

# Hambledon Mining

## Growing Central Asian Gold Producer



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- The Republic of Kazakhstan inherited the classification system and estimation methods for minerals established by the Former Soviet Union (FSU). Updated 'Regulations for the Classification of Non-ferrous Metals Reserves' became law in Kazakhstan in 2006. The management estimation of resources is based on this standard.
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# Corporate Data

<b>Share Price</b>	<b>2.325p (as of Dec. 9, 2013)</b>
Market	AIM
Ticker	HMB LN
Shares in Issue	979.7 Million
Market Cap	£23 Million
Nom Adviser/Broker	Strand Hanson, Peat & Co



<b>Chairman</b>	<b>Kanat Assaubayev</b>
CEO	Aidar Assaubayev
CFO & Company Secretary	Rajinder Basra
Non Executive Director	Ashar Qureshi
Non Executive Director	Ken Crichton
Non Executive Director	Alain Balian
Non Executive Director	William Trew
<b>Significant Shareholders</b>	<b>%</b>
African Resources	50.9
Blackwill Trade Limited	9.0
Barclays Stockbrokers	3.6
TD Direct Investing	3.3
Hargreaves Lansdown	2.0

# Vision: to be the most efficient gold mining company

- Grow into largest gold mining company in terms of production and reserves in Central Asia
- To create significant value for all shareholders
- Maintain strict cost control and utilize technology effectively to become the most profitable gold miner in Central Asia
- Implement throughout the highest standards of corporate governance – ensuring transparency and ethical behavior
- Promote social development and a sustainable environmental balance in the regions where Hambledon operates

# Investment Highlights

- Sekisovskoye mine is a world class asset already in production
  - Production in 2013 is expected to reach 27,500 ounces of gold
  - Production target of over 100,000 ounces of gold per year by 2017
- Extensive exploration work has resulted in internal resource estimate being increased substantially from 1.8Moz to approximately 6Moz of gold at 5.34 g/t
- State of the art processing facility of 850,000 tons per annum already built and operational requiring limited capital expenditure to meet the needs of the Company's current mines
- Karasuyskoye Ore Fields -- estimated resource of 9Moz of gold and 16Moz of silver offer significant additional growth potential once the necessary licenses are obtained

# 2013: Consolidation and a return to underground mining

- The Board and Management have spent 2013 focusing on the near term initiatives as well as conducting a comprehensive strategic review
  - Recommencement of underground mining in summer 2013
  - Significant increases in operational efficiency and elimination of excessive overheads in the UK
  - Reestablishment of relationships with local authorities and environmental agencies and successful appeal against the prior environmental claims
  - Resolving the Akmol gold situation by agreeing the return of monies
- The new management has conducted a comprehensive strategic review
- **Hambledon has now embarked on a new era of growth and development**

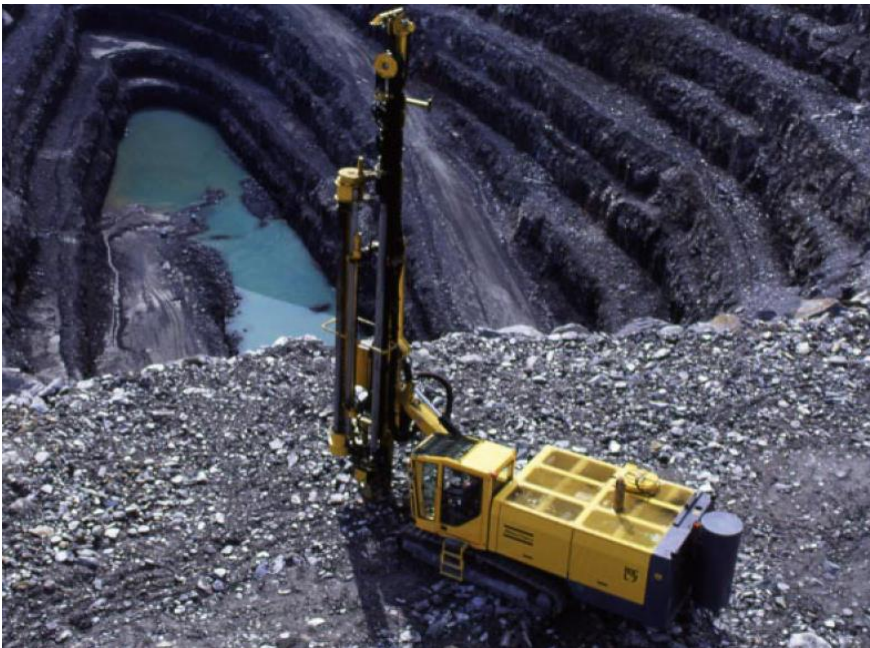


# Project Location: Eastern Kazakhstan



# Sekisovskoye Mine Highlights

- Open pit mining since 2007
  - Stable open pit production of approximately 21,000 oz of gold per year
  - Open pit will reach the end of production life in 2015
- Underground mining recommenced in June 2013
  - Targeting gold production of over 100,000 oz per year by 2017





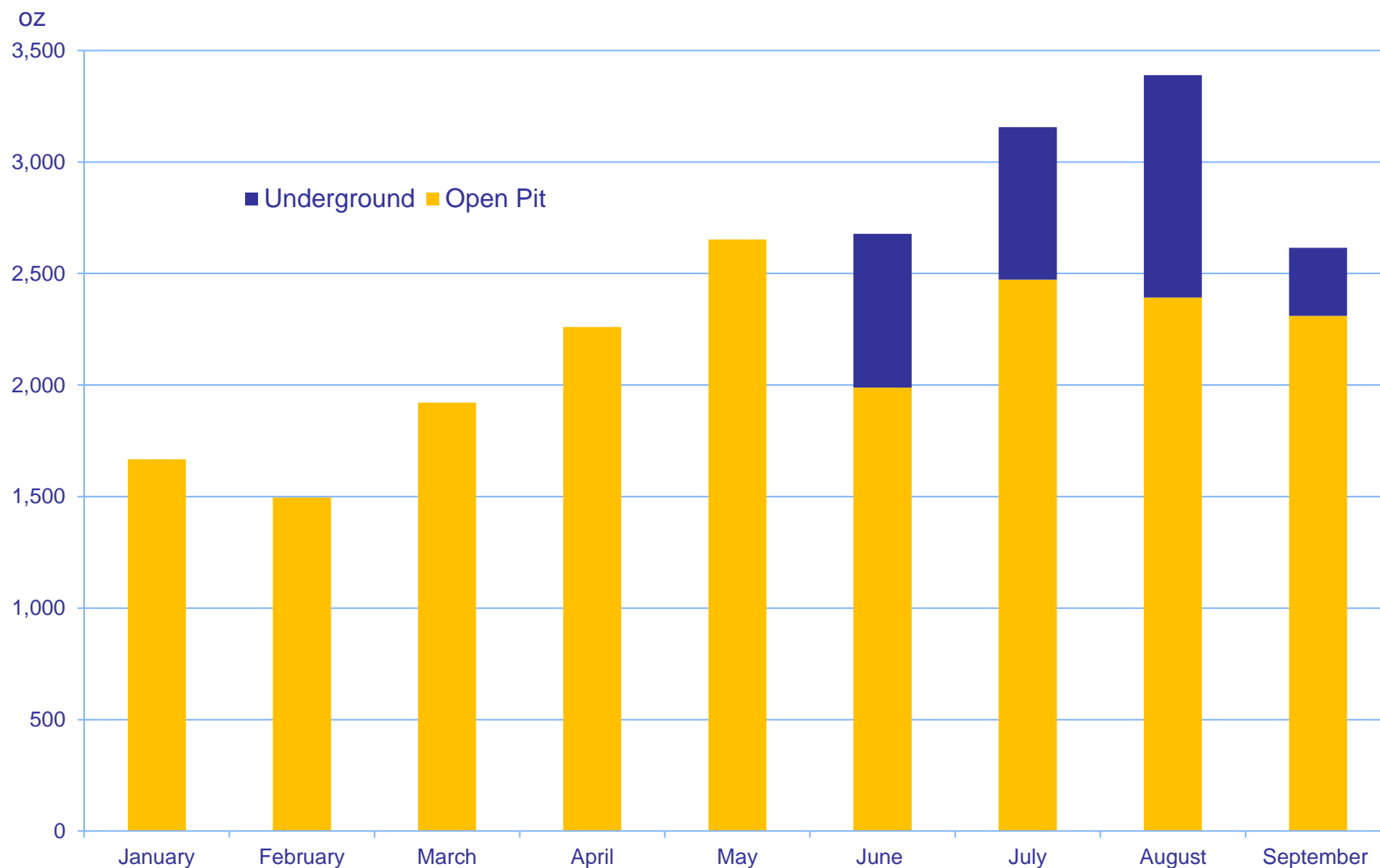
# Production Highlights

	2011	1Q12	2Q12	3Q12	4Q12	2012	1Q13	2Q13	3Q13
Milled ore, t	744,416	146,080	179,156	167,242	136,253	628,731	133,877	195,227	189,568
Gold grade, g/t	1.09	1.33	1.28	1.35	1.58	1.37	1.38	1.49	1.76
Gold recovery, %	81.2%	78.0%	79.0%	80.8%	83.7%	80.4%	85.8%	80.9%	85.5%
<b>Gold poured, oz</b>	<b>20,851</b>	<b>4,870</b>	<b>5,840</b>	<b>5,875</b>	<b>5,778</b>	<b>22,363</b>	<b>5,084</b>	<b>7,589</b>	<b>9,161</b>
Silver poured, oz	36,946	5,029	6,856	7,469	7,195	26,549	6,448	9,075	9,247

## Significant increase in production under new management

Change, YoY, %	1Q13	2Q13	3Q13
Milled ore, t	-8%	9%	13%
Gold grade, g/t	4%	16%	30%
Gold recovery, %	10%	2%	6%
<b>Gold poured, oz</b>	<b>4%</b>	<b>30%</b>	<b>56%</b>
Silver poured, oz	28%	32%	24%

# 2013 Monthly Gold Production

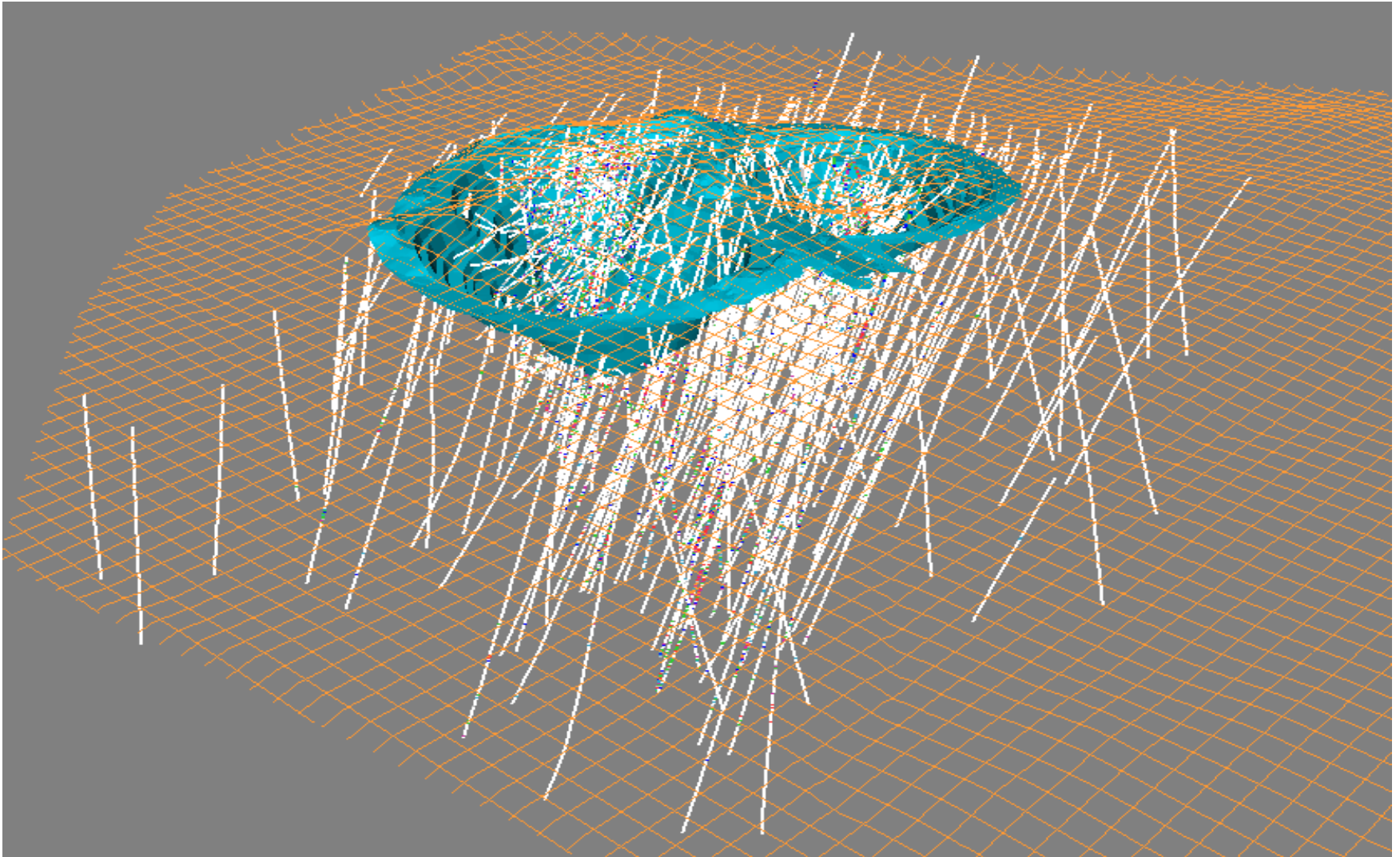


# Underground Mine Resources

- The Company estimates underground resources of approximately 6Moz of gold at 5.34 g/t using 3.0 g/t cut off grade
- Revised resource estimate based on extensive exploration work
  - 53,804 meters of underground exploration drilling from the +250mrl
  - Over 28,000 meters of underground exploration drilling is in progress from the 0mrl level to -400mrl
- Full independent CPR is expected to be released in early 2014



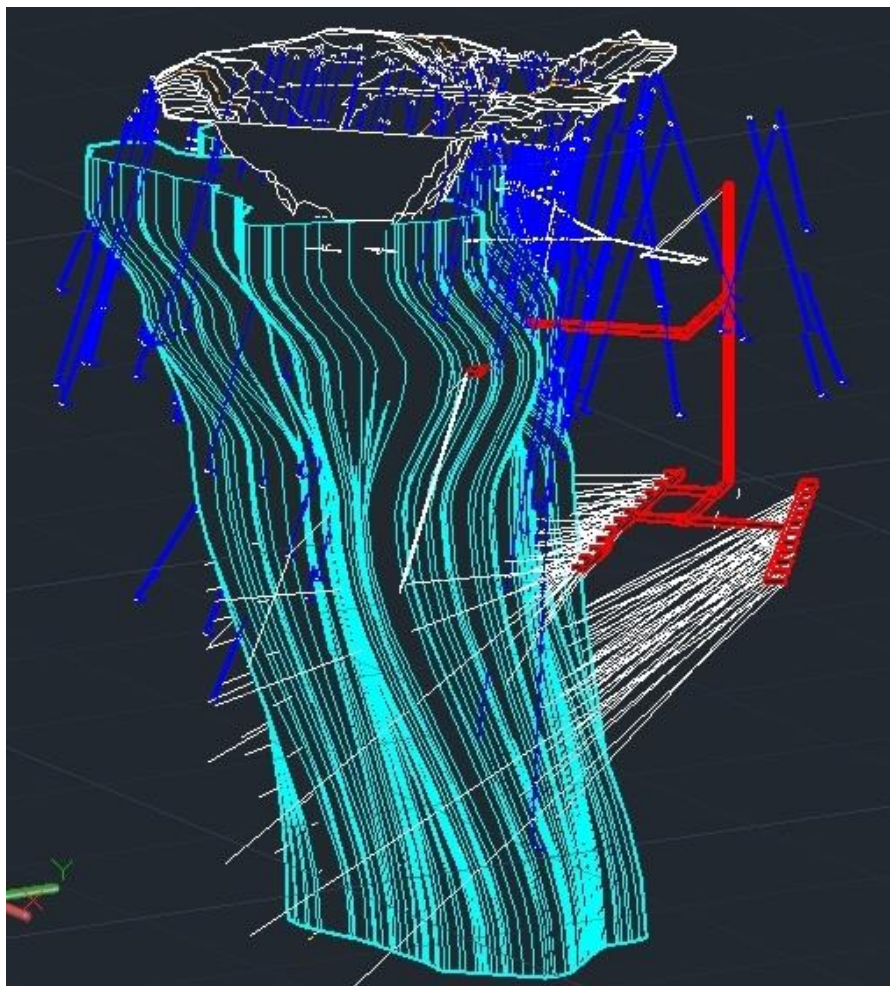
# Exploration Drilling Highlights: Surface Drilling





# Exploration Drilling Highlights

## Schematic of the Sekisovskoye Orebody





# Ore-Bearing Breccia Cores

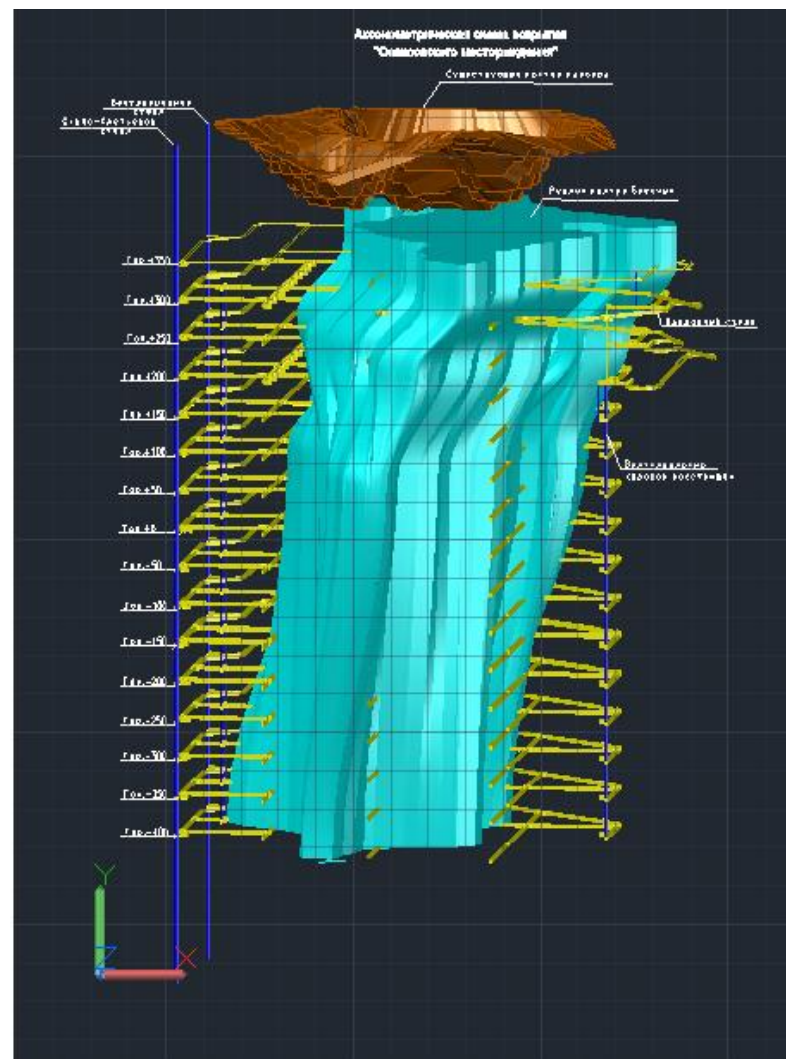
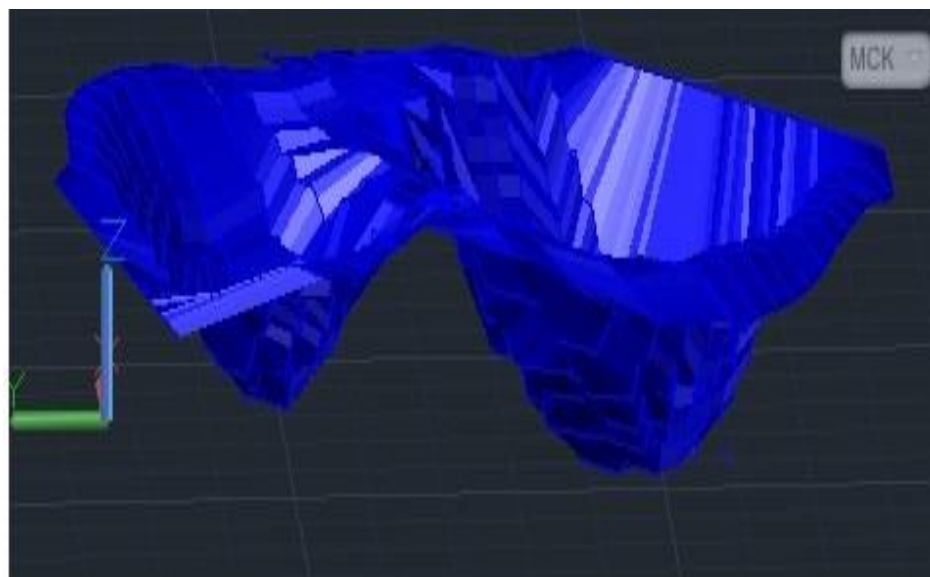


Well MET2.  
Interval 355.05-359.85 m.

# Sekisovskoye Underground Mine Highlights

<b>Resources &amp; Reserves*</b>	<b>~ 6,000,000 oz</b>
<b>Average gold grade</b>	<b>5.34 g/t</b>
<b>2012 Gold Production</b>	<b>22,400 oz</b>
<b>2013 Gold Production Forecast</b>	<b>27,500 oz</b>
<b>2017 Gold Production Forecast</b>	<b>100,000 oz</b>
<b>Processing Plant Capacity</b>	<b>850,000 tpa</b>

\* Management Estimates



# Sekisovskoye Mine: Significant Growth Potential

Significant production growth is forecast based on current gold resources and existing infrastructure:

- 2013 – 27,500 oz of Gold
- 2017 – 100,000 oz of Gold

As part of the ongoing expansion of the underground mine, two new underground shafts will be built over the next three years

With expansion of underground mining and the consistently higher grade of ore found underground, total life of mine (LOM) cost is forecast around \$560 per ounce





# Karasuyskoye Ore Fields – A New Growth Horizon

- Karasuyskoye Ore Fields offer even greater growth potential upon receipt of the requisite licenses
- 9Moz of gold and 16Moz of silver based on internal management estimate
- Hambledon has acquired detailed geological information for \$27 million that enables it to apply for the necessary licenses
- Once those licenses are granted, the Company expects to publish a full CPR and move to production without significant capital expenditures or time delays

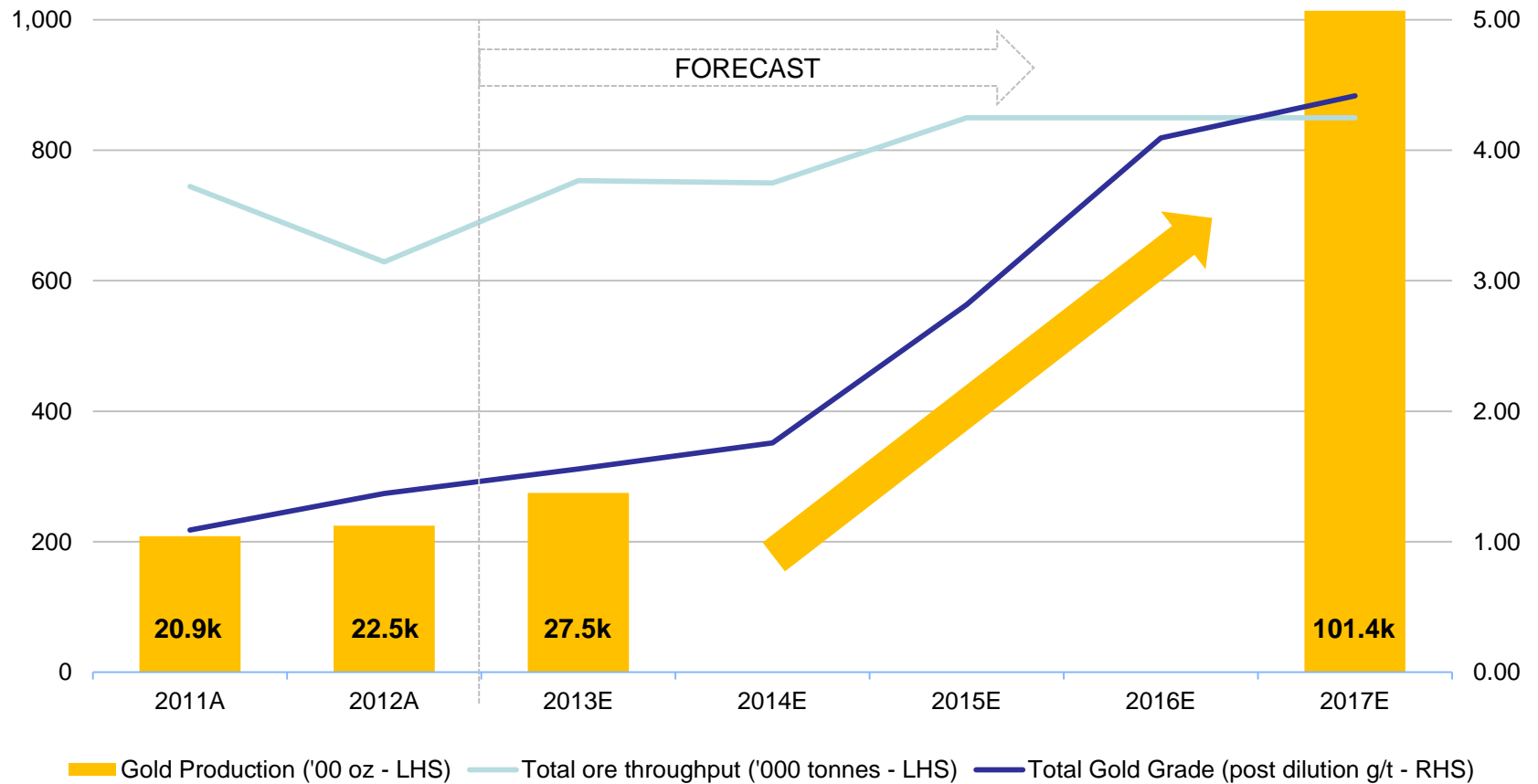
# Modern Processing Plant

- Name plate capacity 850,000 tpa
- Carbon-in-Pulp leaching technology
- Final product: Gold/Silver dore
- Tests undertaken to ascertain optimal mix and recovery of the underground ore
  - In a test using solely underground ore, the achieved recovery rate was 91.3 per cent for gold and 95.4 per cent for silver
  - These recovery rates are a positive indicator for the future productivity of the plant, when the source material consists of only underground ore, which is forecast to be the case from mid-2015

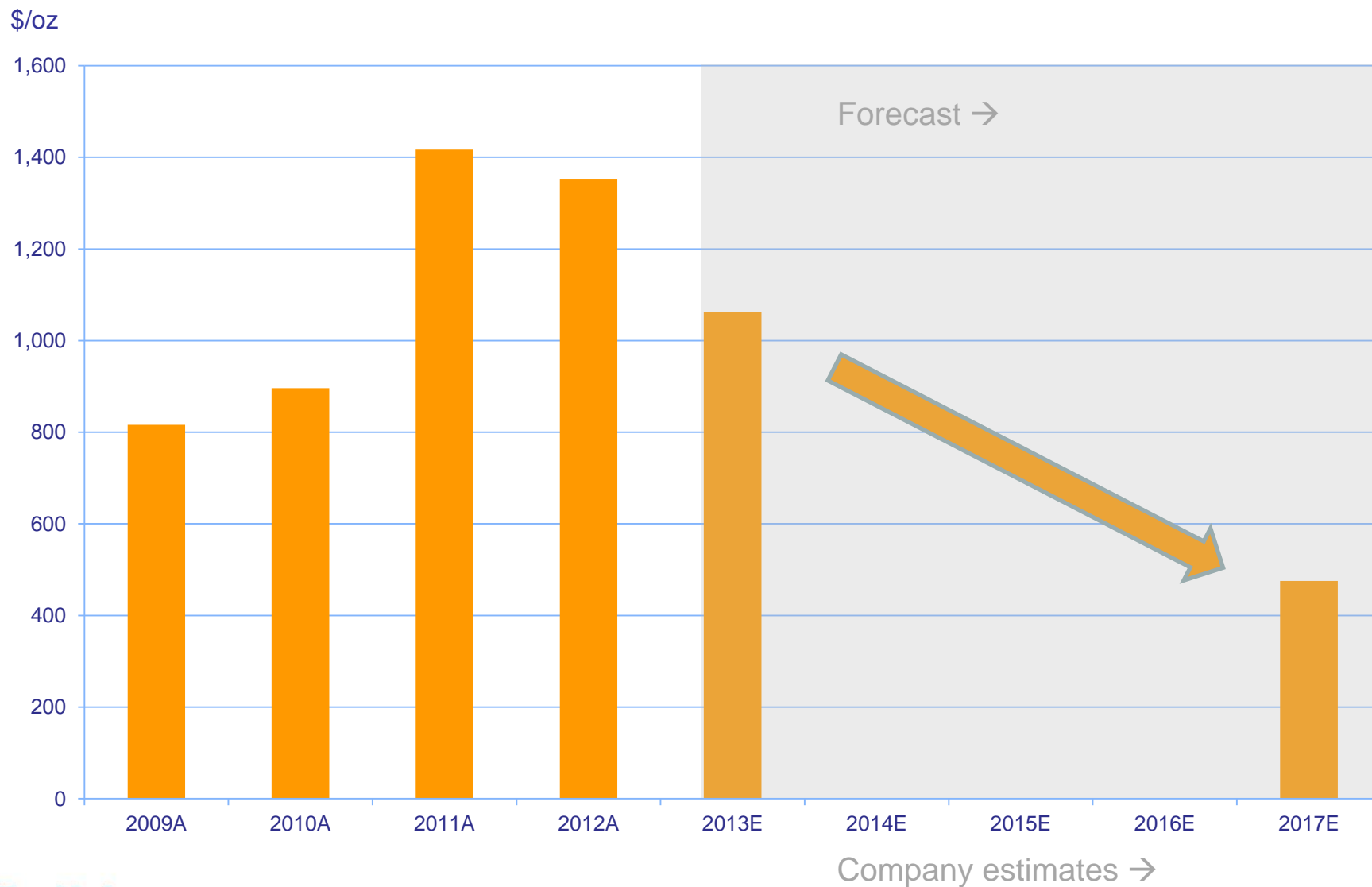




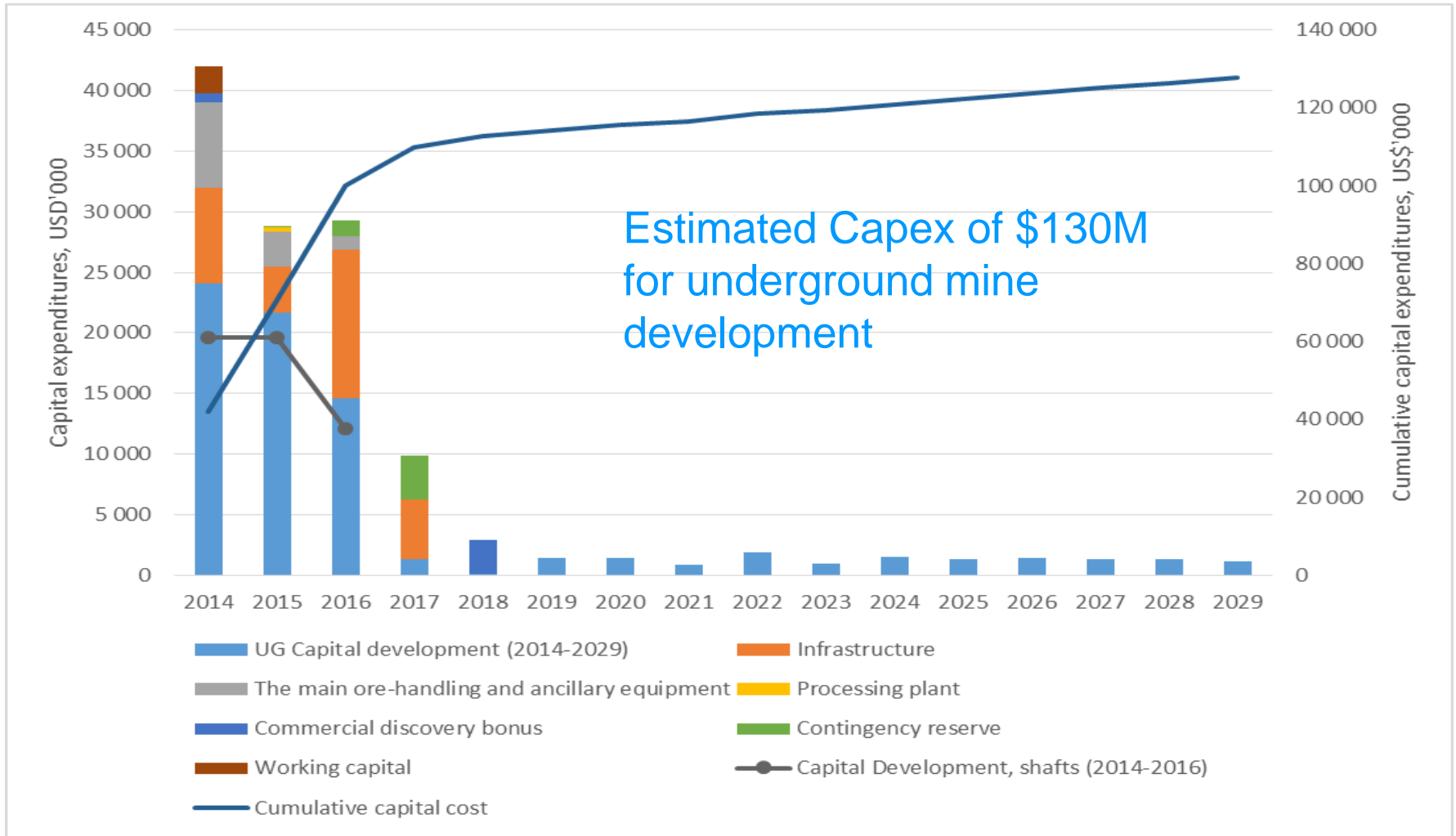
# Gold Production Forecast: 2013-2017



# Total Production Cost Forecast: 2013-2017, \$/oz



# Estimated Capital Development Cost



# Investment Case: World Class Assets and Potential

## Robust Project Economics

- 22 year mine life
- Free cash flow over \$1.0 billion during project life

## Rising Production Profile Combined with Lowest Cash Cost Quartile

- 35% production CAGR in 2012-2017
- 100,000 + oz producer by 2017
- Declining cash cost driven by high underground grade of 5.34 g/t
- Total LOM cost is forecast around \$560 per ounce

## Significant Organic Growth Potential

- Sekisovskoye underground mine – 6Moz of gold @ 5.34 g/t
- Karasuyskoye Ore Fields – 9Moz of gold @ 3 g/t

## Experienced management and strong Board

# Appendix: Board and Management

<b>Kanat Assaubayev</b> <b>Chairman</b>	Kanat Assaubayev is one of Kazakhstan's leading entrepreneurs with a wealth of experience in natural resources. The first Kazakh to get a doctorate in metallurgy, Mr. Assaubayev's early career was in academia where he rose to Chairman of the Metallurgy and Mining Department of Kazakh National Polytechnic University. He began in his business career in the 1990s and has led a number of natural resources enterprises to national and international success.
<b>Aidar Assaubayev</b> <b>CEO</b>	Aidar Assaubayev is an Executive Director of AltynGroup Kazakhstan LLP. He was formerly Executive Vice Chairman of KazakhGold Limited, the gold mining corporation and formerly Vice President and a Board member of JSC MMC Kazakhaltyn, the gold exploration and development group. Aidar has completed over \$1billion in IPO and M&A transactions in recent years. He was educated at the Kazakh National Technical University, Almaty and holds a degree in economics from the Institute of Systemic Analysis in Moscow
<b>Ashar Qureshi</b> <b>Non-Executive Director</b>	Mr. Qureshi is a U.S. qualified lawyer who was previously a partner with international law firm Cleary Gottlieb Steen & Hamilton LLP, where he was based first in the New York office and later in the London office where he helped establish the firm's emerging markets presence. More recently, he was the Vice Chairman of Renaissance Group where he had a senior investment banking role and is currently Executive Vice Chairman of Luminaire Films, a director of Hanson Asset Management Limited and a partner of Naya Capital Management LLP. Mr. Qureshi was educated at Harvard Law School and Harvard College and holds a Juris Doctor.
<b>William Trew</b> <b>Non-Executive Director</b>	Bill Trew has over 32 years' experience in the engineering and mining industry and is a registered professional Engineer with the Engineering Council of South Africa. He has served as a director of a number of mining companies, both public and private, and he brings a wealth of experience to the Board. He holds a B.Eng. (Mech.) Hon. from the University of Wales Institute Science and Technology, and an M.Eng. from Rand Afrikaans University, Johannesburg.



# Appendix: Board and Management

**Rajinder Basra**  
**CFO**  
**Company Secretary**

Rajinder qualified as a chartered accountant with BDO LLP in 1990, leaving in 2002 to co-found a chartered accountancy practice. He has extensive experience advising companies within the natural resources sector, and has worked with a number of mining and exploration companies based in Kazakhstan. He has more recently been assisting and advising mining and oil companies preparing for IPO's and other corporate transactions.

**Ken Crichton**  
**Non-Executive Director**

Ken Crichton is a mining engineer with over 27 years' experience in the mining industry. Since graduating in 1985, more than half of Ken's career has involved working in developing countries and a considerable part in active mine production roles. He is currently the Chief Executive Officer of ASCOM Precious Metals Mining, S.A.E. ("APM"), an Egyptian-based minerals company with exploration activities in East Africa, where he is focused on advancing its gold discovery in Ethiopia. Previously, Mr. Crichton worked for 15 years with BHP Billiton in both Australia and Indonesia, including as the President Director of PT Billiton Indonesia, a BHP Billiton subsidiary. Mr. Crichton also spent over 4 years working with the Leighton Holdings Group of Companies, a leading construction and mining contractor in Papua New Guinea and Australia. Ken is also a non-executive director of Kemin Resources plc.

**Alain Balian**  
**Non-Executive Director**

Alain Balian serves as the Chairman and Chief Executive Officer at Cedar Peak Holdings. Mr. Balian was a Deputy Governor Banque du Liban, the Central Bank of Lebanon, and a member of its governing board from 2003 - 2008. While at Banque du Liban, besides monetary policy and regulation of the financial sector in Lebanon, his responsibilities included the bank's financial reporting and the national financial system clearing operations. His earlier experience includes working at Kleinwort Wasserstein, ABN AMRO Corporate Finance, and Lebanon Invest in mergers and acquisitions, corporate finance, and private equity.

# Appendix: Review by Qualified Person

## Review by Qualified Person

Oleg Leonidovich Gorozhanin, senior consultant, has reviewed and approved the technical information contained within this announcement in his capacity as a qualified person under the AIM Rules.

Mr. Gorozhanin holds a Ph.D. in geological and mineralogical sciences, is a member of the Association of Geological Organizations, is a member of the Russian Academy of Science (Geological and Mineralogical Division) and has over 40 years of relevant mining industry experience.

# Appendix: Company Advisors

## **Auditor**

### **BDO LLP**

55 Baker Street  
London W1U 7EU

## **Joint Broker**

### **Peat & Co**

118 Piccadilly  
London W1J 7NW

## **Registrars**

### **Neville Registrars**

18 Laurel Lane  
Halesowen, West Midlands B63 3DA

## **Bankers**

### **Natwest Bank**

London City Commercial Business Centre  
7th Floor, 280 Bishopsgate  
London EC2M 4RB

## **Nominated Adviser and Joint Broker**

### **Strand Hanson**

26 Mount Row  
London, W1K 3SQ

## **Solicitors**

### **Gowlings LLP**

125 Old Broad Street  
London EC2N 1AR

# For More Information

## **Hambledon Mining Plc**

Registered Office:  
28, Eccleston Square  
London SW1V 1NZ

## **Investor Relations**

Bogdan Poustovoi, CFA  
[bp@hambledon-mining.com](mailto:bp@hambledon-mining.com)  
Telephone: +44 (0) 207 932 2455

## **Financial PR**

## **Blythe Weigh Communications**

Tim Blythe, Halimah Hussain,  
Camilla Horsfall  
Telephone: +44 207 138 3204

