built embracing technology and continues to operate with an enterprising spirit.



## Our values

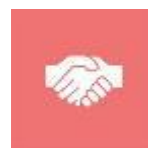
**Health and safety.** The safety of our employees is a core value and we are passionate about protecting the health and wellbeing of our people. We work hard to monitor, assess and mitigate all the risks that could potentially cause harm to our employees. We strive to ensure that every individual within the Company understands that safety is their responsibility.



**Sustainability.** Taking responsibility for sustainable development is our core objective and its importance is considered in each decision that we make. We aim to positively affect our employees and local communities, while minimising any adverse impacts on the natural environment.



**Efficiency and innovation.** We encourage our team to embrace change and commit to continuing to bring technology and innovation together to improve our operations. This approach helps us to use our resources wisely and efficiently in achieving long-term sustainable production.



**Respect and trust.** We encourage open and constructive communications with team members and value collaborative working. We accomplish transparency through honest, fair, and open communication with all key stakeholders built on disclosure, clarity, and accuracy. We are open to recognising our faults and improving practices.

# MATERIAL SUSTAINABILITY TOPICS

## Delivering value through stewardship

Corporate governance, business ethics

Sustainability management

## Maintaining health and safety

Safety

Occupational health and wellbeing

## Focussing on people

Employee retention and development

Diversity and inclusion

## Caring for the environment

Energy usage and climate change

Air quality and pollution

Water usage

Waste management

Rehabilitation and biodiversity



*“Our primary objective is to ensure that sustainability is integrated and embedded in every aspect of our business. Our goal is to create long term value for all our stakeholders and therefore we take our responsibility for ensuring sustainable operations at CAML very seriously.”*

**Nick Shirley,**  
Sustainability  
Director

## Unlocking value for our communities

Community engagement and development

Social investment

Economic value added

Supply chain

# HEALTH AND SAFETY

## Sasa

- 1 LTI (incident with an underground machine)
- 1 MTI (employee cut leg)
- Several recent safety initiatives at Sasa, including
  - Re-formed rescue team comprising 29 employees fully equipped with modern equipment. Nine already externally trained by international experts, plans to complete training of team in H2 2019
  - Design complete for six underground refuge chambers, with five already constructed
  - Purchase of new self-rescuers for all underground miners and training completed
- No occupational health issues identified at Sasa

## Kounrad

- No LTIs or MTIs
  - 653 days since last Kounrad LTI
- No occupational health issues identified at Kounrad

	2019 Sasa	2019 Kounrad	2019 CAML	2018 CAML	2017 CAML*
No. lost time injuries (LTI)	1	0	1	8	0
No. medical treatment injuries (MTI)	1	0	1	0	0
No. recordable injuries (RI)	2	0	2	8	0
Cumulative hours worked**	1.5m	0.8m	2.4m	2.1m	2.1m
Lost time injury frequency rate (LTIFR)	0.66	0.00	0.42	3.76	0.00
Total recordable injury frequency rate (TRIFR)	1.33	0.00	0.85	3.76	0.00

\*CAML only owned Sasa for 2 months of 2017. The figures above reflect a full year's performance for the mine  
 \*\*2018 cumulative hours worked excludes Kounrad contractor hours

## Employment and training

- CAML has 1,039 employees and 191 contractors
  - 698 employees and 105 contractors at Sasa
  - 323 employees and 86 contractors at Kounrad
  - 18 CAML Group employees
- 12% CAML employees are female
- Low staff turnover
  - 10% at Sasa
  - 11% at Kounrad
- 3,277 safety training course attendees in 60 sessions at Sasa
- 5,288 safety training course attendees in 26 sessions at Kounrad
- 279 professional development and vocational training courses held in 2019

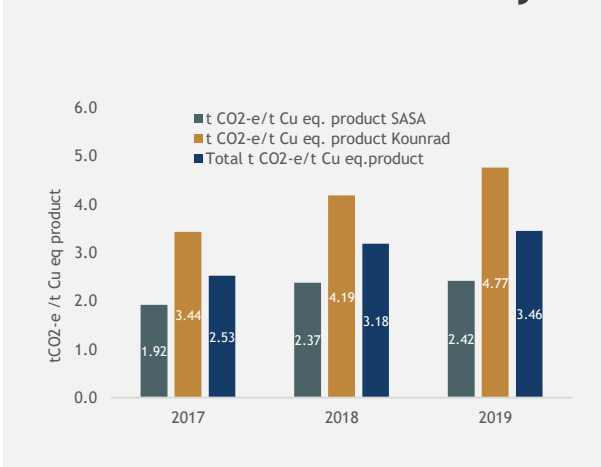


# CARING FOR THE ENVIRONMENT

## Taking our responsibilities seriously

- Zero significant spills at either operation
- Zero air quality exceedances at either operation
- 43% reduction in net water consumption at Sasa due to recycling initiatives
- 17,000 trees planted at Sasa since 2009
- Long term plans in place to store tailings underground
- 2019 CAML carbon emission intensity tCO<sub>2</sub>-e per tonne of Cu equivalent production, 3.46

## Carbon emission intensity

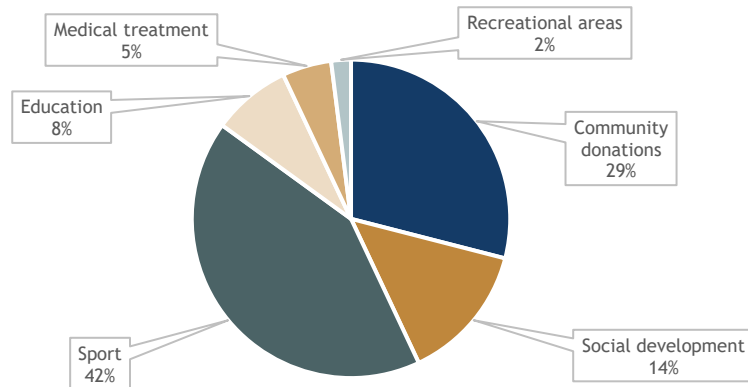


\* CAML only owned Sasa for 2 months of 2017, these figures represent 12 months

tCO <sub>2</sub> -e	2017			2018			2019		
	Scope 1	Scope 2	Scope 1 + 2	Scope 1	Scope 2	Scope 1 + 2	Scope 1	Scope 2	Scope 1 + 2
Sasa	3,008	37,668	40,680	2,850	38,464	41,341	3,034	39,229	42,263
Kounrad	20,452	28,016	48,468	23,767	35,165	58,932	28,020	37,710	65,730
Total	23,460	65,684	89,148	26,617	73,629	100,273	31,054	76,939	107,993

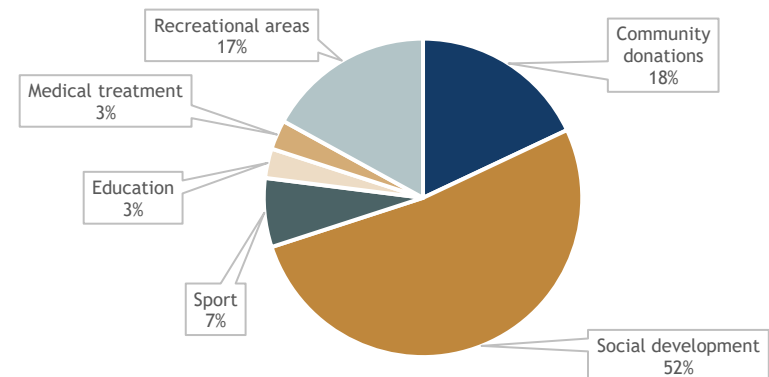
## Sasa 2019 community projects (\$0.3m)

- Establishing engineering training centre in local town, Makedonska Kamenica
- Installation of heating system for local health centre
- Purchase and installation of street workout gym facilities
- Sponsorship of a wide range of children’s sporting groups
- Supporting Youth Camps GLOW & YMLP



## Kounrad 2019 community projects (\$0.3m)

- Building purchase and refurbishment for the Kind Heart Centre for disabled children in Balkhash and construction of a garden and play area
- Support for the local ‘Crisis Centre’, providing refuge for women and children in need of a temporary home
- Repair of a social meeting room for the Kazakh Society of the Blind
- 2019 Kounrad foundation spending of \$0.2m



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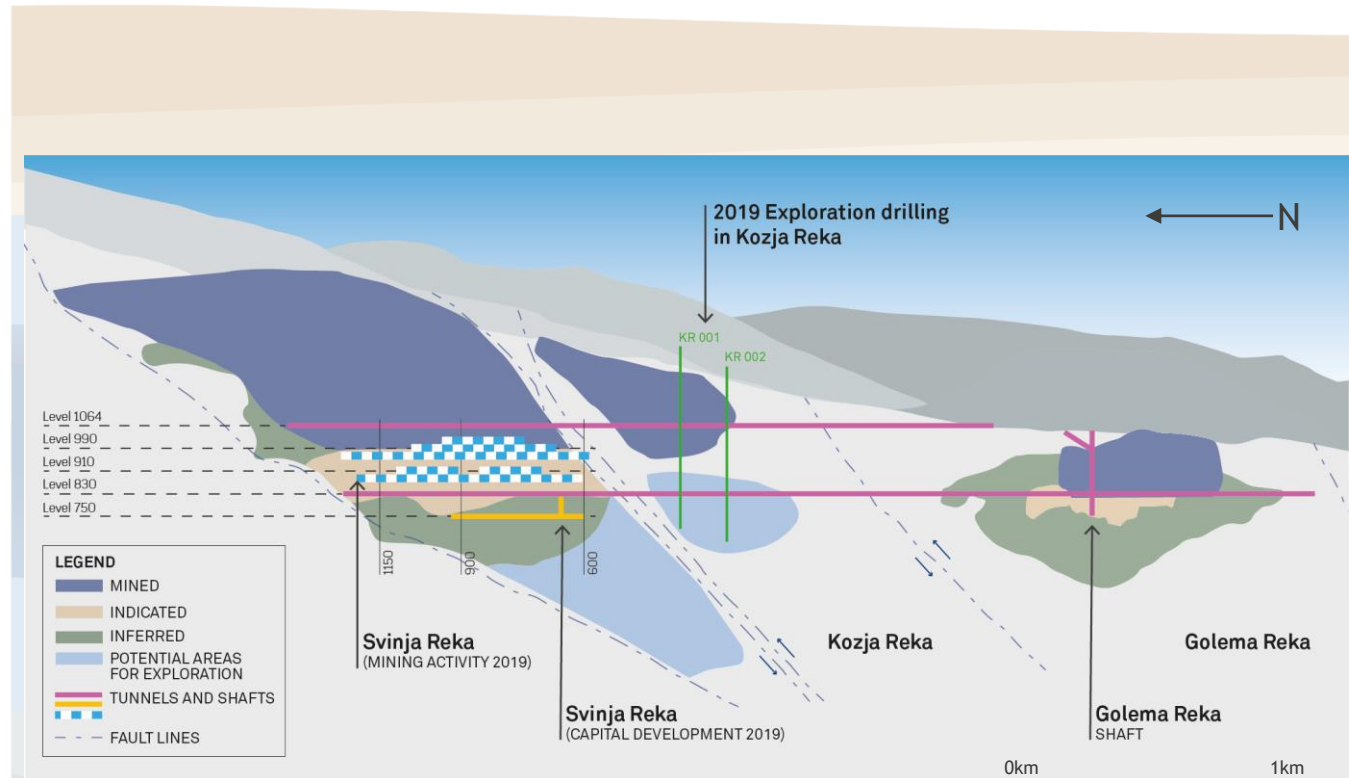
Sasa



# SASA ZINC AND LEAD MINE

## Long life of mine

- Reserves and resources to 2038
- Skarn hosted deposit
- Mechanised underground mine
- Currently, sub-level caving operation
- Single boom jumbos and diesel loaders
- Ore either trucked (30%) or hoisted (70%) to surface
- Main haulage 830 level
- Shaft at Golema Reka



**Svinja Reka**  
Primary orebody  
Area of current production

**Kozja Reka**  
2019 exploratory drilling programme  
(previously mined 1966-1989)

**Golema Reka**  
Indicated and Inferred Resources  
(previously mined 1980-2010)



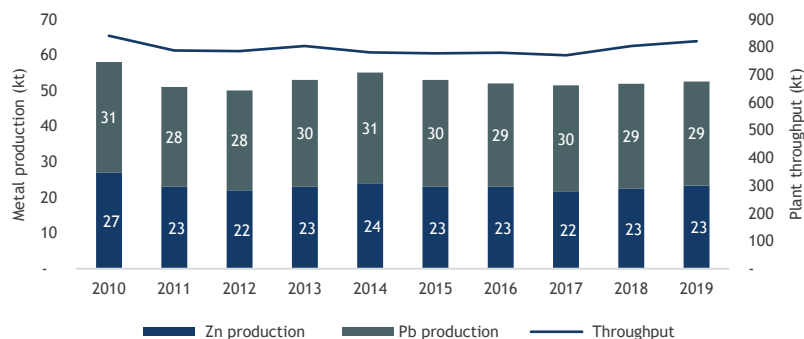
# SASA PRODUCTION UPDATE

## Met 2019 zinc and lead production guidance

- Ore mined, 817,714t
- Zinc in concentrate, 23,369t
- Lead in concentrate, 29,201t

## 2020 production guidance

- Ore to be mined, 825,000t - 850,000t
- Zinc 23,000t - 25,000t
- Lead 30,000t - 32,000t



	Unit	2019	2018	CAML 2017
Ore mined	t	817,714	803,101	134,063
Plant feed	t	820,491	804,749	132,012
Zinc grade	%	3.29	3.31	3.21
Zinc recovery	%	86.5	84.6	85.7
Zinc	t	23,369	22,532	3,625
Lead grade	%	3.77	3.90	3.98
Lead recovery	%	94.5	93.6	94.2
Lead	t	29,201	29,388	4,951

# SASA 2019 IMPROVEMENTS

## Underground mining improvements

- New 3D computer software introduced to modernise systems
  - Deswick for mine planning, Leapfrog for geological modelling, Ventsim for ventilation modelling
- Increased automation planned for UG fleet
  - 'Line of sight' remote control loading planned
  - Utilisation and performance data extraction
- UG fleet review undertaken, replacement programme commenced
  - 6 new units in 2020
  - 3 additional units in 2021, 2022 and 2023

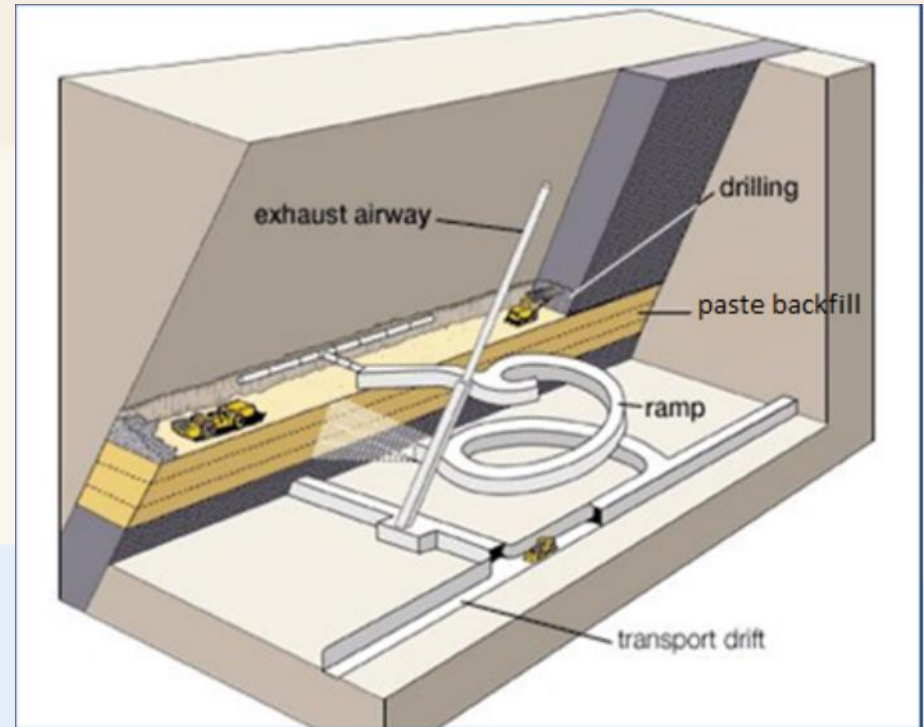
## Processing improvements made

- On site laboratory modernised, improved mill monitoring
- Review of crushing circuit undertaken
  - New secondary crusher installed
  - New tertiary crusher installed



## Transition to cut and fill mining

- Cut and fill generally regarded as a safer mining method than sub-level caving
- +40% of Sasa tailings production to be stored underground as part of 'paste' fill of mined voids.
  - Widely viewed as safer tailings storage solution
  - May no longer require costly future surface TSFs
- A more flexible method, better suited to geometry of Svinja Reka and Golema Reka orebodies, higher recovery and reduced dilution of ore expected
- Geotechnical studies show increasing stresses at depth, need for SLC supporting pillars negated in C&F method
- Detailed engineering studies underway, due H2 2020



## Downstream tailings facilities

- 5 TSFs at Sasa, all of downstream construction
  - Widely viewed as safest design option
- Construction of TSF4 completed 2019
  - Total cost (pre and post CAML), \$16m
  - Designed to contain 6.5+mt tailings
    - Change in mining method to 'cut and fill' may mean no future TSFs to be built
- Regular review of Sasa tailings storage by Stip University experts
- Construction of TSF4 new facility in accordance with North Macedonian standards
- 2016 Golder Associates (global tailings dam experts) audit/review of Sasa tailings dam
- 2019 Golder Associates completed additional Sasa tailings dam audit, following Brazil dam failure
- Full Church of England Pension Board disclosure



For more details, see: <https://www.centralasiametals.com/sustainability/tailings/>

# SASA RESOURCES, RESERVES AND EXPLORATION

## Svinja Reka

- 812,235t material depleted from ore reserve
- 4,538m infill drilling in 2019
  - Between 830 and 750 levels
  - 818,545t of Inferred Resources converted to Indicated category

## Golema Reka

- No 2019 drilling

## Kozja Reka

- 1,368m exploratory drilling in 2019
  - Below 830m level
  - 3 holes
    - 6m at 6.17% Pb and 7.15% Zn
    - 2m at 6.51% Pb and 7.94% Zn
    - 4m at 3.27% Pb and 2.39% Zn

## 2020 plans

- Svinja Reka, 7,500m
- Kozja Reka, 3,000m

	Deposit	Tonnage (mt)	Pb grade (%)	Pb metal (kt)	Zn grade (%)	Zn metal (kt)
Indicated Mineral Resources	Svinja Reka	12.3	4.76	587	3.70	456
	Golema Reka	1.3	3.80	48	1.61	20
	Total Indicated	13.6	4.66	635	3.50	476
Inferred Mineral Resources	Svinja Reka	2.0	3.16	63	2.33	47
	Golema Reka	6.3	3.50	217	1.40	86
	Total Inferred	8.3	3.38	280	1.60	133
Total Indicated and Inferred Resources		21.9	4.17	915	2.80	609

	Deposit	Tonnage (mt)	Pb grade (%)	Pb metal (kt)	Zn grade (%)	Zn metal (kt)
Probable	Svinja Reka	8.9	3.91	348	3.08	274
Total Ore Reserves	Svinja Reka	8.9	3.91	348	3.08	274

Depleted Ore Reserve and Mineral Resource estimates prepared by Sasa technical services team, December 2019, JORC (2012)

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Kounrad

A photograph of an industrial facility at dusk or night. The sky is a deep blue. In the foreground, there are several large, shallow basins or ponds, some of which are filled with water and reflect the lights from the buildings. The industrial buildings are large, rectangular structures with a mix of blue and grey facades. Several windows and doors are illuminated from within, casting a warm glow. A tall, thin tower with a bright light at the top stands on the left side of the image. The overall scene is industrial and modern. At the bottom of the image, there is a decorative graphic consisting of several horizontal, wavy bands of color: a dark blue band at the very bottom, followed by a light blue band, a yellow band, a light orange band, and a dark orange band at the top of the graphic.

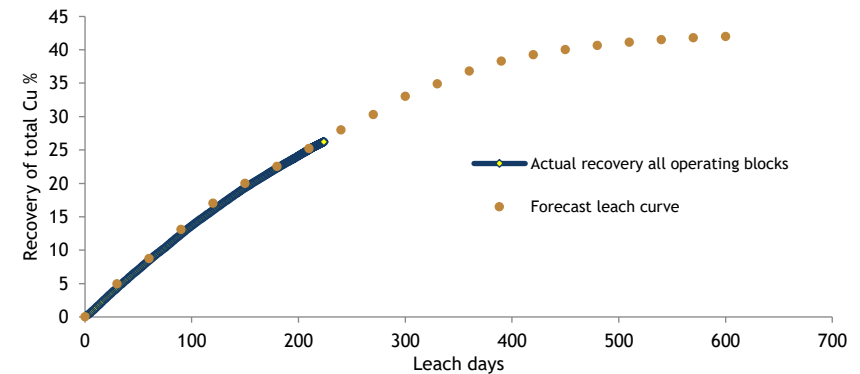
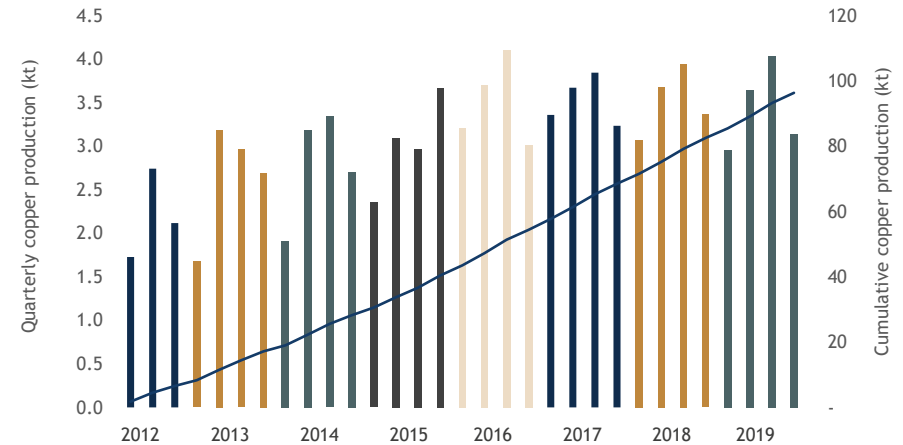
# KOUNRAD OVERVIEW



# KOUNRAD PERFORMANCE

## In-situ dump leach and SX-EW plant

- Exceeded 2019 production target
  - 2019 copper production, 13,771t
  - 2020 guidance, 12,500t-13,500t
    - 75% to be leached from Western Dumps
- Eastern Dumps
  - Average dump height 20m
  - Average leach time 8 months
  - Average copper recovery 45-50%
- Western Dumps
  - Average dump height 40m
  - Average leach time 20 months
  - Average copper recovery 35-42%





# KOUNRAD 2019 OPERATING STATISTICS

	2012	2013	2014	2015	2016	2017	2018	2019
LTI	0	0	1	2	0	0	2	0
Cu production, t	6,586	10,509	11,136	12,071	14,020	14,103	14,049	13,771
Ave. PLS, m <sup>3</sup> /hr	383	532	771	784	888	921	993	985
PLS grade, gpl	3.9	3.0	2.2	2.3	2.4	2.5	2.2	2.2
Plant availability, %	96.9	99.3	98.7	99.1	98.6	99.5	99.5	99.6
Irrigation area, ha	15.3	17.2	28.1	33.1	35.9	39.2	54.3	56.2
Employees	211	224	254	276	300	343	340	336
Cathode purity, %	99.997	99.998	99.998	99.998	99.998	99.998	99.998	99.998

## 2019, stable operations

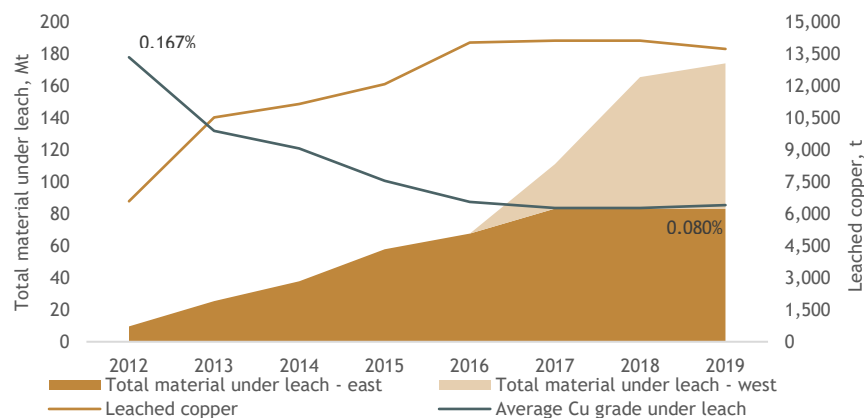
- 2019 no LTIs
  - LTI free hours 1,339,759
- \$1.6m capex invested at Kounrad
- Western Dumps contributed c.68% of 2019 production
- Production continues to be in line with leach curves
- 99.6% record plant availability, reflects positively on-site management
- High quality cathode product

# KOUNRAD SCALE OF LEACHING OPERATIONS

## Dripper network from London to Nur-Sultan

- Average copper grade under leach stable
- Leach application rate of 2.5-3 l/hr/m<sup>2</sup> is optimal
- 68% of 2019 copper production from Western Dumps
  - 2018: 64%
- Increasing contribution from the Western Dumps up to 75% in 2020

Year	Ave area under leach, ha	Total installed drippers, km	Total material under leach, Mt	Average grade under leach, %	Annual Cu, t
2012	15.29	685	9.64	0.167	6,586
2013	17.19	1,300	24.98	0.123	10,510
2014	28.06	1,891	37.94	0.113	11,136
2015	33.05	2,865	58.95	0.094	12,071
2016	35.90	3,900	69.25	0.082	14,020
2017	39.20	4,676	110.99	0.078	14,103
2018	54.31	5,281	165.25	0.078	14,049
2019	56.23	6,089	173.93	0.080	13,771



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# Outlook



# CAPITAL ALLOCATION

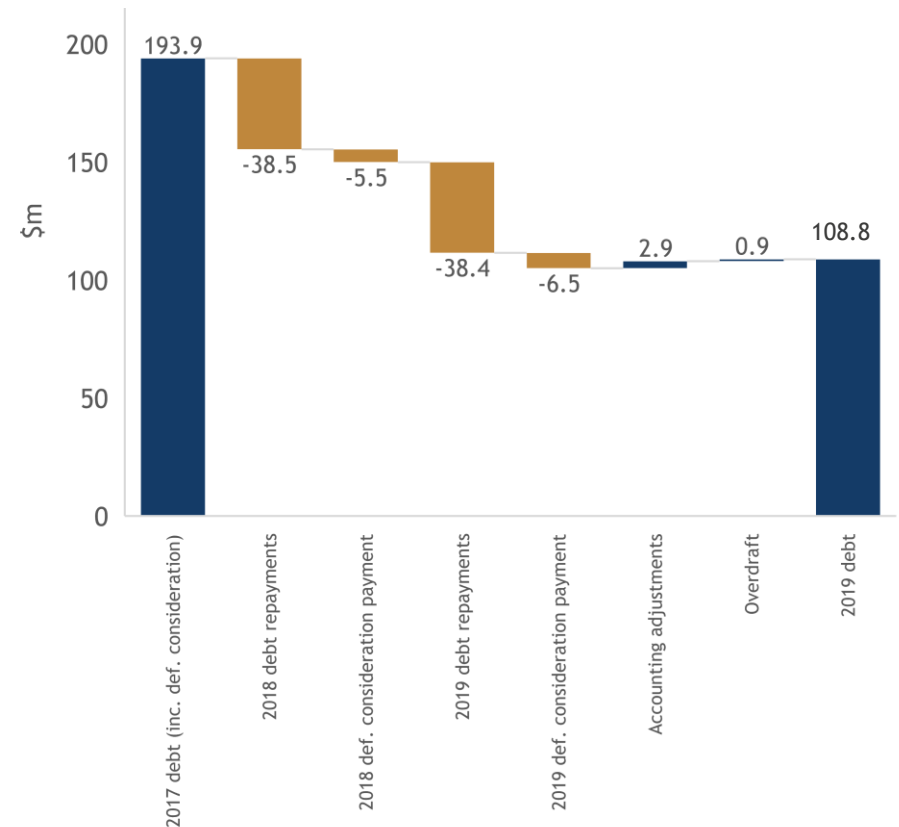
## Returns to shareholders

- Remains an important component of our capital allocation philosophy
- No 2019 final dividend recommended due to cash preservation in the face of the COVID-19 pandemic
- Therefore, 2019 total dividend (i.e. interim), 6.5p
  - c.4.5% dividend yield at current share price
- Total dividends since 2012, \$176m or 98p

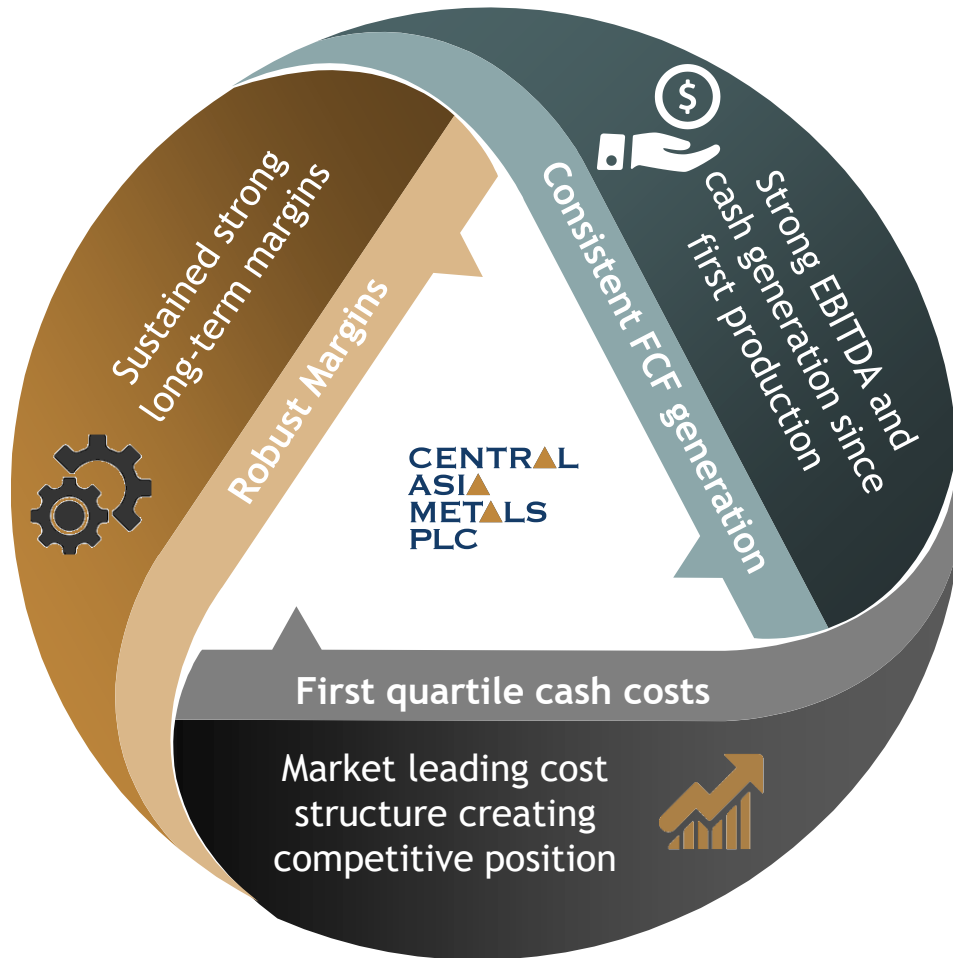
## Growth opportunities

- Business development activities currently on hold due to COVID-19 pandemic
  - Size and liquidity are becoming more important considerations
  - Looking to acquire with manageable balance sheet implications
  - Attractive commodity exposure (ideally copper)

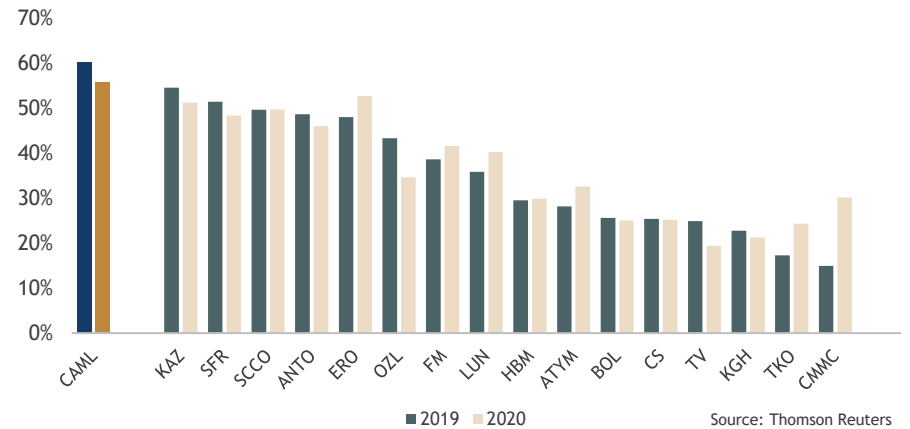
## Deleveraging



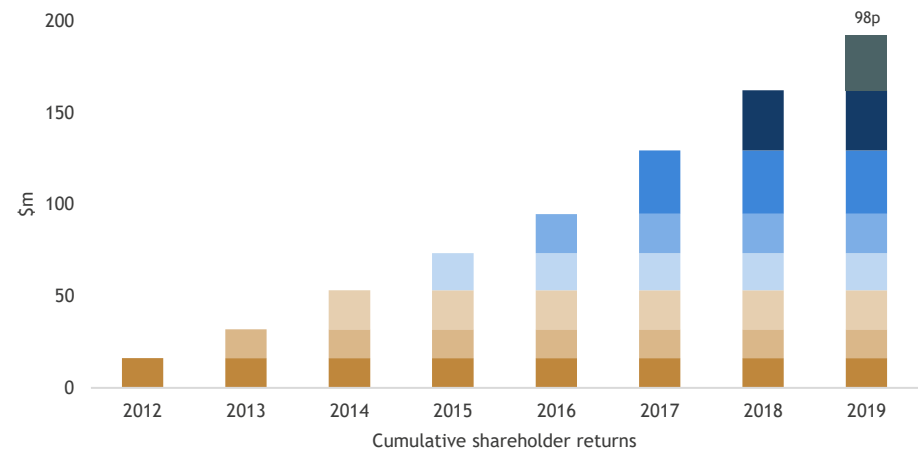
# DELIVERING VALUE FOR SHAREHOLDERS



## Industry leading EBITDA Margins



## Long-term dividend track record





Kounrad 2020 copper  
production guidance

12,500-13,500t

Sasa 2020 zinc  
production guidance

23,000-25,000t

Sasa 2019 lead  
production guidance

30,000-32,000t

## Global uncertainty related to COVID-19 pandemic

### CAML is a sustainable business

- Strong operational performance
- Strong margins and free cash flow generation
- Low cost base metal production
- Products essential for modern living
- Diversified
  - Metals (copper, zinc, lead)
  - Geographies (Kazakhstan, North Macedonia)
- Strong balance sheet
  - Rapidly deleveraging
  - Preserving cash balances
- Focus on employee welfare



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## CONTACT DETAILS

### DIRECTOR OF CORPORATE RELATIONS

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**Louise Wrathall**  
Sackville House  
40 Piccadilly  
London W1J 0DR

[louise.wrathall@centralasiametals.com](mailto:louise.wrathall@centralasiametals.com)  
+44 (0) 207 898 9001

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<https://www.centralasiametals.com/>

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# Appendix

The background image shows an industrial facility at dusk or night. A large, multi-story building with a blue and grey facade is illuminated from within, with several windows glowing. A tall, slender tower with a bright light at the top stands to the left. In the foreground, there are large, shallow basins or ponds, some of which are filled with water, reflecting the lights from the building and the tower. The sky is a deep blue. At the bottom of the image, there is a decorative graphic consisting of several horizontal, wavy bands in shades of orange, yellow, and blue.



# CENTRAL ASIA METALS (CAML) OPERATIONS



**NORTH MACEDONIA**

- Population, 2.1 million
- GDP per capita, \$6,143



**KAZAKHSTAN**

- Population, 18.3 million
- GDP per capita, \$11,165



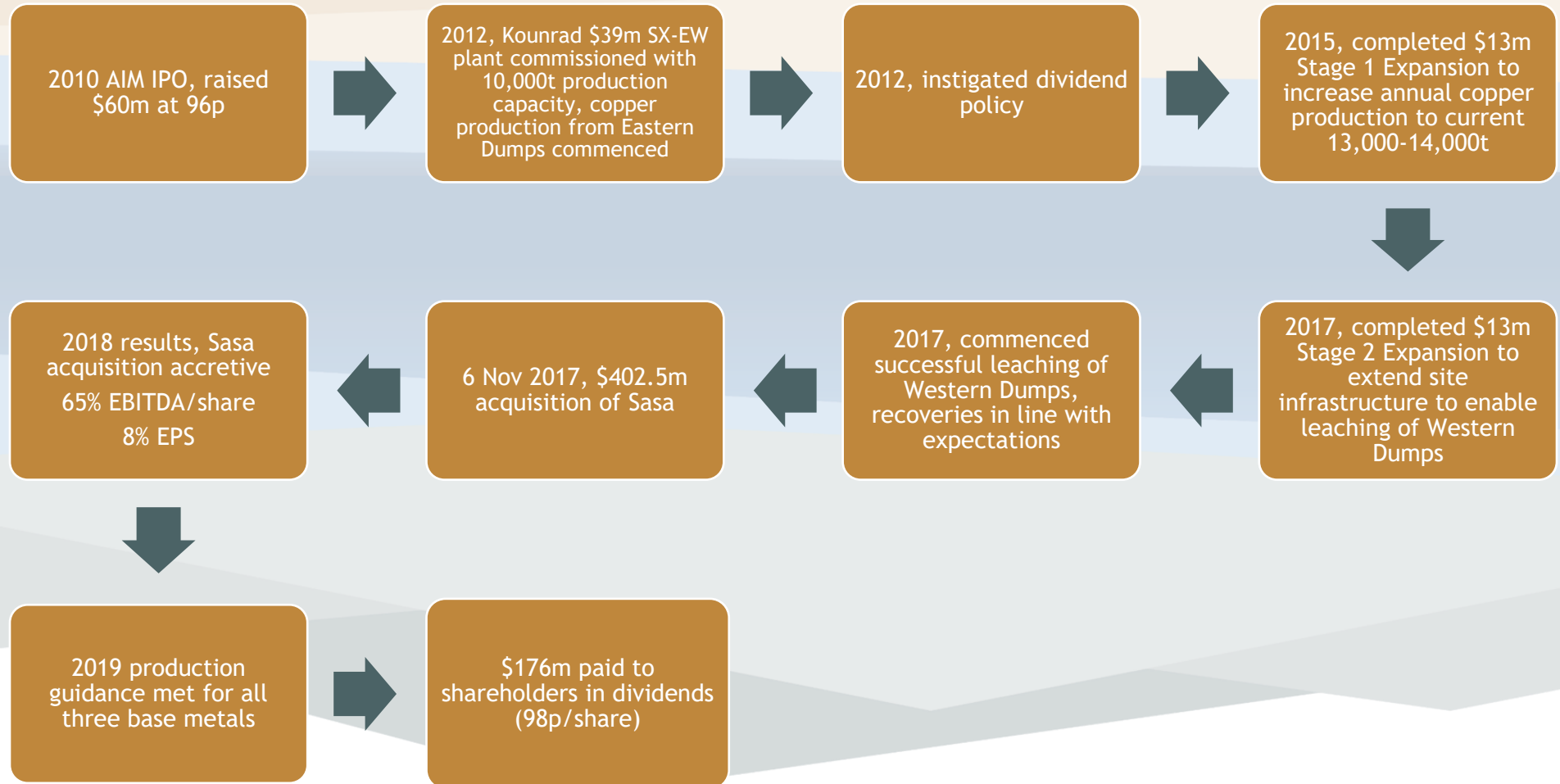
**SASA (100%)**

- Underground zinc and lead mine, northeast North Macedonia
- Production commenced in 1960's
- Produces 23,000-25,000t zinc and 29,000-32,000t lead in concentrate annually
- Life of mine to 2038+
- 2019 production, 23,369t zinc and 29,201t lead

**KOUNRAD (100%)**

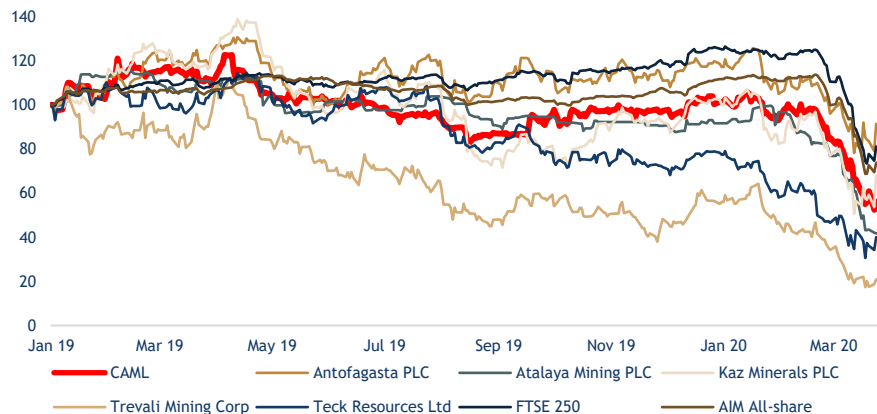
- In-situ dump leach and SX-EW processing facility, central Kazakhstan
- In production for 7 years
- Produces 12,500-14,000t copper, one of the lowest cost producers globally
- Life of operation to 2030+
- 2019 production, 13,771t copper

# CAML ACHIEVEMENTS

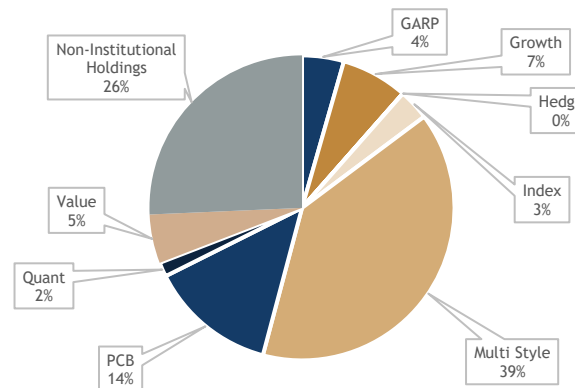


# SHARE PRICE / SHAREHOLDERS

## Share price performance versus peers



## Shareholder investment styles



Share price (AIM:CAML)	£1.44*
Total no. voting shares	176,026,619
Treasury shares	471,647
Issued shares	176,498,266
Market capitalisation	£254m
Free float	94%
Average daily volume	0.3m

\*as closed on 30 March 2020

Shareholders	No. shares	% holding
JO Hambro Capital Mgt	17,751,417	10.08
Orion Mine Finance	15,248,528	8.66
FIL Investment International	14,955,458	8.50
BlackRock Investment Mgt	13,597,370	7.72
Polar Capital	7,468,180	4.24
AXA Investment Mgrs	7,150,000	4.06
Canaccord Genuity Wealth Mgt	7,124,968	4.05

# BOARD OF DIRECTORS



# COPPER - LONG-TERM FUNDAMENTALS INTACT

## Price volatility driven by global macro factors

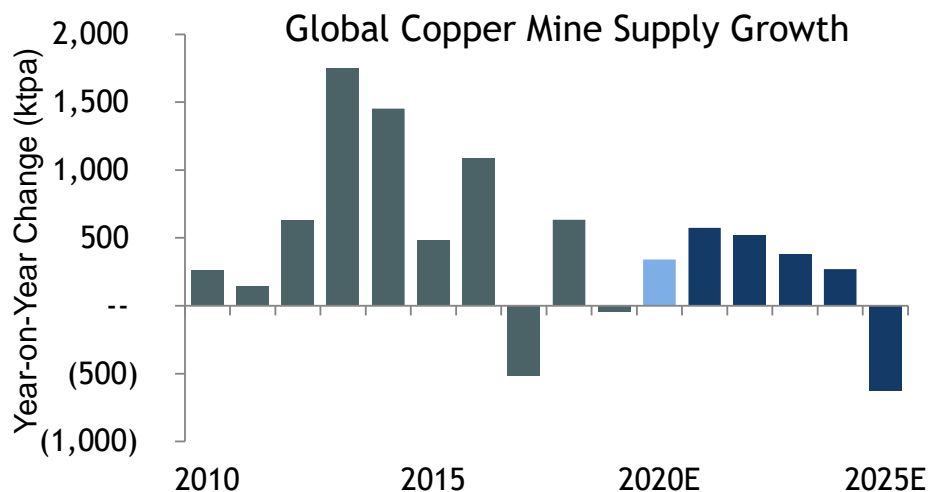
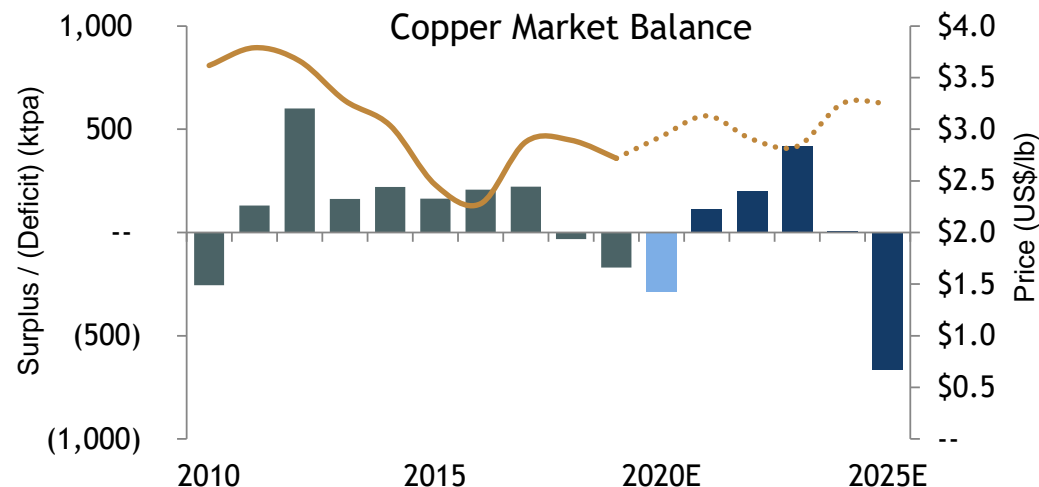
- Price heavily influenced by US-China trade war in 2019 and COVID-19 in 2020
- Significant 2020 Chinese stimulus expected to counteract effect of COVID-19 and hit 10 year target of doubling income per capita

## Market in deficit despite weaker demand

- Despite weaker Chinese demand, supply growth of less than 1% meant copper was in deficit in 2019
  - global inventories declined c.100kt
- Expected 2020 deficit of c.290kt
  - would be 3<sup>rd</sup> consecutive annual deficit
- Potential demand growth to be aided by acceleration of Chinese construction project completions and increased penetration of renewable energy and EVs

## Increased incentive price

- Future mines expected to be higher cost and/or lower grade
  - cost curve expected to steepen over time



Sources: Bloomberg, ICSG, BMO Capital Markets

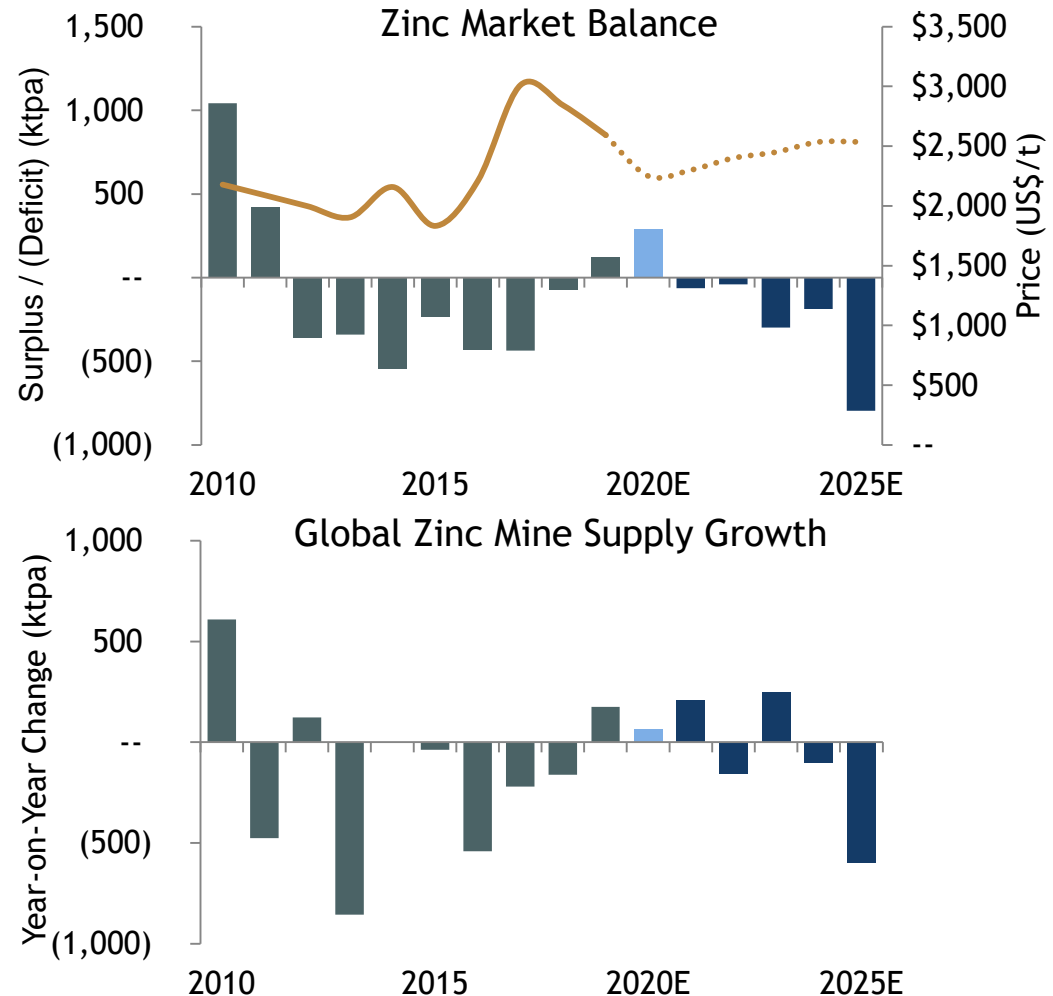
# ZINC - 2019-20 SURPLUS TRANSITORY

## Supply fundamentals support transition to deficit despite weaker demand

- 2019 was 2<sup>nd</sup> consecutive year of global zinc demand decline
- Chinese smelter bottleneck resulted in low zinc inventories and a surplus in the global concentrate market
- High cost mine supply under pressure from low prices and spot TCs of ~\$300/t
  - TCs trending upwards
- Limited long term supply growth expected beyond projects that are currently ramping up
  - Expected to generate a deficit in the longer term

## Chinese environmental policy constraints positive for ex China supply

- China continues to focus on environmental inspections at domestic mines
- Current Chinese mine supply forecasts are likely too high for the coming years



Sources: ICSG, BMO Capital Markets

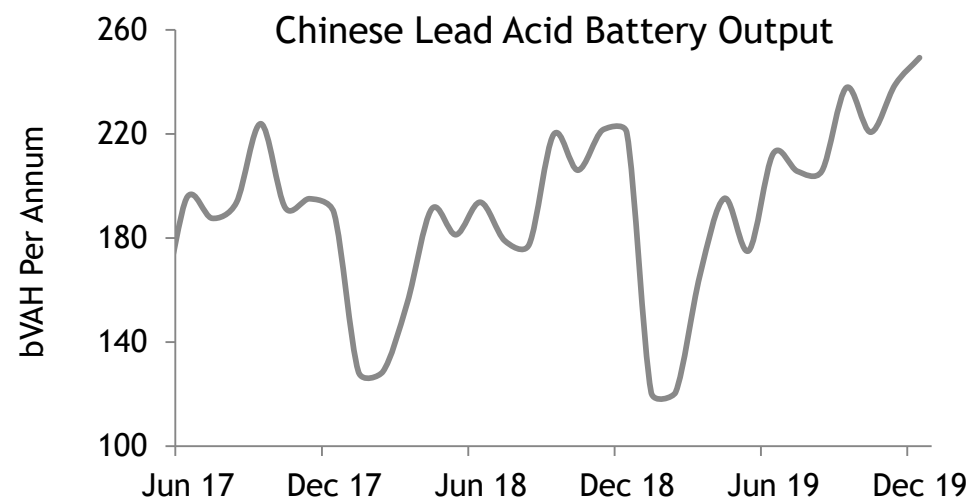
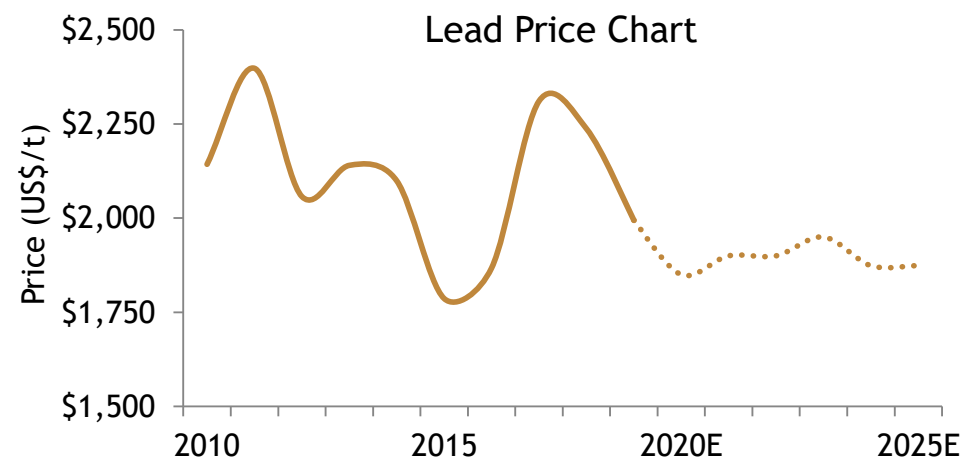
# LEAD - AUTO DEMAND FACING MACRO HEADWINDS

## Supply growth to be muted in 2020

- Unlikely to be significant additions to mined lead supply in 2020
- Treatment charges for lead have been rising
  - spot TCs for imported material into China now \$125/t vs \$20/t in August 2019
- China is becoming increasingly dominant in the lead global supply chain.
  - China's lead production was up 3.3% YoY to October 2019

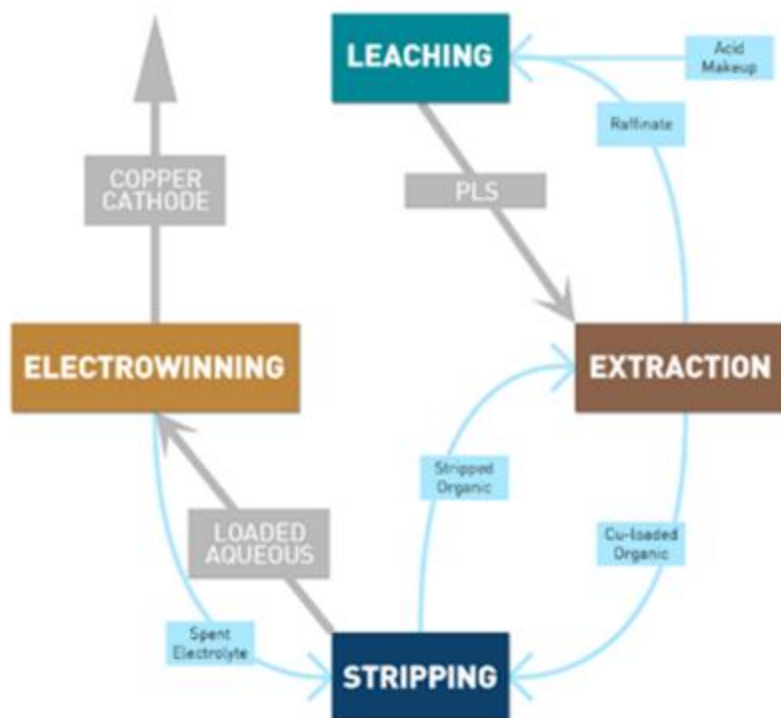
## Demand to increase....but risk to downside

- Demand for automotive batteries is crucial for consumption in 2020
  - restoration of Chinese demand following COVID-19 will be a key driver
- Visible lead inventories generally low relative to consumption
- 2.3% increase in global automotive lead consumption is forecast in 2020



Sources: Wood MacKenzie, BMO Capital Markets

# KOUNRAD RESOURCE AND TECHNOLOGY



Category	Quantity, Mt	Grade (%)	Contained copper, kt
Eastern Dumps			
Indicated	89.7	0.10	85.8
Inferred	79.6	0.10	81.7
<b>Total</b>	<b>169.3</b>	<b>0.10</b>	<b>167.5</b>
Western Dumps			
Indicated	296.4	0.10	282.4
Inferred	181.5	0.09	164.3
<b>Total</b>	<b>477.9</b>		<b>446.7</b>
<b>Total East and West</b>	<b>647.1</b>		<b>614.2</b>

Prepared by Wardell Armstrong in June 2017  
c. 96,000t copper has been extracted from dumps



# KOUNRAD, PLS AND GROUNDWATER MODEL

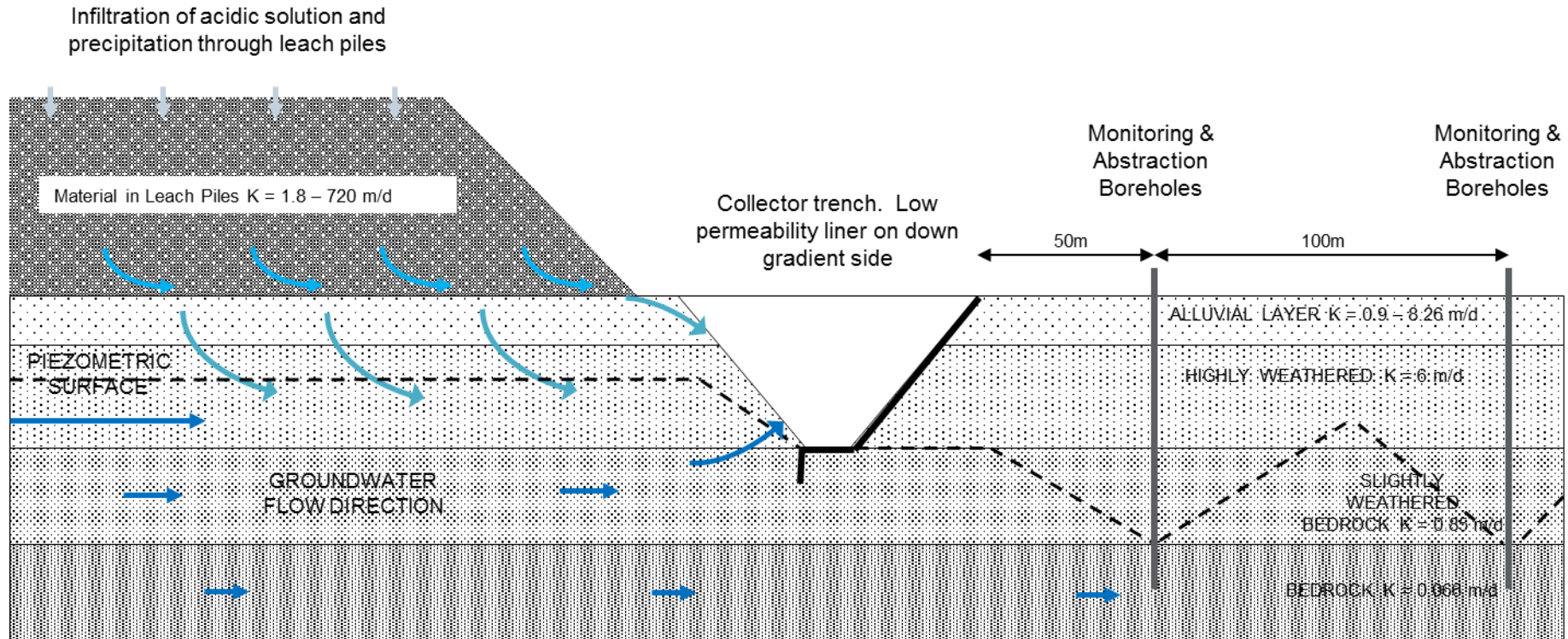


Diagram not to scale

# SASA PROCESSING FLOW SHEET

