



## Production of gold in Kazakhstan



## Location

Aktobe region



## Product

Reserves	<b>200 tons of gold</b>
Global demand	<b>4,356 tons</b>



### The Project

- The Project involves exploration works on Sholak-Kairaktinsky gold-ore region, followed by further JORC assessment and gold production
- The Company owns a license for exploration of solid minerals dd. August 2019, for the period of 6 years (Sholak-Kairaktinsky gold-bearing area - an area of 62 blocks, which in total is 141 sq.km)
- The Company owns field stationary rotational camp, technical base, office, and mineralogical laboratory
- During geological exploration works 5 types of gold mineralization have been established: 1) alluvial placers associated with ancient river valleys, 2) eluvial placers (gold-bearing weathering crusts), 3) gold-porphyry objects associated with intrusions of quartz diorites, 4) numerous quartz-vein formations represented by large gold-quartz veins that form vein fields and small-skinned stockwork fields
- At each type of gold mineralization, nuggets were collected and concentrate gold was obtained. Reserves on the whole area are estimated to be 200 tonnes. At the same time, on the quartz-vein type, only one vein field has forecast resources of 57 tons of metal. This gold-bearing area at their geological characteristics similar to the gold mining districts such as Kochkarskogo, Kumanskii, Bereznyaki (Russia), located in the same belt and similar to the gold-porphyry Deposit ""Yubileynoye"" (Kazakhstan), located 100 km from the license area



### The Market

- Despite the overall adverse effect of COVID-19 pandemic over the global mining operations, gold prices have risen for 33% in 2020 as compared to 2019 and are projected to sustain on \$1700-1800 per Oz in the coming 2-3 years
- In the mid-term, gold prices are forecasted to keep high, fueled by investor's desire to seek safe-haven assets at times of economic recovery. Long-term gold price forecasts also remain largely optimistic with the gold production levels to recoup in the 2021-2022
- Gold mining companies managing open-pit deposits (which are largely dependent on diesel) and operating in countries with significantly devalued currencies, experienced increase in gross margin due to falling oil prices and strengthening of USD
- In 2021, Kazakhstan in introducing a new government support instrument called "strategic investment agreement" which provides tax benefits and stable tax and legal framework for the term of contract validity



### Capital contribution

- The amount of US\$350 thousand was already invested into the development of project



### Investment Opportunity

- The company is looking for potential strategic or financial partner. The amount of investments and share in a project are subject to negotiations