Ben Jones Investments
Equity Research

ANGLO ASIAN MINING PLC

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Ticker AAZ (AIM London)
Price GBp 185.00
Sector Materials, Mining
Website http://www.angloasianmining.com

Facts & Figures

Price Target	559 GBp BUY
Market Cap	£212m GBP / $282m USD
P/E ratio	22.5 (TTM) / 3.8 (FWD)
P/B ratio	4.5
Debt / equity ratio	32.3%
Dividend yield	0%
Resources	300 koz gold & >1.3 Mt copper (>20 years mine life)
Average Daily Trading Volume	85,986

$m	FY 2024	2025 est	2026 est
Revenue	40	138	333
Net income	-17	29	122
FCF	-2	29	126

Target

- **AAZ is up 198% since our initial report was released in July 2023**, and we see considerable upside ahead. In our report, **we raise our base case price target from £3.70 last year to £5.59 and maintain AAZ as a BUY.**
- Price uplift comes from higher metal prices and greater certainty of production following successful mining commencements at two transformational mines, Gilar and Demirli.
- With long-run copper prices at $4.50/lb ($5.14/lb today), we have a share price target of £5.59
- **We have a share price target above £8.00 if copper averages $5.50/lb** over the long-run, as forecast by Citi and BAML.
- Anglo owns 6 properties we see priced as free options.

Share Price Targets

Ben Jones Investments discounted cash flow (DCF) model suggests the following range of share price expectations (in £ / share) depending on prevailing average gold and copper prices.

Copper Price $/lb

Gold Price $/oz	3.00	3.50	4.00	4.50	5.00	5.50
2600	1.03	2.41	3.79	5.16	6.54	7.92
2900	1.25	2.63	4.00	5.38	6.76	8.13
3200	1.47	2.84	4.22	5.59	6.97	8.35
3500	1.68	3.06	4.44	5.81	7.19	8.56
3800	1.90	3.27	4.65	6.03	7.40	8.78
4100	2.11	3.49	4.87	6.24	7.62	9.00

Discount rate 8% , GBPUSD 1.3000

Key Opportunities

- Anglo has two producing assets that are undervalued by the market, as well as three identified development opportunities and numerous exploration opportunities that are not being valued by the market at all. We see Anglo as an undervalued company with multiple free options attached.
- Demirli is now a producing asset, capable of delivering 15-20 kt copper per year over an initial 10-year mine life. We believe this mine adds about $220m of value to Anglo's market cap, which the market is still underappreciating.
- We expect Anglo to develop three new mines (without raising equity) over the next 5 years which will boost copper production from 2.1kt in 2023 to around 40kt per year from 2028.
- Anglo has 300 koz gold and > 1 Mt copper of JORC resources
- We expect FCF to improve from $-2m in 2024 to around $126m in 2026 at $4.50/lb copper. That would represent a FCF yield of 45% on today's market cap.
- Anglo has >20 years' worth of mine life excluding future exploration opportunities.
- Anglo has significant exploration opportunities across all its contract areas including South Demirli and Xarxar 2.
- Anglo operates solely within Azerbaijan which has a mining friendly government and has seen no term changes to agreements since they were first signed in 1997.

Key Risks

- Copper and gold prices can be volatile and may suffer in a global recession.
- Conflict between Azerbaijan and Armenia ended in 2023, with both sides looking to a peace agreement. The war did not disrupt Anglo's operations, but the risk of further fighting cannot be excluded.
- The development of Garadag could be complex and the NPV of the asset may be negatively impacted if there are delays to construction, higher costs or limits to annual production.

Key Timelines

- High grade mine Gilar began production in Q2 2025, adding 34koz gold and 8-9 kt copper in 2026.
- Demirli began mining operations in Q3 2025, and we expect to see production ramped up through H2 2025, reaching a full run-rate 19kt copper production for 2026.
- We expect copper mine Xarxar to begin production in 2028, adding around 10 kt per year over a 7-year mine life. A JORC resource estimate of 120 kt copper was published in 2024.
- We expect Garadag to start in 2030, although development is more complex. A JORC resource estimate for Garadag estimating 897 kt copper was published in 2024.
- Anglo has significant exploration opportunities. We expect to see drill results for South Demirli in 2026 with a possible MRE in 2027. We are also looking for drill results on Xarxar 2 by 2027.

Abbreviation Table

Long Name	Short Name
Mineral resource estimate	MRE
Solvent extraction and electrowinning	SX-EW
Australian Joint Ore Reserves Committee	JORC
Gold equivalent ounce	GEO
Thousands of ounces	koz
Tonnes per hour	tph
Thousands of tonnes	kt
Millions of tonnes	Mt
Millions of tonnes per year	Mtpa
Proved & Probable	P&P
Measured, Indicated and Inferred	M,I & I
Pre-feasibility study	PFS
Feasibility study	FS

Sections

1. **The Investment Case**
2. **Company Overview**
3. **Company Strategy**
4. **Financials & Valuation**
5. **Company Operations & Assets**
6. **Management**
7. **ESG**

Update Overview

This report is an update to the Anglo Asian research report published by Ben Jones Investments in August 2024. In this new report we update our price target for Anglo Asian from £3.70 to £5.59. Since the last report, there are 5 key updates. Each of these updates are covered in more detail throughout the report.

1. **Production at Demirli.** Over the past 12 months, Anglo has fully restored the processing plant and tailings facility, drilled the Central Pit to support a comprehensive mine plan, secured the necessary mining and processing equipment, and assembled the workforce and contractors required to launch operations. Demirli commenced production in Q3 2025 and is on track to reach full run-rate in 2026, with expected output of 15-20 kt of copper per year over an initial 10-year mine life.

2. **Production at Gilar.** Gilar went into production in Q2 2025, and we expect to see it deliver around 30 koz gold and 8 kt copper per year over the first 3 years of its 6-7 year mine life. Given the ore is processed at Gedabek, Gilar is a highly economic mine, capable of delivering >$60m FCF per year for the first 3 years of mine life.

3. **New Exploration Opportunities**. Anglo's producing and development assets (Gedabek, Gilar, Demirli, Xarxar and Garadag) are better known to investors. However, we feel there is an under-appreciation of the tremendous exploration opportunities that exist across all of Anglo's contract areas.

4. **Mine Development Timelines**. Gilar went into production in Q2 2025 and Demirli began production in Q3 2025. We still expect Xarxar to be constructed by 2028 with Garadag in 2030. Zafar could be ready to replace Gedabek open pit as it winds down around 2029, subject to their project process inputs and possible additional exploration works.

5. **Metal Prices**. The previous report used $2,200/oz gold and $4.00/lb copper. The updated report uses $3,200/oz gold and $4.50/lb copper. We remain bullish both metals and provide valuations for Anglo across a range of metal prices.

1. The Investment Case

The investment case for Anglo rests on the following points:

1) We see Anglo's valuation being consistent with its producing assets only and there are 6 other properties being priced as free options, including expansive exploration opportunities. Table 1.1 below provides an overview of our valuation of assets in GBp/share compared to the market valuation.
   - The report will cover each asset and the valuation in much more depth.
   - Assets with a '?' valuation have been valued at $0 by BJI, but upside potential certainly exists, and we continue to see them as free options.
   - Resource estimates have varying levels of confidence which is why some assets are difficult to value. The report explains this in more detail.
   - The table reflects our £5.59 price target vs current share price of £1.85

Mines	Resource Estimates	Status	BJI Valuation GBp / share	Market Valuation GBp / share
Gedabek & Gilar	400koz gold & 100kt copper	Producing	227	110
Demirli	240kt copper	Producing	126	75
Xarxar	120kt copper	Development	49	0
Garadag	900kt copper	Development	157	0
Vejnaly	?	Exploration	?	0
Kyzlbulag	?	Exploration	?	0
Ordubad	6Moz gold & 2Mt copper?	Exploration	?	0
Gosha	?	Exploration	?	0
Exploration Opportunities	?	Exploration	?	0
Total			**559**	**185**

Table 1.1
Ben Jones Investments (BJI) valuations use $4.50/lb copper, $3200/oz gold, 8% discount rate, GBPUSD 1.3000

2) We think the market is failing to value these properties for the following reasons:
   - Anglo is a relatively small miner with limited market coverage. The opportunities are not widely known or covered.
   - Investors are overly cautious of the risk of war, despite positive geopolitical progress being made since 2023. The war caused no disruption to mining operations, and while the risk exists, we think risk-reward is favourably skewed.
   - We believe some investors are averse to Azerbaijan despite the rule of law being stable. The government has shown itself to be supportive of mining operations and has not changed agreement terms once since they were signed in 1997.

3) There are two excellent sources of margin of safety – the first is that our intrinsic value estimate of £5.59 provides a wide margin vs the current £1.85 share price. The second is that our intrinsic value estimate does not take into account potential upside from assets currently valued at $0, and may prove to be too low, simply due to limited information today.

4) Anglo has a strong balance sheet, with $22m debt and around $160m FCF expected over the next two years. Anglo has already developed Gilar and Demirli without raising equity, and we expect them to fund Xarxar, Garadag and Zafar through operating cashflow.

5) We have a bullish view on copper. Citi and BAML estimate copper could reach $5.44/lb by 2026 which we believe should take Anglo's share price above £8.00. For further information on copper, I would recommend reading S&P Global's 2022 copper report: https://cdn.ihsmarkit.com/www/pdf/0722/The-Future-of-Copper_Full-Report_14July2022.pdf

2. Company Overview

Anglo Asian is a copper and gold mining company based in Azerbaijan. They own 8 mining concessions including the Gedabek contract area which has been producing since 2009. Anglo has developed 2 mines in 2025 and we expect to see 3 more developed over the next 5 years which will transform the company from a majority gold to majority copper producer and increase revenue from $40m in 2024 to projected $333m by 2026.

- **Anglo produced 15koz gold and 0.4kt copper in 2024. We expect to see production of 43koz gold and 30kt copper by 2026, driven by Demirli and Gilar.**
- **Demirli and Gilar were built without equity financing, and we anticipate that Anglo can comfortably finance Xarxar, Garadag and Zafar through future operating cashflow.**
- **Anglo own exploration and development properties that can contribute further to long-term growth.**

Anglo's share price chart can be seen in fig 2.1 below. The share price rallied from 2016 to 2020 on rising gold prices and solid production from Gedabek. Since 2022, Anglo's share price has suffered from depletion at two deposits without immediate replacement, and from a 2023 local protest around the Gedabek tailings facility. Both issues resulted in Anglo's gold production falling from 57koz in 2020 to 15koz in 2024. Following an investigation and independent reports, Anglo were fully cleared by the Ministry of Ecology of all environmental accusations and operations returned in full at Q3 2024. Since then, Gilar and Demirli have both been developed which we expect to see boost production from 16k GEOs in 2024 to 64k GEOs in 2025 and 150k GEOs in 2026. These developments have seen the share price rally sharply from the lows of 36p to an all time high of 220p in recent weeks. Despite the superb recent performance, the market is still undervaluing Anglo's known assets and is ignoring the exploration potential.

Fig 2.1
Source: tradingview.com

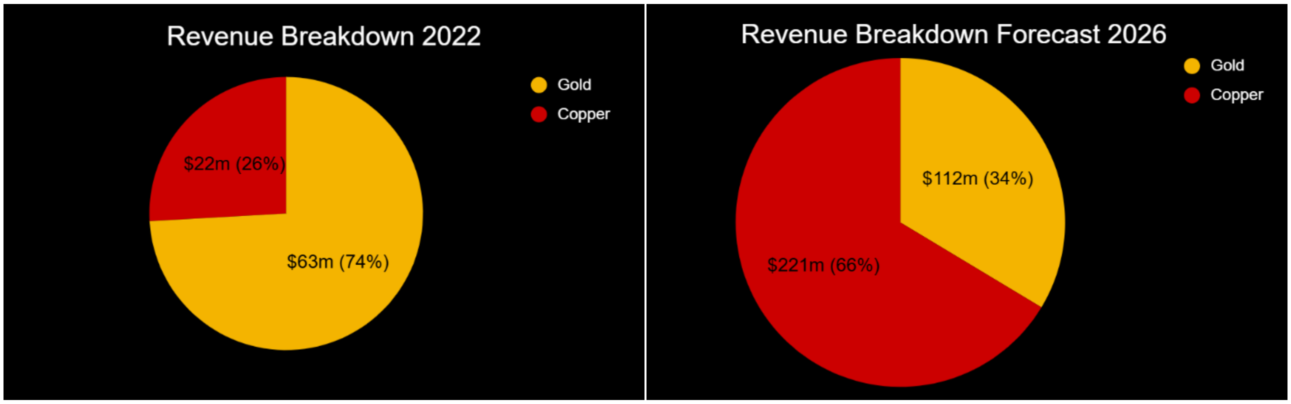

Fig 2.2
Projections calculated by Ben Jones Investments using $3200/oz gold price and $4.50/lb copper price

Fig 2.2 above shows the anticipated shift from gold to copper and the significant growth in forecast revenue, increasing 292% from $85m in 2022 to $333m by 2026 at $3200/oz gold prices and $4.50/lb copper prices.

You can see from fig 2.3 below how we expect copper production to develop over time. The bump in copper production in 2025 comes from the first production of Gilar and Demirli, with Gilar contributing 4-5kt and Demirli about 4kt. Full production from both mines in 2026 boosts copper production to 30kt with 19kt from Demirli and 8kt from Gilar. The development of Xarxar in 2028 is expected to add around 10kt copper per year over 7 years. The drop in gold and copper production after 2028 comes mostly from a drop in grades at Gilar. We expect Garadag to begin early-stage production in 2030 with potentially a 20 year mine life, depending on how it is developed.

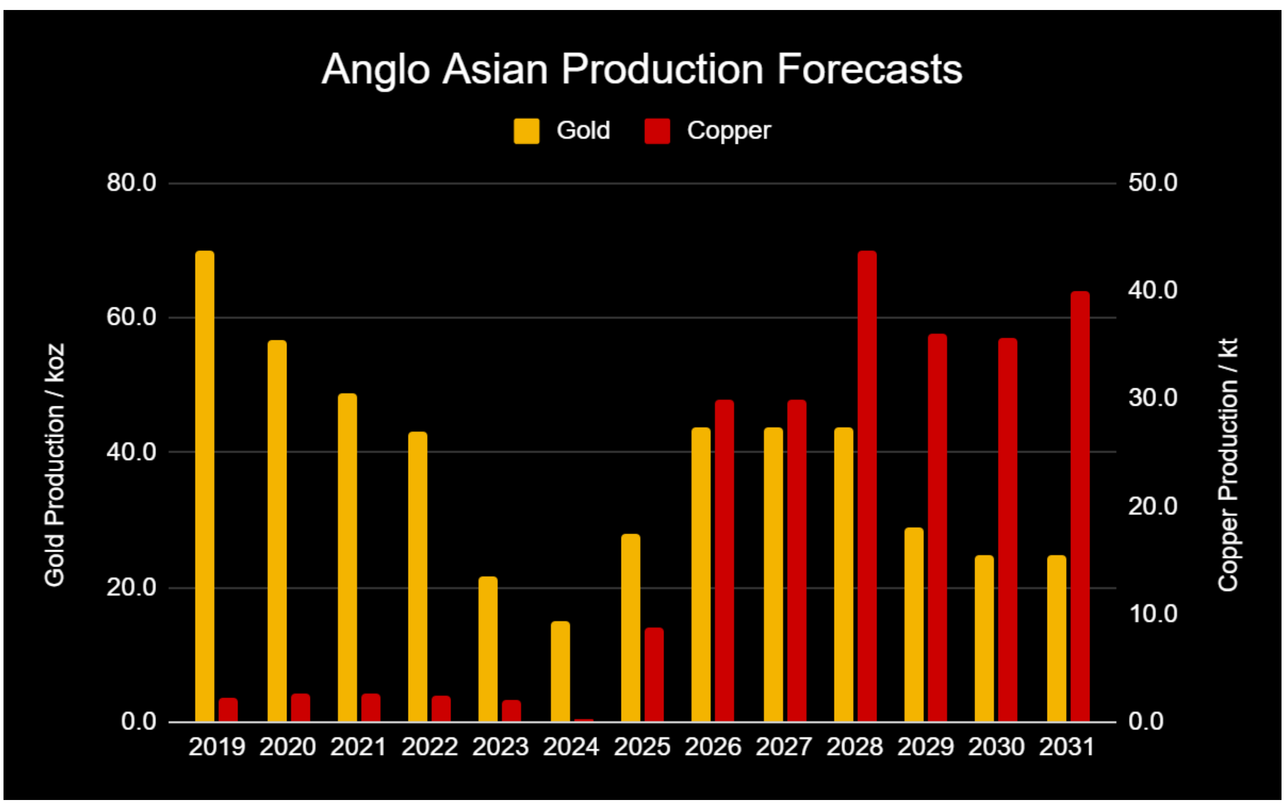

Fig 2.3
Projections calculated by Ben Jones Investments

Resource Base	Gold koz	Copper kt
Gedabek + Zafar	141	46
Gilar	255	53
Demirli	0	239
Xarxar	0	119
Garadag	0	897
Total	**396**	**1,354**

Table 2.1

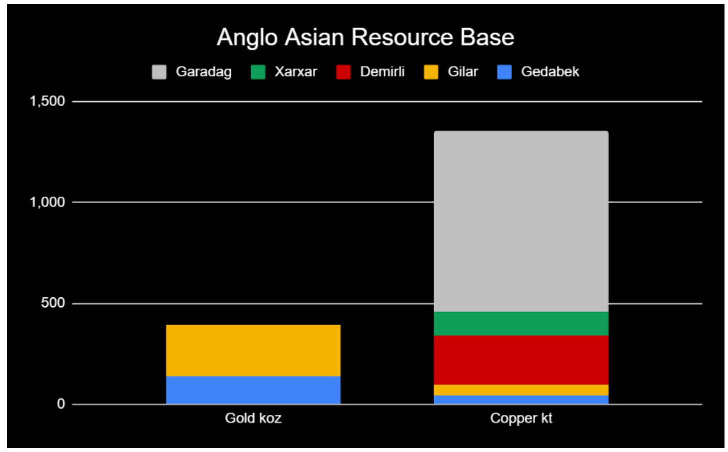

Fig 2.4

Anglo's resource base can be seen in table 2.1 and fig 2.4 above. The figures for Gedabek, Gilar, Xarxar and Garadag are all JORC mineral resource estimates. The estimates for Demirli are internal estimates done according to JORC standards. This includes only known measured, indicated and inferred resources and does not include any exploration upside. For example, Xarxar 2, South Demirli and Ordubad are not included in the figures above.

Fig 2.5 shows our projections for Anglo's revenue. The figures describe revenue after royalties and refining charges (which we expect to be 10% for gold and 15% for copper concentrate). This is a standard method of recording revenue and it is how Anglo record revenue in their audited accounts. We have shown projections across 3 different copper price scenarios (using a fixed gold price of $3200/oz). The jump in revenue in 2025 reflects new production from Gilar and Demirli. It is possible that Demirli ore is stockpiled in 2025 resulting in a revenue miss in 2025 with that revenue appearing in 2026. However, that would simply be a case of revenue timing and has no impact on the business valuation. Revenue in 2026 jumps again as we expect the first full year of production from Demirli to add approximately 19 kt copper per year over its 10-year mine life. We are currently forecasting for Xarxar to begin production in 2028, adding around 10kt copper per year over its 7-year mine life; and for Garadag to begin adding roughly 10-15kt copper per year over a potential 20-year mine life, beginning in 2030. The revenue contribution per mine is shown more clearly in fig 2.6.

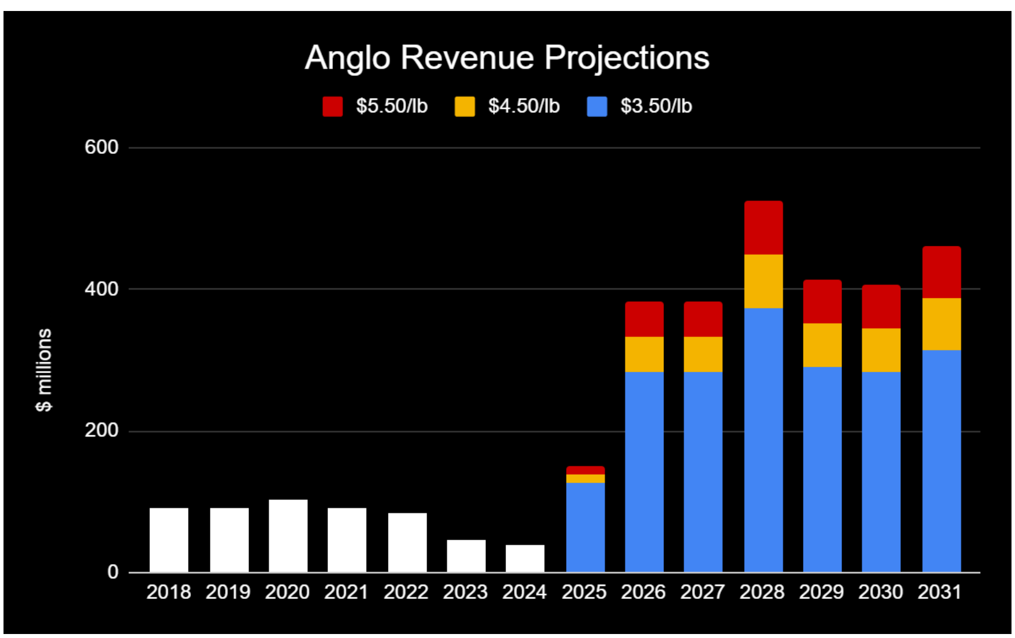

Fig 2.5
Projections calculated by Ben Jones Investments; gold price $3200/oz

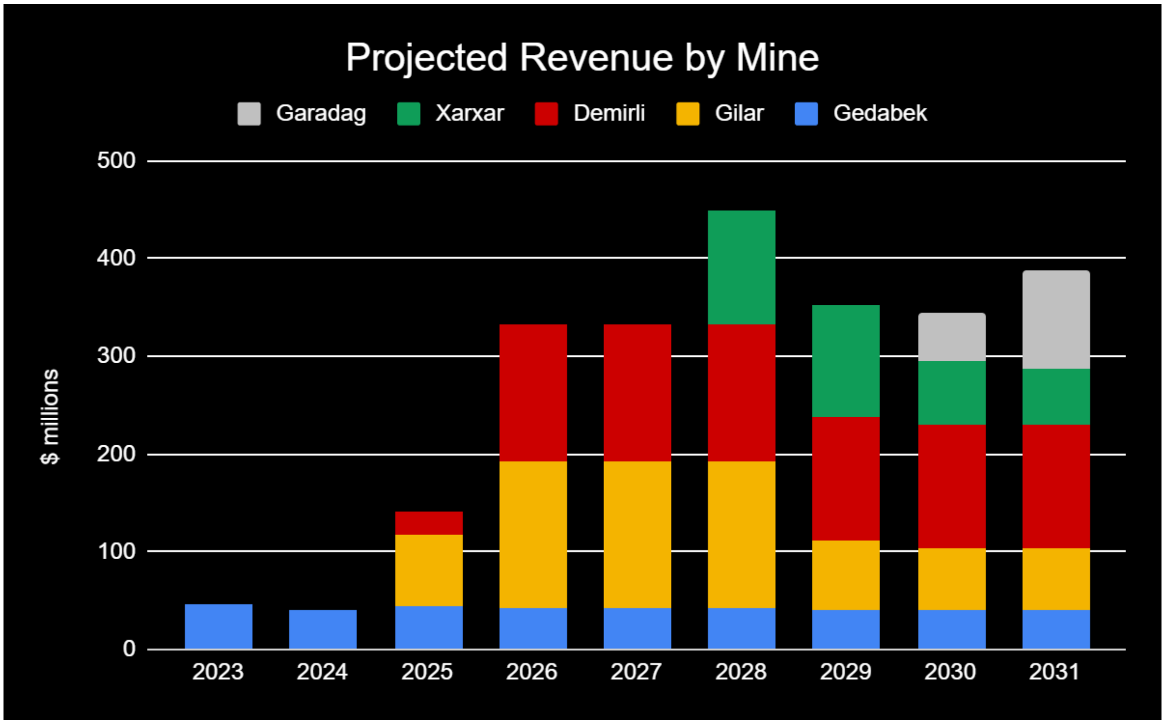

Fig 2.6
Projections calculated by Ben Jones Investments; gold price $3200/oz; copper price $4.50/lb

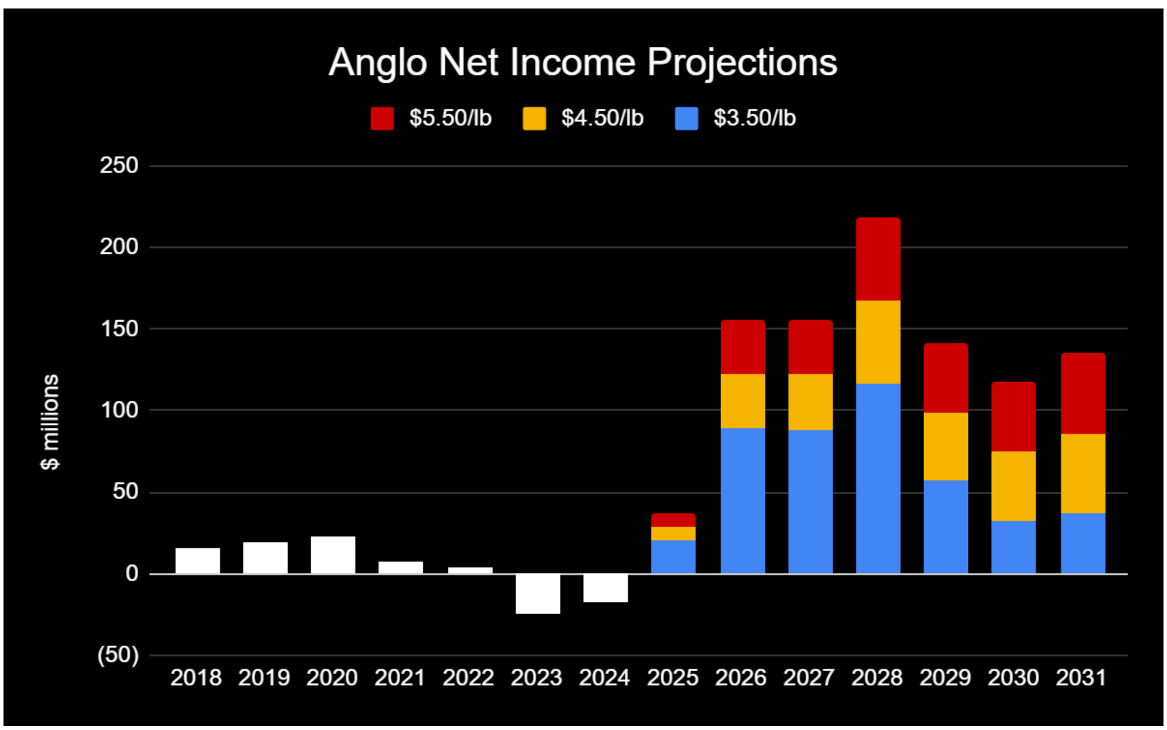

Fig 2.7
Projections calculated by Ben Jones Investments; gold price used $3200/oz

The economics for Gilar are extremely attractive as it is a high-grade mine near to Gedabek and can use existing processing facilities. As a result, we expect net income to improve from $-17m in 2024 towards $37m in 2025. It's important to remember that Anglo's mines have all been profitable and that the losses in 2023 and 2024 were directly a result of the local protest that caused flotation operations to be shut for a 12-month period. Now this issue has been resolved, and Anglo has brought on 2 exceptional mines in 2025, we are confident that net income and cashflow will improve. Net income improves further in 2028 as Xarxar is brought online, but we expect that a reduction in grades at Gilar after 2028 will see a drop in net income back towards $100m. Garadag is an 897kt copper deposit that is capable of delivering 10-20kt of copper per year from 2030, and can be a lynch-pin of production for Anglo from 2030-2050. We cover the development of Garadag later in the report, as it is more complex.

The FCF projections below look a little lumpy but are a function of the capex required to construct Xarxar and Garadag. With Gilar and Demirli now completed, the major capex projects going forward will be Xarxar in 2027/8, and Garadag around 2030. Aside from these two projects, we expect to see sustaining capex of around $20m per year and capitalised drilling costs of around $10m per year. Sustaining capex covers parts and equipment, maintenance, tailings dam wall constructions, among other items.

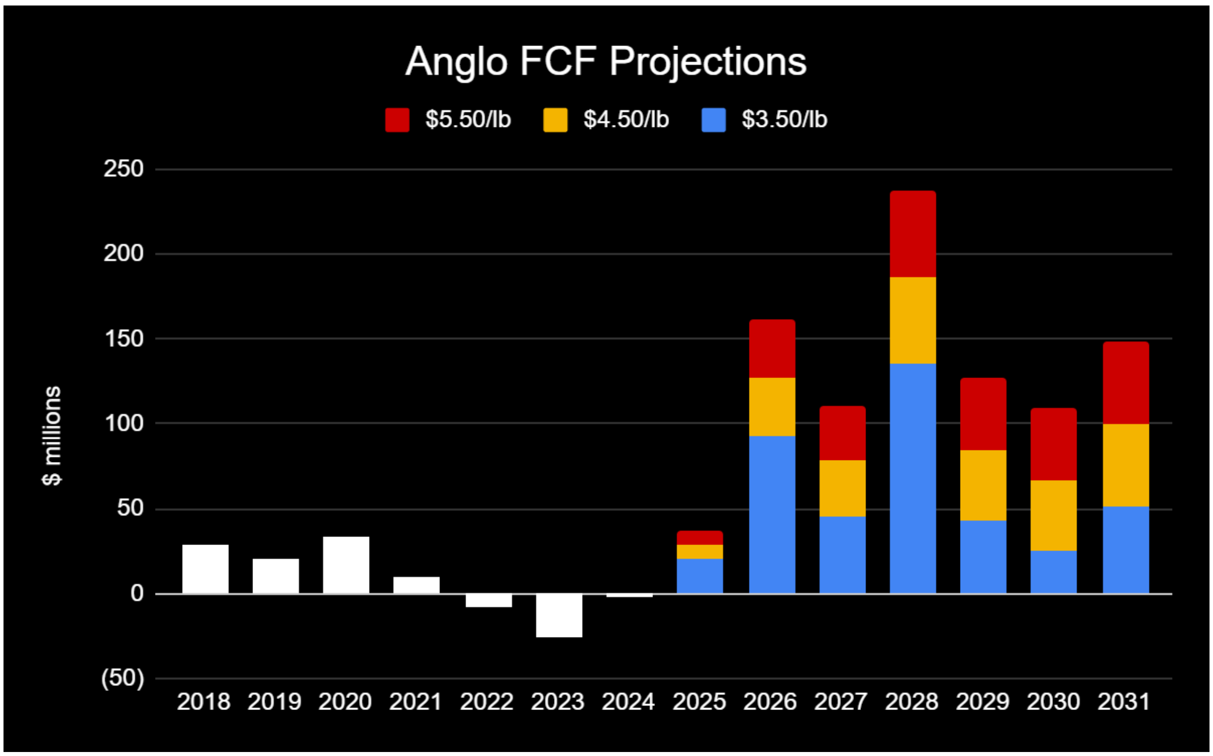

Fig 2.8
Projections calculated by Ben Jones Investments; gold price used $3200/oz

Anglo has maintained a strong balance sheet throughout its history which has been vital in helping the company through a tough period over 2023 and 2024, and has allowed for mine construction without raising equity. Anglo has an excellent track record of not raising equity to fund new mines or expansions, and hasn't done so since their initial IPO in 2005. Anglo raised $21m in debt in 2023 (up from $0 in 2022) to help fund operations and construction of Gilar while production was limited from flotation suspension. This was offset by declines in other liabilities, including lower payables, provisions and tax liabilities. Assets dropped from $155m in 2023 to $147m in 2024, largely due to lower inventories as Anglo maximised cashflow. Liabilities increased slightly due to higher payables and provisions for rehabilitation, with the net result seeing a decline in equity. Given the cashflow forecasts for the next 2 years, we have no concerns about the balance sheet.

Anglo's debt to equity now stands at 32%, but we remain comfortable with their financial position now that Gedabek, Gilar and Demirli are all operational. With forecasted FCF of $37m in 2025 and around $126m in 2026, debt of $22m and annual interest of around $2m is not really a concern. An important consideration for investors, particularly in mining, is the use of equity financing. We prefer that projects are funded first by operating cashflow, then debt, using equity as a last resort. Given our cashflow projections for Anglo and their current financial position, we fully expect Anglo to avoid using equity financing.

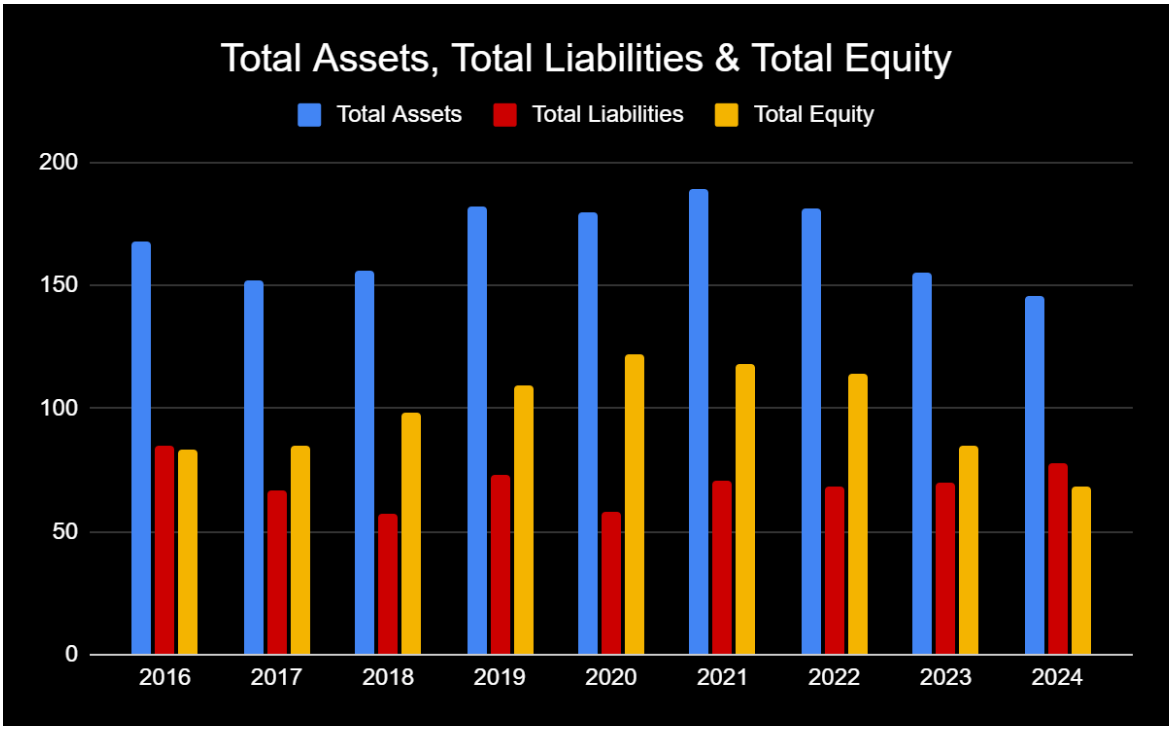

Fig 2.9

Fig 2.10 below shows where we see the contributions to Anglo's share price by mine. It demonstrates our investment thesis that Anglo is priced appropriately for the producing Gedabek contract area but fails to price any of the development opportunities. We think Gedabek & Gilar offer 227p per share of value, Demirli 126p per share upside, Xarxar 49p per share upside and Garadag around 157p per share upside with copper at $4.50/lb. This is the make-up of our £5.59 / share valuation.

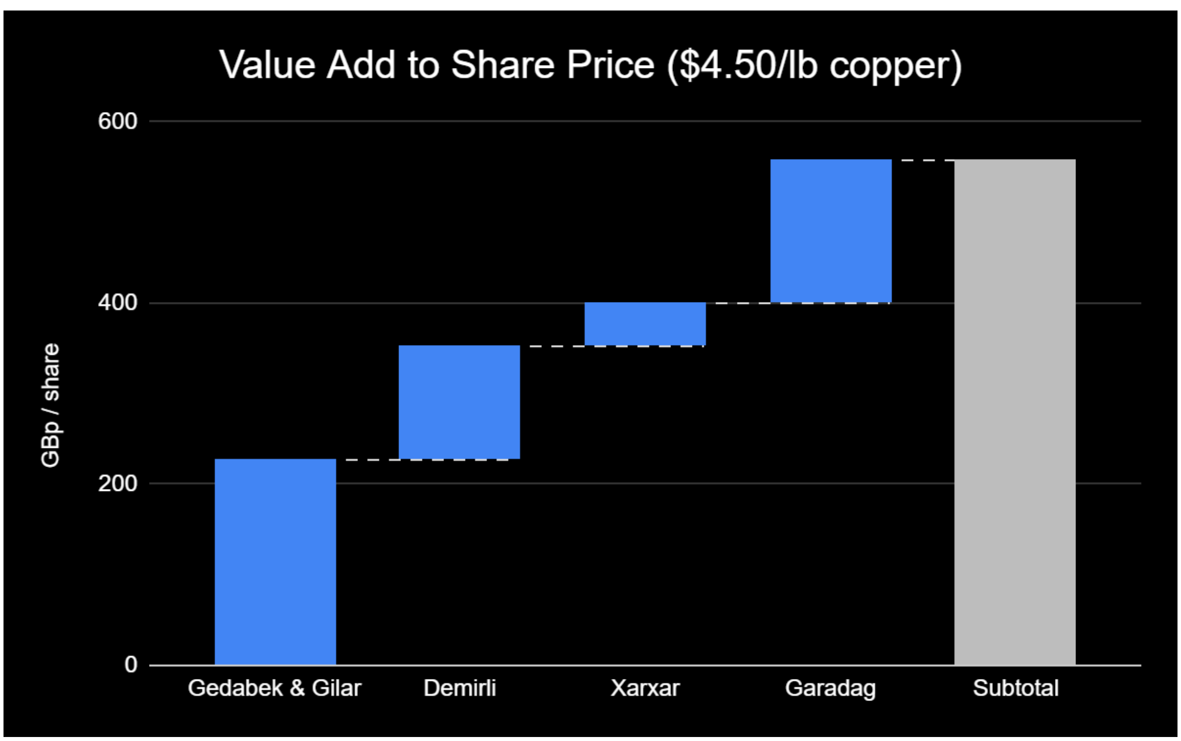

Fig 2.10
Projections calculated by Ben Jones Investments; gold price used $3200/oz; GBPUSD 1.3000

We do have a bullish view on copper and under a scenario of long-term copper prices at $5.50/lb, we would expect Gedabek and Gilar to contribute 271p per share, Demirli to contribute 221p per share, Xarxar to contribute 83p per share and Garadag to contribute 260p per share. This long-run copper price would value Anglo at £8.35 / share.

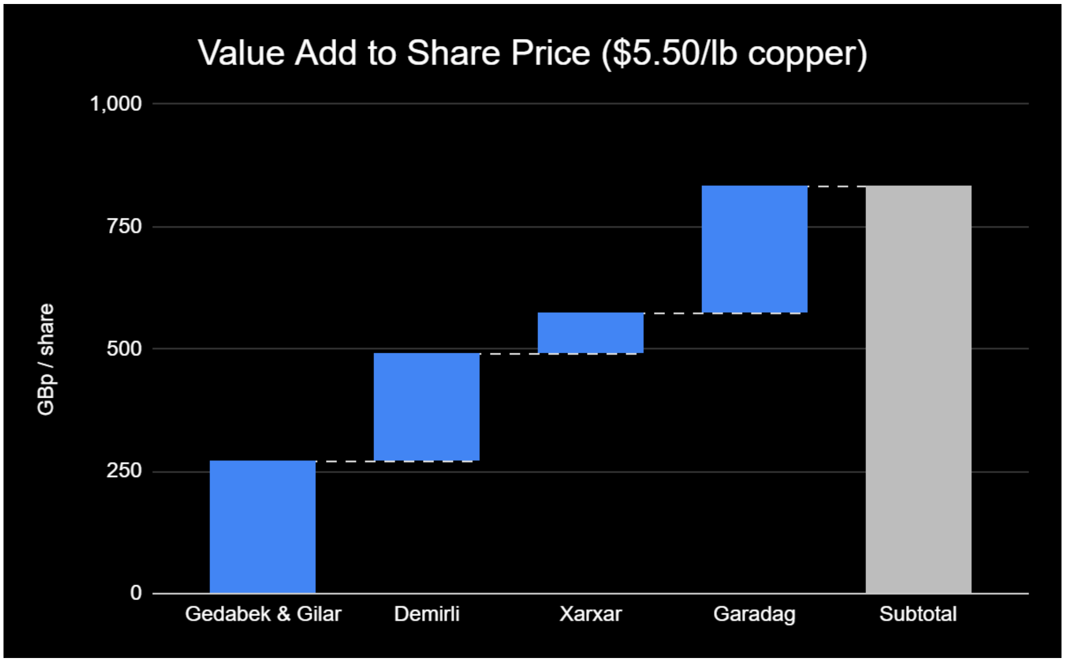

Fig 2.11
Projections calculated by Ben Jones Investments; gold price used $3200/oz; GBPUSD 1.3000

Under a more bearish scenario of $3.50/lb copper, we see Gedabek and Gilar being worth about 173p per share, Demirli 36p per share, Xarxar 16p per share and Garadag 59p per share. However, this assumes Anglo would continue to develop as planned with spot copper prices rather than optimising development at lower copper prices. As such, our valuations here are likely on the low side.

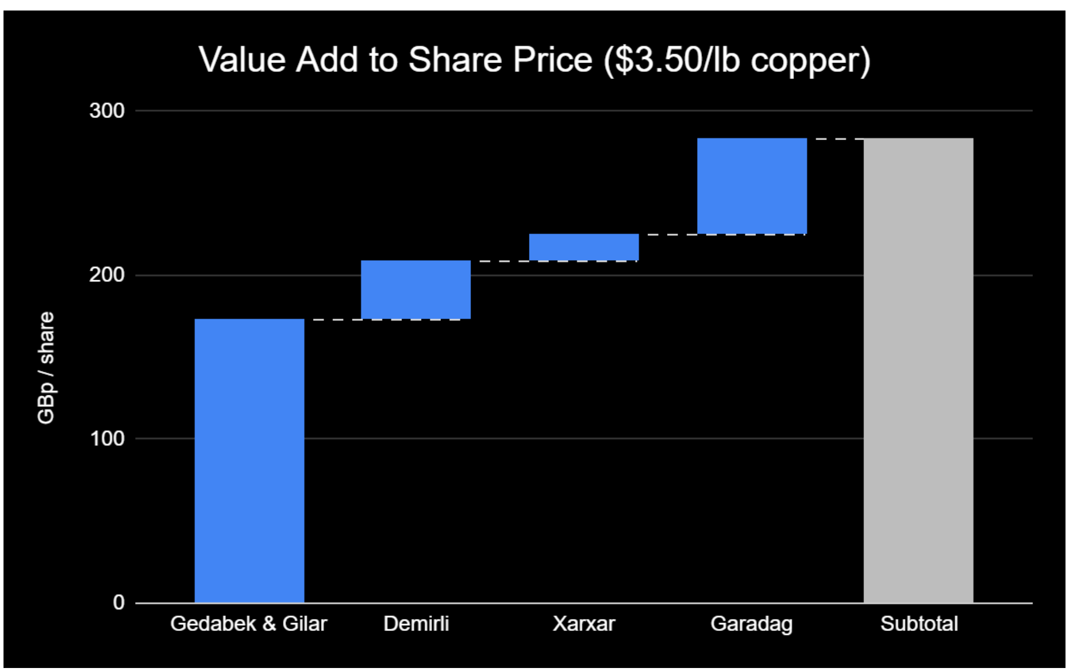

Fig 2.12
Projections calculated by Ben Jones Investments; gold price used $3200/oz; GBPUSD 1.3000

3. Company Strategy

Anglo will move from being a predominantly gold 60 koz GEO producer to a predominantly copper 150-180 koz GEO producer. The following points are key to Anglo's increased production and transition from gold to copper over the next 5 years:

- **Gilar is a high-grade gold and copper mine 7km from Gedabek that went into production in Q2 2025. It will boost production from around 30k GEOs in 2023 towards 65k GEOs in 2025. Gilar can deliver 20-25k ozs gold and 4-5kt copper per year over a 7-year mine life.**
- **Demirli is an exceptional mine in Karabakh capable of delivering 15-20kt copper per year over a 10-year mine life. Production started in H2 2025, and will be ramped up towards 5Mt per year in 2026. It has an existing flotation processing facility that is now operational and is capable of delivering $40m FCF per year. There are also exploration opportunities that may double the resource base at Demirli.**
- **Xarxar is a copper deposit with a 120kt JORC resource base. Production is expected from 2028 and may add around 10kt of copper per year. Exploration opportunities may be able to increase resources further at Xarxar.**
- **Garadag is a large copper deposit 4km from Xarxar with a 897kt copper JORC resource base. There is enormous potential value at Garadag but development is more complex, as we will explain.**
- **Anglo has extensive exploration potential at all of their contract areas, and we expect drilling results over the next few years to begin quantifying additional resources.**

Timeline

Fig 3.1 below demonstrates our expectation for mine production timeline. Of course we expect updates to Xarxar and Garadag over the next 12-24 months, as feasibility studies and economic assessments are conducted. The development of Garadag is more complex and investors should be conscious that there is less certainty around its timeline. Mine life extension at Gedabek may also push Zafar beyond 2029 but this would be a positive.

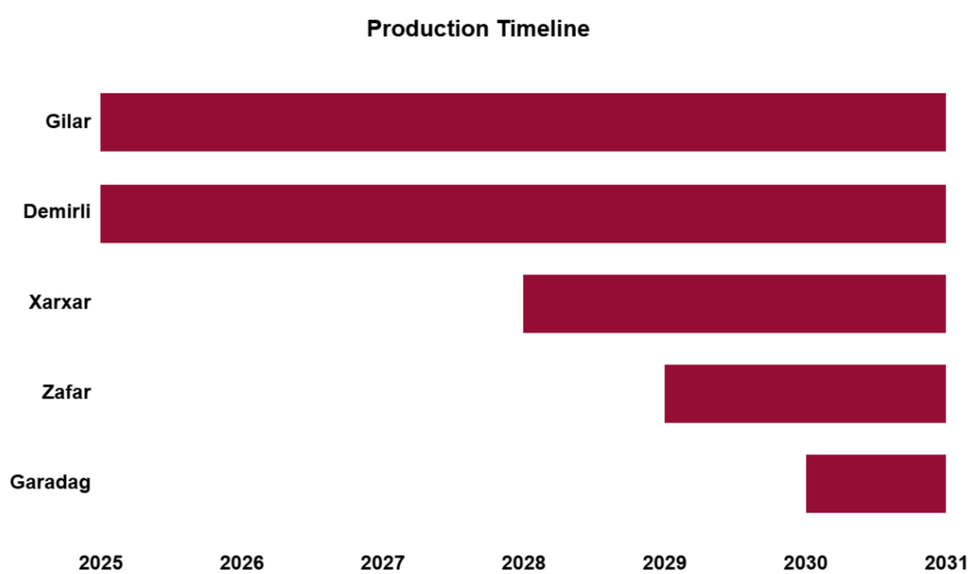

Fig 3.1

Gilar Production

Gedabek has been Anglo's producing mine area since 2009, producing 40-70 koz gold and around 2 tonnes of copper per year. Gedabek is a complex of mines which include Gedabek open pit, Gedabek underground, Gadir, Zafar and it also includes the Gilar deposit.

Gedabek is situated within a larger mineralisation belt which is why it is surrounded by a complex of mines and further exploration opportunities. Each of the new mines would be close enough to Gedabek such that they could use the existing processing facilities and be developed at relatively low cost.

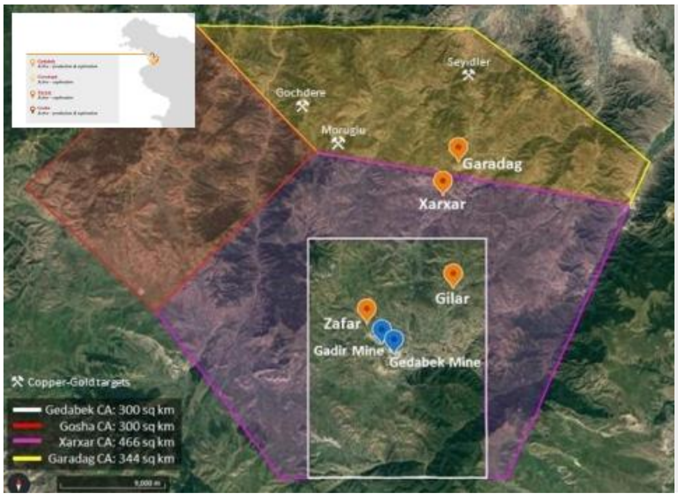

Fig 3.2
Source: Anglo Asian Mining

Fig 3.3
Source: Anglo Asian Mining

Gilar was discovered in 2021 and began production in Q2 2025. It will be transformational for Anglo over the next 5-7 years as it doubles production with just $20m of capex. The capex has already been disbursed across 2023 and 2024, and we expect minimal sustaining capex going forward. Gilar is an area of mineralisation 7km from Gedabek which has a JORC resource of 255 koz gold at 1.30 g/t and 46kt copper at 0.88%. We cover the financials in section 4, but the production forecasts are below. Fig 3.4 below shows the entrance tunnel to the Gilar mine with fig 3.5 showing underground drilling at Gilar.

Fig 3.4

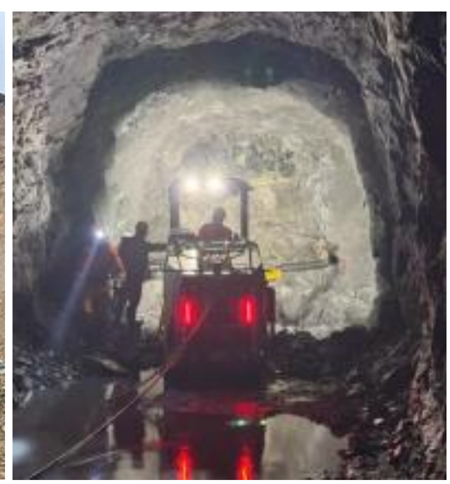

Fig 3.5

We expect to see Gilar mined at 700kt ore per year which can add up to 35koz gold and 8.5kt copper to annual production. Our forecast production schedule is shown in table 3.1 below. The highest-grade part of the deposit is being mined first which is why we see high production figures for the first 3 years of mine life. Once the highest-grade material is mined, Anglo will move to the lower grade part of the orebody and production drops from 35koz gold and 8.5kt copper per year towards 20koz gold and 2-3kt copper per year. Inevitably the timing of the shift to lower grade ore may vary but the table demonstrates a reasonable expectation for production. Given the high-grade nature of the material, we expect the copper ore to be processed by the flotation tanks, and gold ore via agitation leaching which will keep recoveries high. Our base case for flotation and agitation leaching recovery is 85% but it is not unusual to see recovery rates closer to 90%.

GILAR	2025	2026	2027	2028	2029	2030	2031
Ore Processed / kt	400	700	700	700	700	700	700
Gold Grade g/t	1.42	1.78	1.78	1.78	1.11	0.89	0.89
Copper Grade %	1.26%	1.47%	1.47%	1.47%	0.39%	0.46%	0.46%
Gold Recovery %	85%	85%	85%	85%	85%	85%	85%
Copper Recovery %	85%	85%	85%	85%	85%	85%	85%
Gold Production / oz	15,224	34,055	34,055	34,055	21,236	17,027	17,027
Copper Production / t	4,509	8,747	8,747	8,747	2,321	2,737	2,737

Table 3.1
Forecasts are calculated by Ben Jones Investments

Given the resource base and the grade, we think it's possible that Gilar can be mined over 6-7 years until 2031.

Table 3.2 below shows the combined production forecasts for Gedabek open pit and Zafar. Zafar is already partially constructed but was put on hold as Gilar was prioritised. There shouldn't be any difficulty mining at Zafar as and when Gilar and Gedabek begin to reach exhaustion. We currently expect Gedabek to wind down around 2029 at which point mining at Zafar will begin. Of course, extension to mine life at Gedabek will push Zafar back, but this is very easy for Anglo to manage.

GEDABEK	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Ore Processed / kt	2,216	1,290	425	1,000	1,000	1,000	1,000	700	700	700
Gold Grade g/t	0.67	0.49	0.80	0.35	0.35	0.35	0.35	0.40	0.40	0.40
Copper Grade %	-	-	-	0.06%	0.25%	0.25%	0.25%	0.50%	0.50%	0.50%
Gold Recovery %	91%	88%	89%	85%	85%	85%	85%	85%	85%	85%
Copper Recovery %	-	-	-	85%	85%	85%	85%	85%	85%	85%
Gold Production / oz	43,114	21,758	14,926	12,851	9,566	9,566	9,566	7,653	7,653	7,653
Copper Production / t	2,516	2,138	377	540	2,125	2,125	2,125	2,975	2,975	2,975

Table 3.2
Table includes expected production from Gedabek open pit and Zafar
Forecasts are calculated by Ben Jones Investments

Typically, Gedabek has processed between 2.0-2.9Mt of ore per year but we expect that to drop as Gedabek underground is exhausted, and more ore is mined from Gilar instead. Over the next 4 years we expect around 1.0Mt of ore mined from Gedabek open pit, as ore from Gilar is prioritised. The blended grades are shown in table 3.2 above. The copper ore from Gedabek will be processed via flotation which will ensure recovery rates around 85%, if not higher. From 2029 onwards we expect Gedabek open pit to be near exhaustion and ore will instead come from Zafar. Zafar is smaller but higher grade and explains the lower ore processing rates but jump in grades.

The copper grade in 2025 looks low for Gedabek but it's just a reflection of little copper ore being processed as high-grade copper ore from Gilar is prioritised. The grade at Gedabek hasn't deteriorated, it simply looks low as an average blended grade among predominantly gold ore.

Table 3.3 below shows the combined output that we expect from Gedabek and Gilar.

TOTAL GEDABEK AREA	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Ore Processed / kt	2,216	1,290	425	1,400	1,700	1,700	1,700	1,400	1,400	1,400
Gold Production / oz	43,114	21,758	14,926	28,075	43,621	43,621	43,621	28,889	24,680	24,680
Copper Production / t	2,516	2,138	377	5,049	10,872	10,872	10,872	5,296	5,712	5,712

Table 3.3
Forecasts are calculated by Ben Jones Investments

The flotation capacity at Gedabek has been doubled from 650 ktpa (kilotons per year) to 1.3Mtpa which ensures enough capacity for copper ore from both Gedabek open pit and Gilar. Gold ore from Gedabek open pit can be processed via either heap leach or agitation leaching. These facilities will provide value for many years as Zafar can act as a feeder mine in future.

The tailings facility at Gedabek had one wall raise completed in 2024 and is undergoing another wall raise in H2 2025. This should add another 2 years of capacity. However, with Gilar's 6-7 year mine life, a new tailings dam will be required. Anglo have proposed a second site, which was supported by external consultants Knight Piesold in their independent review in 2024. We currently estimate the site for a new tailings dam to have > 25Mt capacity which is more than enough to accommodate all known deposits around the Gedabek contract area. However, this is rough guidance given there are yet no formally approved plans. Anglo still requires permission from the Government but expects no issues. As it stands, our base case is that Anglo transitions to a second tailings dam in 2 years' time with minimal disruption to operations.

Demirli Production

Production begins at Demirli! At our last update in August 2024, Anglo had access to Demirli and were able to provide more information on resource estimates, the conditions of the mine and flotation plant. However, there's a difference between potential and execution. The last 12 months have seen a hugely impressive effort to get the Demirli mine to production. We estimate that Demirli is capable of producing 15-20kt copper per year, generating around $40m FCF per year.

Major updates:

- Demirli began production in July 2025 and will scale up over H2 as it reaches 5Mt per year in 2026.
- The entire Central Pit has been drilled 10m deep, providing a concise block model for the next 12-18 months of mining. During this period, the pit will be drilled further to ensure a continuous mining plan.
- The flotation plant has been completely repaired and is now ready to process ore, resuming maximum capacity by early 2026.
- The tailings facility was repaired and an assessment carried out which determined it could hold another 18 months' worth of mining tailings with 1 additional wall build.
- A tailings study has identified a location for a second tailings facility with potentially up to 100Mt capacity. This is more than large enough to accommodate the entire Central and West pits.
- Anglo expect that the second tailings facility can have a first stage constructed within the next 18 months, ensuring minimal disruption to operations during the transition from the existing tailings facility to the new one.

- Anglo has identified suitable locations for heap leach pads that may be more economic for lower grade ores and oxide ores.
- We anticipate that Anglo will use solvent extraction electro winning (SX-EW) for leached ore to produce copper metal on site.
- Digitisation of drilling (on a roughly 200 metre by 200 metre grid) and other geological data from the previous operator, Base Metals, has identified a new copper mineralisation potential area referred to as “South Demirli”. Preliminary volumetric grade-tonnage non-JORC estimates inside a previously defined pit outline at copper price of 9,000 dollars per tonne, indicate at a 0% copper cut-off, approximately 170Mt at 0.20% copper, suggesting a potential of about 340kt copper. It is important to note that this data has not yet been verified by Anglo and therefore does not represent an official Mineral Resource Estimate (MRE).
- A drilling program to determine a possible MRE at the South Demirli Pit should take around 2 years, delivering results in 2027/8.
- Success at South Demirli Pit would more than double Demirli’s resource base.
- A new lease agreement for the Demirli contract area is to be agreed between the Government and Anglo, which should be in place by the end of 2025. We estimate the additional cost to be around $5-10m per year but await further clarification from Anglo. Anglo cannot sell copper metal from Demirli until the agreement is signed, and this may result in lower than expected revenue for 2025 as ore is stockpiled and revenue is recognised in 2026.

Operations

Over the last 12 months, Anglo has fully repaired the processing plant and tailings facility, drilled the Central Pit to prepare a comprehensive mining plan, acquired the necessary mining and processing equipment, and recruited a workforce and contractors needed for Demirli to begin operations. The capex for this was around $7m – not bad for a mine capable of producing 15-20kt copper per year, with a flotation plant worth around $150m.

Fig 3.6, Demirli Central Pit
Source: Anglo Asian Mining website

Fig 3.7, flotation cells at Demirli processing plant
Source: Anglo Asian June 2025 presentation

Last year, we noted that the drilling data for the Central Pit was truncated and there may be further resource potential (see fig 3.8 below). It seems the most likely reason for the data truncation is that mining any deeper than the mine plan would encroach on the waste dump. In other words, it is very unlikely that Demirli can be mined any deeper than the initial mine plan using open pit mining. If there are sufficient resources, Anglo could perhaps use underground mining or find another method to haul ore up from a deep pit base. Anglo has yet to drill beneath the floor of the mine plan and so we don’t currently know if there are sufficient resources there. We expect Anglo to do this drilling over the next year, at which point we'll know if the Central Pit can be extended or if it will be exhausted once the mine plan floor is reached. Our estimates for Demirli assume no additional resources at the Central Pit and so any positive drilling results will be pure value-add to our current assumptions.

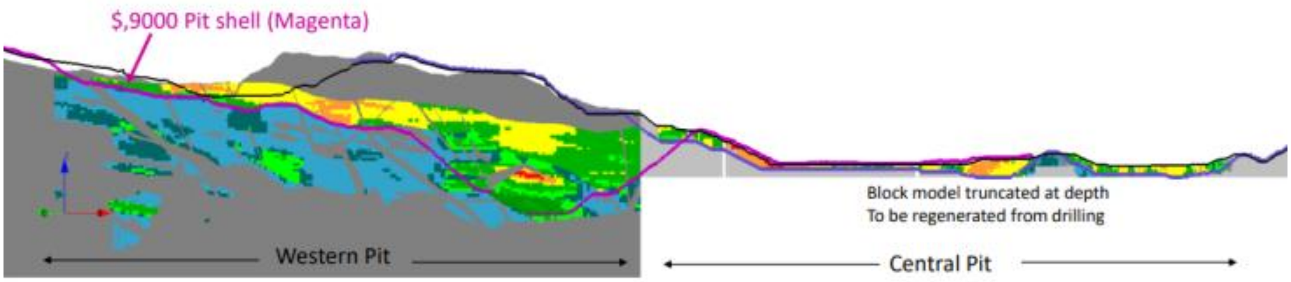

Fig 3.8

Given Demirli has largely been stripped and has existing processing and tailings facilities, the economics are excellent. We expect Demirli to deliver around $40m FCF per year over an initial 10 year mine-life. The initial capex required to repair the processing plant and other facilities was around $7m and we expect to see $5-10m annual sustaining capex going forward. This capex is for machinery, repairs and maintenance and tailing wall builds. There may be some additional capex if Anglo choose to proceed with heap leach pads and a SX-EW processing plant. We would estimate that at around $30m capex, but further studies from Anglo will provide better guidance. A decision on heap leaching and SX-EW may be made after further drilling results at South Demirli. This capex would be comfortably covered by operating cashflow.

Our production forecasts for Demirli are shown in table 3.4 below.

DEMIRLI	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Ore Processed / kt	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Copper Grade %	0.45%	0.45%	0.45%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%
Copper Recovery %	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%
Copper Production / t	19,125	19,125	19,125	17,000	17,000	17,000	17,000	17,000	17,000	17,000

Table 3.4
Forecasts are calculated by Ben Jones Investments

It is worth remembering that there are several variables that may change over the following years:

- Resource expansion – South Demirli Pit could more than double the resource base at Demirli. The Central Pit may be extended beyond the known mine design, and there are further exploration opportunities at the Demirli contract area.
- Mine life – current expectations are for a 10-year mine life but this doesn't take into account the truncated resource data from the central pit. It is possible that additional resources at the Central Pit extend the mine-life.
- Processing rate – we have modelled a 5Mtpa processing rate but the maximum capability is over 6Mtpa. The reason for modelling a little below capacity is that there is uncertainty around the mine plan that may allow Demirli to run at capacity, as well as ore blending and ensuring sufficient water supply to the processing plant. We may be too conservative here, and while running at higher rates would improve the valuation of Demirli, the change isn't drastic.
- Molybdenum – the existing processing plant is capable of processing molybdenum, however, it seems the plant wasn't in frequent use under Base Metals. Anglo's initial drilling at the Central Pit to generate an 18 month mine plan also didn't indicate high levels of Molybdenum. Our base case

would be to expect no Molybdenum production from Demirli, but further drilling keeps it an open possibility.

Demirli remains a pivotal asset during Anglo's transformation to a mid-tier producer and the cash generation from Demirli and Gilar funds the development of Xarxar and Garadag.

Xarxar Development

Xarxar was transferred from AzerGold to Anglo in 2020 and borders the Gedabek contract area. Xarxar will continue Anglo's transformation from a majority gold producer to a majority copper producer.

Xarxar's maiden JORC resource estimate in 2024 confirmed 119kt copper, with 106kt indicated and 13kt inferred. The resource was 25Mt at 0.48%. Initial studies suggest a base case of 3Mt ore mined per year over a 7-year mine life beginning in 2028. Our production forecasts for Xarxar are in table 3.5 below.

XARXAR	2028	2029	2030	2031	2032	2033	2034
Ore Processed / kt	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Copper Grade %	0.70%	0.70%	0.40%	0.35%	0.35%	0.30%	0.30%
Copper Recovery %	65%	65%	65%	65%	65%	65%	65%
Copper Production / t	13,650	13,650	7,800	6,825	6,825	5,850	5,850

Table 3.5
Forecasts are calculated by Ben Jones Investments

It's important to note that no decision has yet been made on how Xarxar will be developed and we expect further clarity from Anglo in 2026. The production table above is our best estimate based on the following assumptions:

- We expect Xarxar to be developed as an open pit mine that could be mined at 3Mt per year over a 7-year mine life.
- Given the initial grade data, we expect grades near the surface to be around 0.70% and decline down towards 0.30% in the deeper parts of the pit.
- We think it is most likely that Anglo use heap leaching to process the ore which would provide recovery rates around 65%. Heap leaching is cheaper than flotation and likely to be more economical at lower grades. It also doesn't require construction of a tailings facility which would be required for a flotation plant.
- We expect Anglo to use SX-EW to produce copper metal on-site. This would achieve 100% payable vs 85% payable for concentrate. In other words, revenue from heap leaching + SX-EW is similar to revenue from flotation.
- We anticipate initial capex of around $50m for Xarxar. This would include necessary machinery, stripping, heap leach construction and an SX-EW plant.
- Our initial forecasts do not include Xarxar 2, an exploration site next to Xarxar, that may be able to double the resource base of Xarxar.

A feasibility study has yet to be carried out and it is possible that the optimised development is different from our base case assumption described above.

Garadag Development

The major update at Garadag is the publication of a maiden JORC resource estimate of 285Mt at 0.32% containing 897kt copper. That is significantly higher than the approximate 300kt copper initially expected.

Garadag is 4km by road from Xarxar which allows them to share processing facilities. As we have seen from Gedabek, shared processing facilities dramatically improve the economics of mining as it significantly reduces the capex required. However, the development of Garadag is complex. There are a number of factors that will impact the mining method, the processing method, the capex, operating costs and timeframe. We provide a base case estimate below, but stress that the eventual development of Garadag could differ from current expectations, and that our valuation for Garadag should be viewed with a greater margin for error.

An AMC report in 2020 identified 2 open pit options for Garadag. Pit 1 has 90Mt at 0.34% grades with 307kt copper and pit 2 has 40Mt at 0.40% grades with 163kt copper. We know from the maiden JORC MRE that that the resource base extends beyond these pits for a total of 896kt copper.

Our base case assumes the following for Garadag:

- It will be developed as an open pit, initially mining 40Mt at 0.40% grades over a 9-year period beginning in 2030. We expect the open pit to continue beyond the initial pit but it is more complicated.
- We expect heap leach and SX-EW to be used for the initial 9-year open pit operation.
- Garadag is 4km by road from Xarxar and they will likely share the SX-EW facility.
- Our initial capex forecasts for Xarxar and Garadag combined is around $100m, although Garadag would need either a second expansion capex phase or higher sustaining capex to boost production.

Our production forecasts for Garadag are in table 3.6 below.

GARADAG	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042 +
Ore Processed / kt	2,000	4,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Copper Grade %	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.34%	0.34%	0.34%	0.34%
Copper Recovery %	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%
Copper Production / t	5,200	10,400	13,000	13,000	13,000	13,000	13,000	13,000	13,000	11,050	11,050	11,050	11,050

Table 3.6
Forecasts are calculated by Ben Jones Investments

What are the complications to Garadag development?

Garadag is a huge copper deposit, holding 285Mt at 0.32% for 897kt of contained copper. The key question is how best to process the ore, since both standard approaches—heap leaching with SX-EW or flotation—come with hurdles.

Heap leaching the full 285Mt would demand a huge land footprint for the leach pads, complicated by some nearby farmland, as well as a public road and power line that cut across the deposit itself. A smaller 40Mt heap leach looks achievable and has clear benefits: lower upfront capex, no need for a tailings dam, and the option to share the SX-EW plant at Xarxar. But it's uncertain whether the whole deposit could be treated this way.

Flotation avoids the land constraint but requires a large tailings dam, and it is unclear whether a suitable location exists for 285Mt of waste. Flotation would ensure recoveries around 85% but the initial capex would likely be large at around $150m. This would be significantly higher than the cost to heap leach with an extension of Xarxar's SX-EW plant that may come in at closer to $50m. These capex figures are ballpark estimates that we see as most likely but will be better understood following feasibility studies.

Infrastructure adds further complexity. The road and power line could possibly be rerouted, though at a cost and with government approval still required. Anglo might instead opt to start with a smaller pit or move underground to delay the need for such changes. However, underground is more expensive than open pit and affects the economics of the mine.

In-situ leaching could, in theory, bypass both land and tailings challenges by leaching ore underground and sending solution to SX-EW. However, we simply don't know right now whether the orebody would be suitable to in-situ leaching or whether the economics will work.

All these factors will shape mining rates and mine life. Production may start smaller than expected, stretching the mine's life well beyond 20 years. Development itself could also take longer, as the right mine plan is worked out.

Anglo is conducting studies, but the most probable scenario is an initial open pit to generate cashflow while long-term solutions are evaluated. The deposit is mineable; the question is how, and at what cost. Our understanding of Garadag will evolve as Anglo continue their work on feasibility studies over the next 2-3 years.

Given this, our base case estimate values Garadag at $260m (NPV at 8%, $4.50/lb copper), but we acknowledge a margin of error around this estimate that may change as the mine development becomes better understood.

Fig 3.9 below shows the Garadag deposit with fig 3.10 demonstrating a block model of the Garadag JORC resource. Red shows 1-2% copper, orange 0.60-1.00% copper grades, yellow 0.40-0.60%, light green 0.20-0.25% and blue is 0.10-0.20% copper.

Fig 3.9
Source: Anglo Asian presentation June 2025

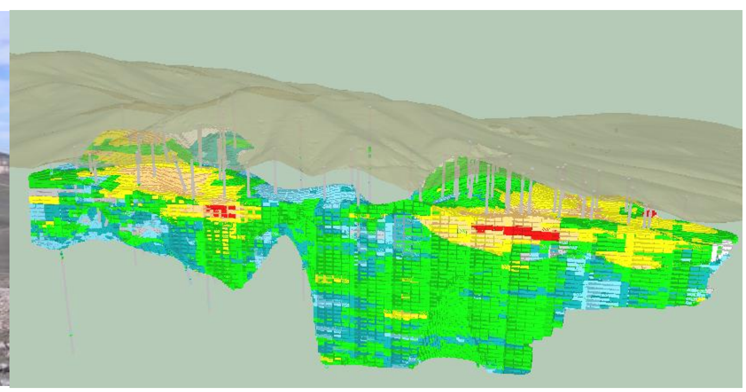

Fig 3.10
Source: https://garadag-jorc-mre-2024sep.jalnext.com/

The Production-Sharing Agreement (PSA)

Under the terms of the PSA, Anglo share the products of each mine with the Government of Azerbaijan. The Government's share is 51% of "profit production", defined as the value of production, less all capital and operating cash costs incurred during the period when the production took place. Profit production for any period is subject to a minimum of 25% of the value of the production, which ensures the Government always receives a share of production. The minimum Profit Production is applied when the total capital and operating cash costs (including any unrecovered costs from previous periods) are greater than 75% of the value of production. All operating and capital cash costs in excess of 75% of the value of production can be carried forward indefinitely and set off against the value of future production. Profit production for the Group has been subject to the minimum 25% for all years since commencement of production. The Government's share of production is therefore 12.75%, being 51% of 25% with the Group entitled to the remaining 87.25%. Anglo is therefore subject to an effective royalty on its revenues of 12.75% of the value of its production. Given the capex required over the next 5 years, we think it is highly likely that Anglo pays an effective 12.75% royalty until at least 2030 and likely far beyond that. The PSA also stipulates a 32% corporation tax rate on profits.

While the royalty rate under the PSA may seem high, there are two aspects worth considering:

1) We believe Anglo is undervalued under the current terms of the PSA which are stable and have not changed since first signed in 1997.

2) The Government of Azerbaijan have been very supportive of Anglo's operations given they share directly in the production. The Government transferred Demirli, Xarxar, Garadag, Kyzlbulag and Vejnaly to Anglo in return for relinquishing Soutely in 2020.

Geopolitical Developments

Karabakh has been a disputed territory between Azerbaijan and Armenia since WW1. As the Soviet Union fell apart in 1990, both Azerbaijan and Armenia laid claims to Karabakh and war broke out in 1994. The result of the war was that the territory would be autonomous and controlled by Armenian-friendly Artsakh. However, the Republic of Artsakh has never been internationally recognised by a single country, including Armenia. Karabakh is broadly internationally recognised as a part of Azerbaijan.

In 2020, Armenian Prime Minister Nikol Pashinyan announced plans to make Shusha, a city of historical and cultural significance to both Azerbaijan and Armenia, the capital of Artsakh. This fuelled tensions which erupted into a 44-day war in July 2020. Azerbaijan made territorial gains during the war and a peace agreement was signed between Azerbaijan and Armenia that formally returned large areas of territory to Azerbaijan. Azerbaijan launched another offensive in 2023 that secured all territory in Karabakh with the majority of ethnic Armenians fleeing to Armenia. Leaders Aliyev and Pashinyan have recently signed a peace pledge, although there has yet to be a formal peace agreement. We think the most likely outcome is an end to fighting with unwritten recognition that Karabakh is now formally part of Azerbaijan. Of course politics can be volatile, and further clashes can never be ruled out, but we see it as an acceptable risk.

Anglo have 2 assets in Karabakh – Demirli and Kyzlbulag. As discussed, Demirli is now in production, and we hope to see access to Kyzlbulag in 2026. The fighting in 2020 and 2023 was largely concentrated around Karabakh and Anglo's operations at Gedabek went uninterrupted. However, disruption to Demirli would be a concern if fighting were to break out again.

4. Financials & Valuation

In this section we cover in much more depth the financials and assumptions that underpin our valuation for Anglo. Our model includes the successful development of Gilar, Demirli, Xarxar and Garadag that provides our base case £5.59 share price.

We make the following assumptions as part of our model for Anglo which we see as fair and reasonable.

- **We use $4.50/lb copper prices and $3200/oz gold prices** for our base case financials. However, we also include a range of share price estimates at different metal prices in table 4.3.

- **We assume no changes will be made to the PSA** – in other words Anglo will continue to pay an effective royalty rate of 12.75% with a 32% corporate tax rate.

- **We assume Gilar and Demirli both hit capacity operating rates in 2026, following initial production in 2025.**

- **We assume Xarxar and Garadag will both be constructed on time and on budget.** We have discussed the complexity of Garadag and the margin of error around the base case.

- **We have attached no value to Vejnaly, Kyzlbulag, Ordubad, Gosha, Libero or further exploration potential at Gedabek, Demirli, Xarxar or Garadag**. It is too early to determine the value of these assets but we view them all as free options as the market also attaches no value. Any upside potential would be value-add to our base case price target of £5.59.

- **The production forecasts are our best effort estimates based on known resources, known grades and company guidance.**

- **We assume average refining charges of 10% for gold and 15% for copper,** in line with Anglo's current experience and typical of the industry.

- **We assume moderate cost inflation of 2% per year across operating and capital costs** based on 2022 costs. In other words, the recent inflation surge is already captured within costs.

- **We assume recovery rates of 85% for flotation and 65% for heap leaching** which is in line with Anglo's experience and typical for the industry.

- **We assume 85% payable for copper concentrate and 100% payable for copper metal produced via SX-EW**

Our full financial projections are set out in table 4.1 on the next page.

All figures are in USD millions except for production numbers and margin figures.

$ millions	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Gold Production / koz	48.7	43.1	21.8	14.9	28.1	43.6	43.6	43.6	28.9	24.7	24.7
Copper Production / kt	2.6	2.5	2.1	0.4	8.7	30.0	30.0	43.6	35.9	35.7	39.9
Net Revenue[1]	92	85	46	40	138	333	333	449	352	344	387
Cost of sales[2]	-57	-52	-40	-39	-61	-110	-112	-147	-149	-174	-200
Gross profit	35	33	6	1	77	223	221	302	203	170	187
Gross profit margin	38%	39%	13%	3%	47%	67%	66%	67%	58%	49%	48%
Administrative expenses	-5	-6	-7	-7	-8	-9	-9	-10	-10	-12	-12
Depreciation & Amortisation	-17	-17	-11	-11	-22	-34	-34	-47	-47	-48	-48
Impairments	-	-	-18	-2	-	-	-	-	-	-	-
Operating profit before special items	13	10	-30	-19	47	180	178	246	146	110	127
Operating profit margin	14%	12%	-3%	-41%	34%	54%	53%	55%	42%	32%	33%
Financial income	-	-	-	-	-	-	-	-	-	-	-
Financial expenses	-1	-1	-2	-2	-3	-	-	-	-	-	-
Other income / expense	1	-1	-	-	-1	-	-	-	-	-	-
Profit before tax	13	8	-32	-21	43	180	178	246	146	110	127
Income tax	-5	-4	8	4	-14	-58	-57	-79	-47	-35	-41
Net Income	**8**	**4**	**-24**	**-17**	**29**	**122**	**121**	**167**	**99**	**75**	**86**
Net Operating Cash Flow	26	13	-1	9	51	156	155	214	146	123	134
Capex	-6	-10	-18	-9	-18	-22	-68	-20	-52	-47	-25
Capitalised Exploration Costs	-8	-7	-7	-2	-4	-8	-8	-8	-9	-9	-9
Free Cash Flow	**12**	**-4**	**-26**	**-2**	**29**	**126**	**78**	**186**	**85**	**67**	**100**
Dividends	-9	-9	0	0	0	-10	-30	-40	-40	-40	-40
EPS (US cents)	6.4	3.2	-21.0	-15.3	25.5	107.0	105.8	146.3	87.0	65.5	75.5

Table 4.1
All projections are calculated by Ben Jones Investments
1 Net revenue is net of refining charges and royalty payments. It is the revenue figure used by Anglo in audited accounts.
2 Cost of sales includes the forecast impact from the new Demirli contract area lease agreement.

- **Production figures** for gold and copper are the combined totals of Gedabek, Gilar, Demirli, Xarxar and Garadag which are all laid out in section 3.

- **Net revenue** is net of refining charges and royalty payments and is the figure that Anglo would use as headline revenue in their audited accounts. It is standard accounting for mining companies to report revenue net of royalties and refining charges. Net revenue improves in 2025 as Gilar and Demirli contribute to production for the first time. Net revenue may come in slightly lower than expected for 2025 as Demirli begins production and more ore is stockpiled or not sold and registered as inventory in the 2025 accounts. This would simply be a case of revenue timing and so we wouldn't worry too much about a 2025 revenue miss from this. Revenue jumps again in 2026 as we see the first full years of production from Gilar and Demirli, and again in 2028 as Xarxar comes online. The drop in revenue in 2029 is the anticipated drop in grade at Gilar, but long-run revenue is well supported as Garadag comes online from 2030. We expect Garadag to have a 20 year mine-life, providing Anglo with cash flow for the long-run. Of course, we assume that all these mines are developed on time and changes to the schedule will impact revenue forecasts.

- The **cost of sales** largely reflects the mining and processing volumes. We don't anticipate a large increase in operating costs at Gedabek as Gilar is brought online because the overall tonnage doesn't increase substantially. Effectively Gilar will be replacing ore from Gedabek. The moderate cost increase reflects the higher costs of underground mining at Gilar vs open pit at Gedabek. Demirli's first full year in 2026 raises total cost of sales from $61m to $110m. This includes the forecast impact from the new Demirli lease agreement. Cost of sales naturally increases further in 2028 as Xarxar is brought online, and again in 2030 with Garadag entering production. Again, the cost of sales figures depend on the eventual mine development plans, but our guidance is a best estimate based on the assumptions we have laid out.

- The **gross profit margins** improve due to better grades. Anglo had gross profit margins between 50-60% from 2016-2020 and those margins only really deteriorated over the last 3 years as the Ugur pit became exhausted, Gedabek underground became exhausted and Gedabek open pit grades deteriorated. Anglo now has 4 projects with better economics which we expect to generate record profits over the years ahead.

- **Impairment charges** of $1.3m were recorded in 2024, relating to capitalised drilling costs at the Avshancli deposit in Gedabek. Inevitably, not every drilling campaign will return sufficient results and so minor impairment charges will crop up over time. They will all be non-cash impairments as capitalised drilling (intangibles) gets written down. Our production projections are supported by MREs and thus impairments to failed exploration activities would not impact our financial outlook. However, we do not see any major impairment charges going forward. New drilling programs will be focused around Gedabek, Demirli, Xarxar and Garadag.

- We expect **financial expenses** to decrease in 2026 as Anglo pay down their debt. We anticipate around $37m FCF in 2025 and $126m FCF in 2026, comfortably enough to pay down the $22m in outstanding debt. The only reason Anglo would keep some debt would be to ensure credit lines remain consistently available if ever required.

- We apply a **32% corporate income tax rate** as established under the PSA. The effective tax rate is likely to vary a little because Anglo can deduct capex for a given year from their tax liability. As a result, the tax rate is likely to look higher than usual in low capex years and lower than usual in high capex years.

- **Capex** of $18m funds the Demirli restart, a tailings wall build at Gedabek, among other elements of sustaining mining and processing operations. Capex is higher in 2027 as we expect $50m required to bring Xarxar into production. This funds heap leach pads, a SX-EW plant and waste stripping. If Garadag goes into production in 2030, capex in 2029 will be more elevated to fund this. However, as discussed, the development plan for Garadag is still very much undecided and may change significantly from our base case. Given we expect Garadag to be ramped up more slowly, the capex may be spread out over a longer period of time, beginning in 2029. We also expect to see around $10m per year spent on drilling. This will help build block models for Demirli, mine plans for Xarxar and Garadag, as well as exploring the significant exploration opportunities at all contract areas.

- **Dividends** stopped in 2023 due to the suspension of flotation operations. We think this was the prudent call by Anglo and we expect to see dividends re-start once Gilar and Demirli are delivering sufficient cashflow to repair the balance sheet. We think it may be possible to see dividends restart at the end of 2025, paid in H1 2026. The timing of dividends does not concern us too much, it's more important to see the cash generation come first that allows the eventual restart of dividends.

New Construction Funding

Construction funding has been hugely de-risked over the last 12 months. This is because both Gilar and Demirli have been funded and are now operational and generating cash. They were funded through cashflow and debt, with Anglo taking on $22m of debt. If we look through our cashflow and capex forecasts going forward, we can see large positive FCF figures every year. In other words, expected operating cashflow comfortably covers capex over the next 6 years, including sustaining capex and initial capex for Xarxar and Garadag. There is absolutely no need at all to raise equity and use of debt will be a company choice rather than a necessity.

The cashflow from Gilar and Demirli will put Anglo in an exceptionally strong position in 2026, generating enough cash to pay down all debt, fund all capex requirements and drilling programs, with an additional $100m for shareholders.

$ millions	2018	2019	2020	2021	2022	2023	2024
Cash & equivalents	15	18	39	37	20	10	7
Inventory	34	44	41	37	40	40	25
Trade & other receivables	8	27	7	20	18	9	11
Total current assets	57	88	87	94	79	59	43
Intangible assets	17	20	24	30	39	27	24
Property, plant & equipment	81	70	67	59	56	65	72
Investment in associate company	-	-	-	-	5	0	0
Total non-current assets	99	93	92	95	102	95	104
Total Assets	**156**	**182**	**180**	**189**	**181**	**154**	**147**
Trade & other payables	13	28	13	28	18	9	20
Total Current Liabilities	24	33	20	31	18	9	20
Provision for rehabilitation	9	10	12	11	16	13	19
Deferred tax liability	23	27	25	25	28	20	16
Long term debt	2	-	-	-	-	21	22
Total non-current liabilities	34	40	38	40	49	60	59
Total Liabilities	**57**	**73**	**58**	**71**	**68**	**69**	**79**
Total Equity	**98**	**109**	**122**	**118**	**114**	**85**	**67**

Table 4.2
Some lines may not sum due to rounding or removed line items

- Anglo have historically kept a strong balance sheet with no debt. They raised $21m in debt in 2023 to help fund construction of Gilar whilst flotation operations were suspended. That has raised the debt/equity ratio from 0% to 32%. Anglo's debt stands at $22m and we expect it to be paid down fully in 2026.

- The drop in **intangible assets** is due to the impairments on capitalised exploration costs. Further drilling at Demirli, Xarxar and Garadag is going to add to these intangibles more quickly than they are amortised at Gedabek. As a result, we expect the intangible assets to grow until at least 2028.

- **Investment in associate company** is now $0 following the $5m write-down of Libero. Anglo still holds their original position but given the focus on the new mines in Azerbaijan, is not taking place in further equity raises which sees their holding diluted. It is too early determine the prospects of Libero and so we have valued it at zero and would consider success there as a value-add not accounted for in the share price.

- The value of **property, plant and equipment** is starting to increase following capex spend on Gilar and Demirli, and will continue to rise as capex outpaces depreciation over the next few years, with Xarxar and Garadag capex falling between 2027-30.

- **Inventories** of finished goods and metal in circuit was run down to maximise operating cashflow throughout the period of flotation suspension that lasted until Q3 2024. Inventories at FY 2025 may increase significantly from ore stockpiling at Demirli, with revenue recognised in 2026.

- The **deferred tax liability** is a function of Anglo being able to deduct capex from the tax bill in its first year. In other words, Anglo pay an effectively lower tax rate in high capex years and an effective lower rate in low capex years. Given the mine construction over the next 5 years, we would expect the deferred tax liability to rise over the remainder of the decade. This is advantageous as I expect the present value of the deferred tax liability to be about half the value recorded in the 2022 accounts.

Valuation Table

The valuation matrix below provides our share price estimates for different long-run gold and copper prices. Given Anglo's direction as a predominant copper producer, the valuation is much more sensitive to the copper price. These valuations are based on the same assumptions as the core financial projections discussed above and assume successful construction of Xarxar and Garadag. Our base case share price for Anglo at $4.50/lb copper and $3200/oz gold is £5.59 but we also value Gedabek and Gilar alone at £2.27 per share at those same metal prices. With the share price at £1.85 today, we see Demirli, Xarxar and Garadag as free options.

Copper Price $/lb

Gold Price $/oz	3.00	3.50	4.00	4.50	5.00	5.50
2600	1.03	2.41	3.79	5.16	6.54	7.92
2900	1.25	2.63	4.00	5.38	6.76	8.13
3200	1.47	2.84	4.22	5.59	6.97	8.35
3500	1.68	3.06	4.44	5.81	7.19	8.56
3800	1.90	3.27	4.65	6.03	7.40	8.78
4100	2.11	3.49	4.87	6.24	7.62	9.00

Discount rate 8% , GBPUSD 1.3000
Table 4.3

5. Company Operations & Assets

Anglo owns the following 8 mines and contract areas:

Gedabek, Azerbaijan, 100% ownership – Gedabek is a complex of gold and copper deposits which has been producing 40-70 koz gold per year and 2 kt copper per year since 2009. The Gedabek complex has an estimated JORC resource base of 140koz gold and 40kt copper (excluding Gilar). It also contains further exploration opportunities.

Gilar, Azerbaijan, 100% ownership – Gilar is 7km from Gedabek and has a JORC resource base containing 249 koz gold and 46 kt copper. Gilar began operating in May 2025 and is expected to produce over 30 koz gold and 8 kt copper per year over its first 3-4 years. Given its proximity to Gedabek, ore will be processed at the Gedabek facilities.

Demirli, Karabakh, Azerbaijan, 100% ownership – Demirli is a copper mine in the Karabakh region. We estimate the resource base to be about 239kt copper, producing 15-20kt copper per year over a 10-year mine life from H2 2025. There are opportunities to expand the resource base through exploration drilling.

Xarxar, Azerbaijan, 100% ownership – Xarxar has a JORC resource base of 119kt copper with 25Mt at 0.48%. We anticipate that Xarxar will be ready to produce approximately 10 kt copper per year, beginning in 2028.

Garadag, Azerbaijan, 100% ownership – Garadag is a large copper contract area transferred to Anglo in 2020, and is 4km from Xarxar by road. A maiden JORC resource estimate in 2024 put the resource base at 285 Mt at 0.32% for 897 kt copper. The development plan for Garadag could vary but our base case is to expect production beginning in 2030.

Vejnaly, Azerbaijan, 100% ownership – Vejnaly has been an Anglo concession since 1997 but was occupied by Armenia prior to the war in 2020. It appears that the Vejnaly mine has been mostly exhausted by prior operations, but Anglo will assess the entire contract area for exploration potential.

Kyzlbulag, Karabakh, Azerbaijan, 100% ownership – Kyzlbulag is a gold-copper mine located in Karabakh. Early estimations suggest that the Kyzlbulag mine has been mostly exhausted but there may be considerable exploration opportunities in the contract area.

Ordubad, Nakhchivan, Azerbaijan, 100% ownership – Ordubad is an exploration property in the Nakhchivan region of Azerbaijan. The resource base is not yet known but old soviet reports estimated 6 Moz of gold and 2 Mt of copper.

Gosha, Azerbaijan, 100% ownership – Gosha is a contract area adjacent to Gedabek. There has been small amounts of mining at Gosha in the past, with ore processed at Gedabek, but it contains no major deposits currently. Further exploration is required at this area.

The location of the Azerbaijan mines and contract areas can be seen on the maps below. Gosha is 50km from Gedabek but uses the Gedabek processing facilities. Xarxar and Garadag have yet to be constructed but the deposits are 4km apart by road and will likely share processing facilities. Gilar is 7km from Gedabek.

Fig 5.1

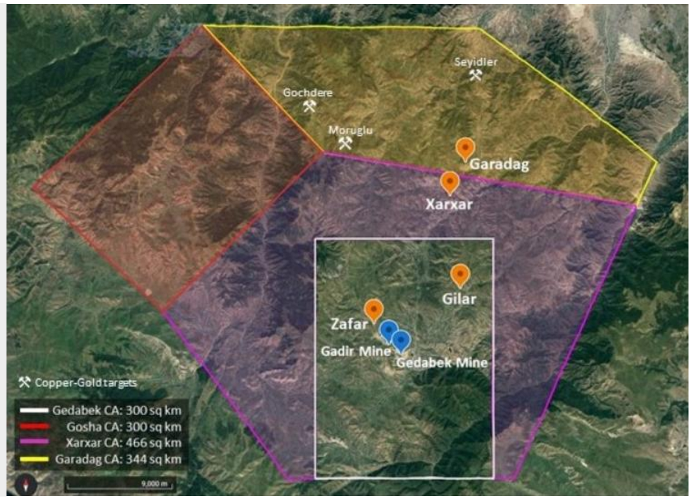

Fig 5.2

Gedabek

Gedabek has been Anglo's producing mine since operations began in 2009, producing 40-70 koz of gold and around 2 tonnes of copper per year. It is made up of a complex of deposits which include:

- **Gedabek open pit** – large, low grade gold pit with copper deposits. It contributes the majority of the tonnage at Gedabek at around 1.7Mt per year, producing around 25koz gold and 2kt copper per year. We expect a further 5 years production from this mine.
- **Zafar –** an underground mine with 73koz gold and 28kt copper resources. We expect around 7koz gold and 3kt copper production per year from 2029 onwards as Gedabek and Gilar come to the end of their mine lives.
- Gedabek has been home to a number of recently exhausted deposits including Ugur, Gadir and Gedabek underground. The broad mineralisation in the area offers many exploration opportunities for new deposits.

Gedabek is located within a larger gold and copper mineralisation area which is why there are multiple mines all closely located. Anglo is still carrying out exploration activities around the Gedabek area which may contribute to future production. Gilar is an example of a mine which was only discovered in 2021, 13 years after production began at Gedabek. Further exploration work and surveys have identified a number of new targets in the Gedabek contract area, but there is too little information available today to quantify any new resources.

All the mines in this area can be processed at the existing facilities at Gedabek so the capital costs of new mines are low. For example, Gilar is capable of doubling Anglo's production over the next 5-7 years with only $20m of initial capex because all the processing facilities are already in place.

Resources

Resources	Source	Level	Tonnage (Mt)	Gold grade (g/t)	Copper grade (%)	Silver grade (g/t)	Gold (koz)	Copper (kt)	Silver (koz)
Gedabek[1]	JORC	Measured & Indicated	5.4	0.37	0.34	4.34	64	18	753
Gedabek[1]	JORC	Inferred	0.2	0.55	0.17	2.58	4	0	19
Zafar	JORC	Measured & Indicated	5.5	0.4	0.5	0	64	25	0
Zafar	JORC	Inferred	1.3	0.2	0.2	0	9	3	0
Gilar	JORC	Measured & Indicated	6.1	1.30	0.88	0	255	54	0
Total			**18.5**				**396**	**100**	**772**

Table 5.1
1 The estimates for Gedabek in the table above are internal estimates as of January 2025. The latest JORC resource estimates for Gedabek were published in 2020.

Gilar

Gilar is a high-grade gold and copper mine near to Gedabek with a JORC resource of 255 koz gold resources (grade 1.30 g/t) and 54 kt copper resources (grade 0.88%). Gilar entered production in May 2025 and we anticipate that approximately 700kt of ore will be mined each year over a 7-year mine life, producing around 30 koz gold and 8 kt copper per year over its first 3 years. This will bring Anglo's production up from 15 koz gold and 0.4 kt copper in 2024 towards 30 koz gold and nearly 10 kt copper in 2025. The ore from Gilar will be processed at Gedabek's processing facilities which kept development costs low at $20m.

The flotation plant at Gedabek is being expanded this year from a capacity of 650kt to 1.3Mt per year. This will provide the additional capacity necessary to process Gilar's higher grade copper ore. Gedabek's copper ore will also be processed at the flotation plant with its gold ore being processed via heap leaching and agitation leaching.

Demirli

The Demirli contract area was granted to Anglo by the Government of Azerbaijan in 2021. The mine had been constructed and mined by Base Metals under the governance of Artsakh prior to 2020. They had developed the pit and constructed a processing plant capable of processing copper ore at a rate of 6.7Mtpa. Anglo estimates $5-10m capex to restore the plant to working condition.

We currently estimate Demirli to have 58Mt ore at 0.41% copper, containing 239kt copper. These resource estimates come from data retrieved from Demirli. Fig 5.3 below demonstrates the pit shell for $9000/t copper and provides some information on grades with blue showing 0.1-0.15%, green 0.25-0.40%, yellow 0.40-0.60% and orange above 0.60%.

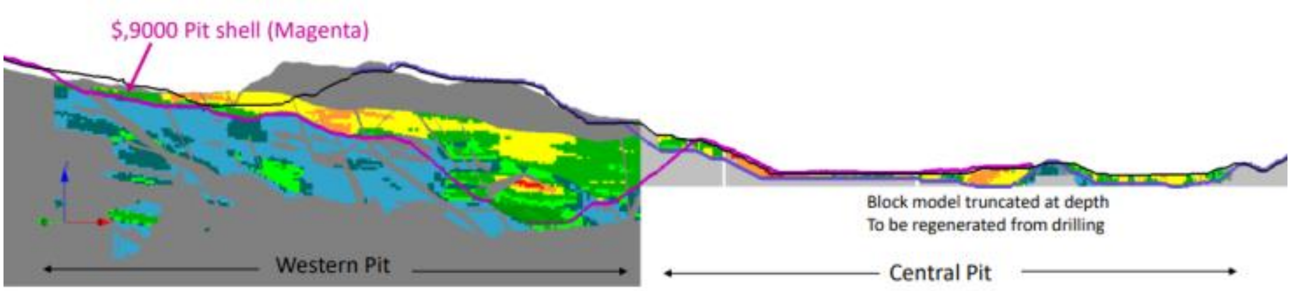

Fig 5.3
Source: Anglo Asian Mining June 2024 presentation

The block model truncation at the Central Pit may be due to technical mining limits, as mining any deeper would encroach on the waste dump. We don't know if the resource base continues below the modelled pit floor and expect Anglo to drill this over the next 12 months.

The resources are not JORC compliant, but we feel comfortable that resources are sufficiently large to justify the construction of the mine by Base Metals in 2016. As Anglo better understand the orebody and continue drilling over time, we'll get a better picture of the resource base.

Resources	Cut-off Cu%	Indicated (Mt)	Inferred (Mt)	No Class (Mt)	Grade %	Copper (kt)
Central Pit	0.20	0.0	0.0	15.6	0.44	69
Western Pit	0.20	15.0	27.8	0.0	0.40	170
Total		15.0	27.8	15.6		239

Table 5.2
Source: Anglo Asian

During Anglo's recovery of Demirli, drilling data was found that indicated the presence of a new 'South Demirli Pit'. If proven, the deposit could add > 330kt copper to the Demirli resource base, which would more than double the known resource base at Demirli. We do not currently include the South Demirli Pit in resource estimates because the drilling data hasn't yet been formally verified by Anglo. We expect a drilling program over the next 2 years to confirm the size and scale of South Demirli Pit, if it is indeed a viable mineral resource.

Xarxar

The Xarxar contract area was transferred from AzerGold to Anglo in 2020, as part of an agreement that saw Anglo relinquish their claim to Soutely. Anglo released a maiden JORC resource estimate for Xarxar in 2024 which determined a 24.9Mt resource at 0.48% copper, containing 119kt copper.

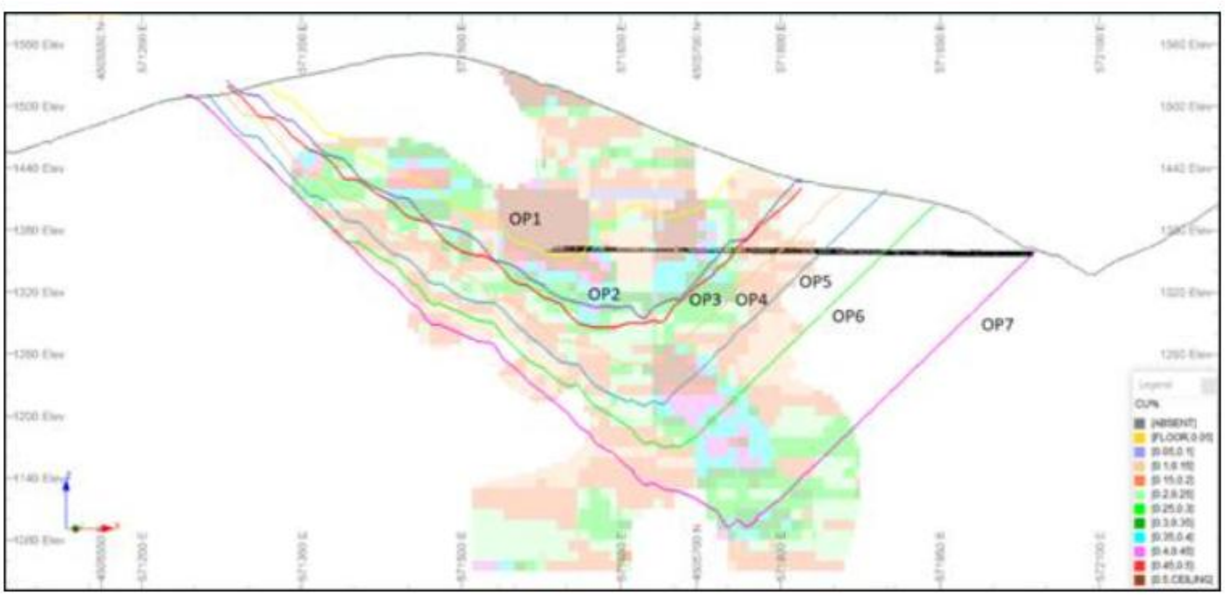

Fig 5.4
Source: Anglo Asian

Figure 5.4 above and table 5.3 below show data from Anglo's drilling results on Xarxar. It provides an idea on how a pit may be developed and how much copper could be economically extracted. For example, if copper is $5000 / tonne, Anglo would use pit optimisation plan OP1, which would involve a shallower pit, mining 51kt copper at 0.70%. The base case scenario denoted by Anglo is OP3 which assumes copper at $8000 / tonne. This would allow for a deeper pit, extracting 93kt copper at an average grade of 0.46%. It may also be possible to develop an open pit under OP3 with a view to underground mining beyond that. We expect further clarity on Xarxar development plans in 2026.

Copper Price $/t	Ore / t	Waste / t	Stripping Ratio	Copper / t	Copper Grade %
OP1 - $5,000	7,362,221	21,685,157	2.9	51,513	0.70
OP2 - $7,500	17,334,016	29,376,561	1.7	85,573	0.49
OP3 - $8,000	**20,116,723**	**31,982,108**	**1.6**	**93,408**	**0.46**
OP4 - $10,000	29,176,251	39,932,179	1.4	114,732	0.39
OP5 - $12,000	36,224,004	52,831,917	1.5	130,876	0.36
OP6 - $15,000	43,739,585	76,392,038	1.7	147,663	0.34
OP7 - $20,000	53,028,965	131,403,872	2.5	169,064	0.32

Table 5.3
Source: Anglo Asian

Mining 3Mt per year over a 7-year mine life would deliver around 60kt of copper over its life.

XARXAR	2028	2029	2030	2031	2032	2033	2034
Ore Processed / kt	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Copper Grade %	0.70%	0.70%	0.40%	0.35%	0.35%	0.30%	0.30%
Copper Recovery %	65%	65%	65%	65%	65%	65%	65%
Copper Production / t	13,650	13,650	7,800	6,825	6,825	5,850	5,850

Table 5.4

There are also further exploration opportunities at Xarxar with Xarxar 2 being the most prominent. The known Xarxar JORC deposit is on a valley hillside and mineralisation may continue across the valley, resulting in a deposit on the opposing hillside. At the moment, we don't know the likelihood of success at Xarxar 2 and we expect drilling over the next 12-24 months to provide more clarity on the potential there. We do not currently assume any resources at Xarxar 2 so success there would add new value to Anglo, and failure would not change our existing outlook or forecasts.

Garadag

The Garadag contract area was also transferred from AzerGold to Anglo, as part of an agreement that saw Anglo relinquish their claim to Soutely. A maiden JORC resource estimate was published for Garadag in 2024 confirming 897kt copper, hosting 285Mt at 0.32% copper. This is an excellent result and considerable uplift from the 300kt copper estimates previously.

Domain	Ore / Mt	Copper Grade %	Copper / kt
Enriched	114.7	0.43	491.5
Primary	170.2	0.24	405.4
Total	284.9	0.32	896.9

Table 5.5
Data from Anglo Asian

As discussed, the development of Garadag is complex and we won't know the full development plan until Anglo has carried out further studies that address the land use or tailings dam challenges. However, under our base case laid out in section 3, table 5.6 provides an early estimate of how production may look.

GARADAG	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042+
Ore Processed / kt	2,000	4,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Copper Grade %	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.34%	0.34%	0.34%	0.34%
Copper Recovery %	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%
Copper Production / t	5,200	10,400	13,000	13,000	13,000	13,000	13,000	13,000	13,000	11,050	11,050	11,050	11,050

Table 5.6
Projections calculated by Ben Jones Investments

Naturally the grades will vary more between years, but 0.40% is the best grade approximation based on an initial open pit that could be mined. The mining rate will almost certainly be determined by any land constraints if heap leaching is used. We currently assume 5Mt per year, but this could be increased if sufficient land for heap leaching is secured. Equally, mining rates may be lower if land constraints remain an issue. Under assumed mining rates, the mine life could reach beyond 2050.

We fully acknowledge the margin for error around the Garadag mine plan, and may need to make fairly significant revisions to it as further studies are conducted. Ultimately it is a mineable deposit with 900kt copper and we feel comfortable knowing that it will provide immense value to Anglo and shareholders. However, the development timing, the mining rates and the costs may all vary from our current assumptions, and that will have an impact on our NPV.

Garadag is 4km from Xarxar by road and would be able to share processing facilities. This makes the entire development plan more economical. Anglo have yet to decide on how to develop Garadag, but as with Xarxar, our base case estimation is open pit with heap leaching processing. The logic is that heap leaching can economically process low grade material at Garadag and doesn't require a tailings facility. However, as discussed, available land is a potential constraint here. We would expect the processing facilities to be expanded as Garadag is brought online given it is likely Garadag won't be producing until 1or 2 years after Xarxar. This allows capex to be spread across a greater time period and allow Anglo to use more existing cash flow to fund the development.

Ordubad

Ordubad is an exploration property located in Nakhchivan. Old Soviet reports have indicated 6Moz gold and 2Mt of copper resources although not enough drilling has been carried out to assess the accuracy of these reports. Anglo currently have exploration work ongoing at Ordubad as they try to verify the Soviet estimations. However, they will need to direct all their efforts and resources towards Gilar, Xarxar and Garadag over the next 5 years. As a result, we don't anticipate any serious developments at Ordubad anytime soon.

Table 5.7 below shows soviet resource estimates. We would treat these estimates with caution until more drilling has been carried out. Given Ordubad is still in an early exploration phase, we attach no value to this mine and see no value given to it by the market. In other words, it is another free option that may prove significant upside in future, but if not, there would be no value lost.

ORDUBAD	Category*	Ore Mt	Cu %	Au g/t	Ag g/t	Cu kt	Au koz	Ag koz
Shakardara	P2	156	0.4	1.1	3.6	624	5,518	18,058
Misdag	P1	350	0.43	-	-	1,505	-	-
Shalala	C2+P1	20.6	0.5	-	-	103	-	-
Agyurt	C2+P1	1.13	1.28	6.39	23.4	15	232	850
Piyazbashi	C2+P1	0.89	-	6.6	-	-	189	-
Diakchay	C2+P1	14.4	0.44	-	-	63	-	-

Table 5.7
Source: Anglo Asian Mining; estimates carried out by mining consultant Behre Dolbear in 2005
* C2 is equivalent to indicated resources; P1 is equivalent to inferred resources; P2 should be seen as mineral potential with less certainty than P1

Vejnaly

Vejnaly had been claimed by Anglo since 1997 but it was being mined while under Armenian occupation. The Zangilan district where Vejnaly is located was formally returned to Azerbaijan in the peace agreement signed between Azerbaijan and Armenia in 2020. As a result, Vejnaly was returned to Anglo in 2020 and they were granted access in 2021. Anglo have a team of geologists assessing the mine but the remaining resources are currently unknown. Some of the unprocessed ore from its previous occupation has been transferred to Gedabek for processing. The facilities at Vejnaly were damaged during the war and would require new investment should Vejnaly prove to be economically viable. Early estimates from Anglo indicate that the existing mine has been mostly exhausted. However, former mines are indications of mineralisation and there may be further exploration potential. Given the uncertainty around the remaining resources at Vejnaly, we are currently attaching no value to this mine. If there are economically recoverable resources present, it will be an upwards surprise to our valuation but if not, there would be no damage to our long-term view or valuation.

Fig 5.5 below shows the previously mined Vejnaly deposit.

Fig 5.5
Source: Anglo Asian presentation October 2021

Kyzlbulag

Kyzlbulag has been claimed by Anglo since 1997 and is in the Karabakh region, adjacent to the Demirli contract area. Azerbaijan now controls Karabakh and Russian peacekeepers have departed. Anglo have been able to access nearby Demirli, but we don't yet have a timeline on when Anglo may be able to access Kyzlbulag. The dark grey area on the map below shows the Karabakh region. Demirli is not shown on the map but it is adjacent to Kyzlbulag.

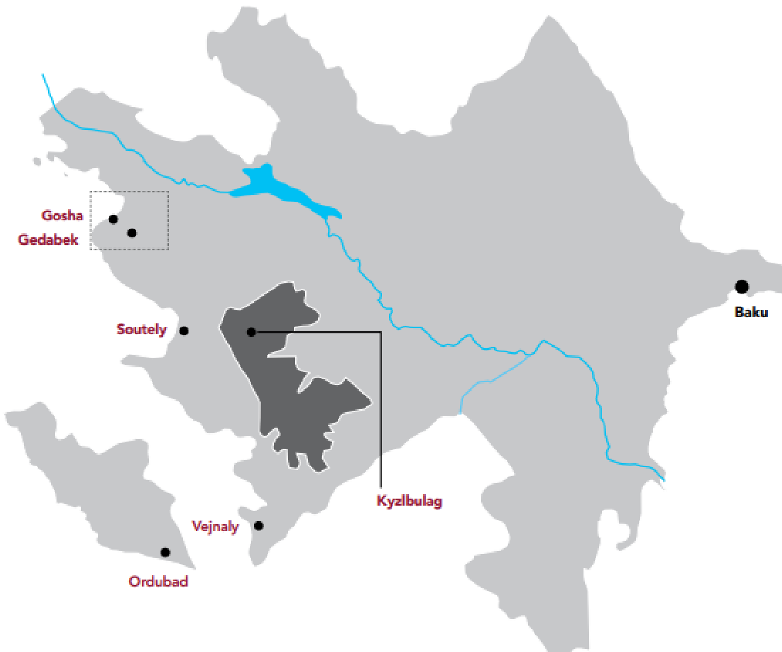

Fig 5.6
Source: Anglo Asian
Note: Soutely was relinquished by Anglo in 2020. The map does not include Xarxar, Garadag or Demirli.

The Kyzlbulag contract area was once host to the Kyzlbulag gold-copper mine. Anglo believes this mine shut down several years ago but once produced around 35 kozs gold per year. This would indicate mineralisation in and around the Kyzlbulag contract area. Given Anglo's limited access, we don't know whether there are unmined resources at the old Kyzlbulag mine and we don't yet have a good indication of the prevalence of exploration targets. We would like to see Anglo gain free access in 2026 when initial assessments can be made about the Kyzlbulag mine.

We currently attach no value to this contract area, but we see it as a free option that may add value down the line.

6. Management

Reza Vaziri has been the CEO of Anglo Asian since 2006 and owns 32% of the company. Reza has served as head of the foreign relations office of the Imperial Court of Iran before establishing a private company involved in the caviar business, and RV Investment Group. He founded and chairs the US-Azerbaijan Chamber of Commerce which has had advisory members including Dick Cheney and Henry Kissinger. Reza has a good relationship with the Government of Azerbaijan which has been supportive of Anglo's development and providing stability through an unchanged PSA.

Khosrow Zamani has been the non-executive Chairman of Anglo Asian since 2007. He is the former director for Southern Europe and Central Asia of the International Finance Corporation, the private lending arm of the World Bank, which oversaw the investment of $2bn of assets.

Anglo has a large insider shareholding at approximately 43% of outstanding share capital. This is particularly large for a mining company and ensures that Directors are well aligned with shareholder interests. Limelight Industrial Developments is a holding company owned by CEO Reza Vaziri. Reza therefore owns around 32% of the company with over 9% owned by non-exec Director John Sununu.

Shareholder Name	Type	Shares	Ownership
Reza Vaziri	CEO	32,796,830	28.7%
Aberdeen Group	Institutional	19,040,650	16.6%
Hargreaves Lansdown	Institutional	9,949,089	8.7%
Michael Sununu	Non-exec Director	9,171,825	8.0%
Limelight Industrial Developments Limited	Owned by CEO	4,038,600	3.5%
Raymond James Wealth Management	Institutional	3,947,701	3.5%
HBOS Investment Fund Managers Limited	Institutional	3,566,958	3.1%
HSBC Global AM	Institutional	2,867,679	2.5%
Barclays Bank PLC, Wealth Division	Institutional	2,751,777	1.8%
John Sununu	Non-exec Director	1,562,715	1.4%
Khosrow Zamani	Non-exec Chairman	1,457,982	1.3%

Table 6.1

We see no insider transactions over the last 12 months.

7. ESG

Anglo's ESG rating

In 2025, Anglo received its inaugural sustainability rating from Digbee Ltd, an independent provider of ESG disclosure and benchmarking for the mining sector. Anglo were awarded a BB rating, and provides Anglo with a platform from which to make quantifiable and identifiable improvements in their ESG score.

Fig 7.1
Source: Anglo Asian

Prior initiatives to improve environmental and social contributions include:

- Building a school in the village of Arikhdam and a kindergarten in Gumlu
- 2,000 trees were planted at Gedabek to help offset emissions and improve the land
- Anglo will begin to measure their carbon footprint and start a pilot scheme to reduce fuel consumption by 10%
- Contributed to local infrastructure with the building of a bridge, road and internet café
- Anglo abide by international safety standards and had an LTI (lost time injury) frequency rate of 2.18 (2.18 injuries for every 1 million hours worked) in 2022 vs 0 in 2021. Sadly, Anglo suffered their first fatality in 2022 as an employee lost control of a loader. Anglo were cleared of fault in an external investigation.

Copper's role in a green new world

Copper's role in wiring is so vital, that it is impossible for the world to achieve any net zero carbon goals without it. The focus of net zero carbon goals is to electrify as many processes and appliances as possible (like EVs and heat pumps), and ensure the world can generate enough low carbon electricity to power them. I am not aware of any estimates that suggest the world currently produces enough copper to achieve these goals. S&P Global produced a report that discusses the copper required to achieve the goals set out by the US, EU, IMF and IEA (International Energy Agency). You can find it here:
https://cdn.ihsmarkit.com/www/pdf/0722/The-Future-of-Copper_Full-Report_14July2022.pdf

The report estimates:

- Copper demand is projected to double by 2035, from 25Mt today to 50Mt.
- They anticipate a shortfall in supply of nearly 10Mt per year by 2035.

- Transmission and distribution demand is expected to reach 7.5Mt per year by 2035, up from 4.7Mt in 2021.
- Fully electric cars use around 60kg copper per vehicle vs 24kg for an internal combustion engine vehicle, driving. The IEA estimates 10m electric cars were sold in 2022, with EVs now making up 14% of car sales in 2022 vs 4% in 2020.
- Annual automotive sector copper demand expected to hit 9.3Mt by 2035 vs 2.2Mt in 2021.
- 78 GW of new wind power and 191 GW of solar power was installed globally in 2022. Offshore wind requires 4,900 tonnes of copper per GW, onshore wind needs 1,400 tonnes per GW and solar needs 2,300 tonnes of copper per GW. All of these figures exclude transmission.
- Copper is not easily substitutable and estimates suggest only 1% of copper demand was substituted between 2018 and 2020. Its nearest substitute is aluminium but 3x more aluminium is required for a given amount of copper wiring due to its poorer conductivity. Aluminium also wears faster and needs replacing more often. In many cases like underground cables or offshore cables, the maintenance cost is not worth substituting.
- Rules are becoming stricter for mining permits, making it more difficult to develop new projects

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