



## Development of the Aksoran deposit

### Products

Average annual capacity:

- 5,019 tonnes of tungsten in scheelite concentrate;
- 227 tonnes of molybdenum middlings.

### Project investment attractiveness :

Investment – US\$ 117,868 thousand  
 Project NPV – US\$ 112,177 thousand  
 IRR – 29.4%  
 Payback period – 5.6 years

### Project

The Project envisages the construction of a mining complex to be based on the Aksoran molybdenum-tungsten ore deposit, the largest in Kazakhstan, for the production of tungsten in scheelite concentrate and molybdenum middlings. The plan is to employ a sublevel caving method for the development of the deposit, with an end ore drawing and further ore flotation.

### Company

The project initiator is Yessil-Mining LLP, whose core activities are neological exploration and survey. The Initiator holds license No. 2-ML dated 31 March 2020 for mining at the Aksoran deposit (until 2045).

### Market

- According to the forecast of Chromatus Consulting, the world tungsten market is expected to show a stable growth trend from 3.27 US\$ billion in 2020 to 5.28 US\$ billion in 2028 with a CAGR of 6.35% for this period.
- Global tungsten production is on an upward trend despite the 2020 crisis caused by the COVID-19 pandemic, when production volumes increased slightly by 0.2% (84,000 tonnes) compared to 2019 (83,800 tonnes).
- According to Mordor Intelligence forecast, molybdenum consumption will increase from 247 thousand tonnes in 2020 to 303 thousand tonnes in 2025 with a CAGR of 4% for this period.

### What is the project's attractiveness?

- **Reserve evaluation.** An estimate of the deposit reserves is available from the Committee of Geology based on local KAZRC standard; JORC Code compliant estimate was also made. The reserves were recognized in the State Register of Reserves in 2019. Aksoran is known to be one of the richest tungsten deposits in Central Asia.
- **Contacts with potential customers.** The Initiator received letters of interest to purchase his products from businesses located in China, Russia, Germany, Austria and Singapore.
- **Geographic position.** The Project has an advantageous location in terms of geographic proximity to China, the main consumer of tungsten.

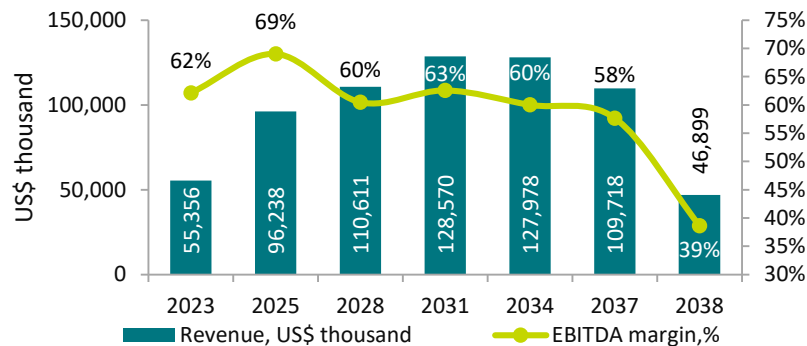
### Investment proposal

The Project requires investment of US\$ 117,868 thousand, of which:

- 50% (58,934 thousand USD) – debt financing subject to collateral;
- 20% (23,574 thousand USD) – shareholder's equity;
- from 30% (35,360 thousand USD) – investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

### Project profitability



### Project location

