

Severnii Katpar & Verkhnee Kairaktinskoye Tungsten deposits

Investment structure

- The company is interested in finding a partner for the joint implementation of the Severnii Katpar and Verkhnee Kairaktinskoye project ("Project")
- The Company considers different partnership options, including sale up to 100% participation interest in the Project
- A 60/40% debt/equity financing capital structure is planned for the Project

Investment opportunity

- The combined reserves of the deposit are about 1.3 million tons of WO₃ according to the GKZ standard
- The deposits can be developed by open pit mining. At the same time, the Verkhnee Kairaktinskoye deposit has a low stripping rate
- Proximity to China and Asian markets (the world's largest rare metals consumers)
- An experienced management team with an extensive background in mining sector of Kazakhstan
- The Company has stable funding from SWF 'Samruk-Kazyna' to finance Project implementation and development

Company overview

- Tau-Ken Samruk is the national operator of mining assets in Kazakhstan
- It was founded by the Government of Kazakhstan in 2009 to ensure the effective use of the country's natural resources and promote its minerals assets to local and foreign partners that have expertise in exploration, development, production, processing
- The Company is wholly owned subsidiary of SWF Samruk-Kazyna, the management holding of state assets in Kazakhstan

Cautionary note: This brochure contains certain forward-looking statements, meaning they are based on information currently available to Tau-Ken Samruk, providing no assurance in the actual results. Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results relating to, among other things, results of exploration, project development, reclamation and capital costs of Tau-Ken Samruk's mineral properties could differ materially from those currently anticipated in such statements for many reasons such as: changes in general economic conditions and conditions in the financial markets; changes in demand and prices for minerals; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; technological and operational difficulties encountered in connection with Tau-Ken Samruk's activities; and other matters. This list is not exhaustive of the factors that may affect any of Tau-Ken Samruk's forward-looking statements.

Severniy Katpar & Verkhnee Kairaktinskoye Tungsten deposits

General overview

- Location: Shetsky district of Karaganda region. The distance between the deposits is 30 km along an asphalt road.

Severniy Katpar

- The deposit was discovered in 1971. Detailed exploration at the deposit was carried out from 1987 to 1993. and was resumed in 2018 for verification drilling. The reserves of the deposit were put on the state balance sheet in accordance with the State Reserves Committee in 1993 and revalued in 2020.
- Depth mineralization is up to 400 m, thickness of ore bodies varies from 10 to 370 m.
- Main mineral - sheelite in scarn and limestone.
- Key project parameters: a) LoM - 17 yrs (open pit to the depth of 380 m from the surface); b) processing capacity - 3 mln. tonnes per annum; c) stripping ratio - 1.5 tn/m³; d) production capacity - 4.2 ths. tonnes of WO₃ in APT.



Approved reserves of the Severniy Katpar & Verkhnee Kairaktinskoye deposits according to the GKZ

Verkhnee Kairaktinskoye

- Detailed exploration work has been carried out on the deposit during 1950–1982. The resources of the deposit were approved four times, the last time the resources were approved by GKZ in 2021.
- Main minerals are sheelite and wolframite.
- Key project parameters: a) LoM - 30 yrs (open pit to the depth of 380 m from the surface); b) processing capacity - 7 mln. tonnes per annum; c) stripping ratio - 0.194 tn/m³; d) production capacity - 8.2 ths. tonnes of WO₃ in APT.

	Unit	Severniy Katpar C ₁ +C ₂	Verkhnee Kairaktinskoye A+B+C ₁
Ore	Mt	47.7	850.5
Metal grade			
WO ₃	%	0.231	0.148
Mo	%	0.038	0.005
Bi	%	0.021	0.022
Cu	%	0.159	--
Metal quantity			
WO ₃	Kt	110.30	1 261.4
Mo	Kt	18.24	43.1
Bi	Kt	9.94	186.6
Cu	Kt	71.61	--

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Severniy Katpar & Verkhnee Kairaktinskoye Tungsten deposits

Project description

The following works have been carried out under the Project since 2015:

Severniy Katpar

- A complex of exploration works was completed, including drilling of verification (13 400 line meters) and geotechnical wells, chemical and analytical studies were carried out in 2018, and a block model of the field was updated
- The mineral resources of the deposit were assessed in accordance with the JORC code (2012) by Engineering of Mineral Resources LLC
- Industrial tests for Severniy Katpar ore were carried out at the BGRIMM Institute in 2017. As a result, a technological regulation was drawn up
- A mining plan and a liquidation plan have been developed and approved by the competent authorities
- The report on groundwater reserves was approved as part of geological exploration work in terms of hydrogeology
- The development of a preliminary feasibility study (Pre-feasibility Study) of investments for the implementation of the project has been completed
- The development of a feasibility study for investments in the construction of the mining and processing plant, as well as a Feasibility Study report, including an assessment of the reserves of the deposit, reflecting the assessment of mineral resources according to the standards of the JORC Code (2012) and KAZRC, is planned to be completed in 2023

Verkhnee Kairaktinskoye

- A complex of exploration works was completed, including drilling of verification (15 000 line meters) and geotechnical wells, chemical and analytical studies were carried out in 2018, and a block model of the field was updated
- Mineral Resource assessment completed in accordance with the JORC code (2012)
- Based on the conducted hydrogeological studies, the balance reserves of groundwater of the Mashuranskoye deposit were re-evaluated
- Technological tests for preliminary separation of ore by three different methods have been completed
- A complex of engineering surveys was completed in the amount necessary to develop a feasibility study for investments in the implementation of the project at the field
- The report on groundwater reserves was approved as part of geological exploration work in terms of hydrogeology
- Completed additional technological tests for preliminary separation of ore, laboratory and enlarged tests for flotation
- Heap leaching process tests completed
- Research and development work with the development of technological regulations for the design of an enrichment plant and a hydrometallurgical plant is planned to be completed in 2022
- The development of the Feasibility Study report, which includes an assessment of the reserves of the deposit, reflecting the assessment of mineral resources according to the standards of the JORC Code (2012) and KAZRC, is planned to be completed in 2023

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