

Altyn Plc

(“Altyn” or the “Company”)

CPR Results Teren-Sai (Area #2)

The Teren-Sai Project is an exploration and development project of Altyn Plc. It is located in the East of Kazakhstan and is adjacent to Altyn’s operating Sekisovskoye Mine. While covering a total of **15** targets, Altyn’s initial focus has been solely on **Area No.2** in particular two of its four breccia bodies.

As such, Altyn Plc is pleased to announce the results for Teren-Sai’s Area #2 first Independent Competent Person’s Report (“CPR”) while continuing exploratory and development work on the remaining targets.

Highlights

The CPR includes JORC Mineral Resources and Ore Reserves estimates totaling:

- Proved Ore Reserves of 0.80 million ounces (“Moz”) - 10.20 million tonnes (“Mt”) at an average gold grade of 2.43 grams/ tonne (“g/t”);
- Probable Ore Reserves of 0.65Moz - 6.23Mt at an average gold grade of 3.25g/t;
- Measured and Indicated Mineral Resources of 1.48Moz - 15.84Mt at an average gold grade of 2.91g/t;
- An Exploration Target of 1.03Moz- 9.28Mt at an average gold grade of 3.46g/t.

The Subsoil Use Contract for the Teren- Sai Project is held by MMC Altyn MM LLP (“MMC Altyn”) a wholly owned subsidiary of Altyn. The Teren- Sai Project was granted Subsoil Use Contract No. 48-40-TPI, effective from 27 May 2016. The Subsoil Use Contract is an Exploration Contract, valid for gold ore, which covers an area of 221.25km² but excludes an area of 0.56km², resulting in a total area of 220.69km². The excluded area forms the boundary for the Subsoil Use Contract for the Sekisovskoye Mine. The contract is valid for a period of 6 years with the option to extend for a further 4 years.

The maiden Mineral Resource and Ore Reserve estimates are based on exploration drilling conducted since acquisition of the subsoil use contract in 2016 and 31 May 2019 as well as historical drilling data. There have been important changes to the regulatory requirements in Kazakhstan resulting in a detailed discussion of these matters in the report. EY has compiled the CPR in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 edition (“the JORC Code”). At all stages, the technical teams ensured, that all technical parameters and economic assumptions were consistent with the requirements of JORC Table 1.

Altyn’s independent consultant, Ernst and Young Advisory Services (Pty) Ltd (“EY”), has prepared a CPR for the 100% owned Teren-Sai Project located in Kazakhstan. The CPR includes the maiden Mineral Resources and Ore Reserves estimate for the Teren-Sai Project.

EY has reviewed the data used in the orebody modelling and estimation procedures and the approach is considered reasonable for the style of mineralisation and considers the items and guidelines outlined in the JORC Code.

The CPR summarises the technical and economic aspects of the Teren- Sai Project, in order to identify factors that would influence the future performance of the project. The CPR has been compiled in order to incorporate the currently available and material information that would enable potential investors to make an informed and reasoned judgement regarding the technical and economic merits of the project.

Mineral Resources and Ore Reserves

Mineral Resources have been estimated based on the level of geoscientific confidence in the data available and primarily based on drilling density. Due to the nature of the deposit, drilling is denser near surface and becomes less dense with depth. Based on these factors, Measured Resources from surface (approximately +490masl) to a depth of +260masl and Indicated Resources from +260masl to a depth of +25masl. Gold cut-off grades of 0.5g/t and 1.5g/t have been used for the open pit and the underground, respectively. No Inferred Mineral Resources have been estimated. The open pit to underground boundary is at +350masl.

Mineral Resource estimate for the Teren-Sai Project as at 31 May 2019

Resource Classification	Mining Area	Level	Tonnage (Mt)	Cut-off Grade (Gold g/t)	Average Gold Grade (g/t)	Contained Gold (Moz)	Average Silver Grade (g/t)	Contained Silver (Moz)
Measured	Open Pit	+490masl to +350masl	5.99	0.50	1.89	0.36	3.25	0.63
	Underground	+350masl to +25masl	3.80	1.50	3.75	0.46	6.13	0.75
Total Measured Resources			9.79		2.61	0.82	4.37	1.37
Indicated	Underground	+350masl to +25masl	6.06	1.50	3.38	0.66	5.52	1.07
Total Indicated Resources			6.06		3.38	0.66	5.52	1.07
TOTAL MINERAL RESOURCES			15.84		2.91	1.48	4.81	2.45

Mineral Resources are reported inclusive of Ore Reserves and as in-situ estimates.

All figures are rounded to reflect the accuracy of estimates, apparent computational errors due to rounding.

Mineral Resources are reported on a 100% basis.

No geological losses applied.

Density = 2.83.

Ore Reserves have been estimated per level to a depth of +25masl, as this is the area of the deposit for which Measured and Indicated Mineral Resources have been estimated. All the Mineral Resource blocks that are above the cut-off grade of 1.5g/t were included in the Ore Reserve, as no selective mining has been incorporated for the Ore Reserves estimate and Life of Mine (“LoM”) plan.

The Ore Reserves are estimated using by applying the modifying factors detailed below and a detailed LoM plan and schedule was developed. The mine has an estimated LoM of 16 years assuming a steady state of 1.3Mtpa at full production as defined in the June 2018 feasibility study. The financial model yields a positive NPV under the financial assumptions identified below.

Ore Reserve estimate for the Teren- Sai Project as at 31 May 2019

Reserve Classification	Mining Area	Tonnage (Mt)	Average Gold Grade (g/t)	Contained Gold (Moz)	Average Silver Grade (g/t)	Contained Silver (Moz)
Proved	Open Pit (+490masl to +350masl)	6.29	1.71	0.35	2.94	0.59
Proved	Underground (+350masl to +260masl)	3.91	3.60	0.45	5.87	0.74
Total Proved Reserves		10.20	2.43	0.80	4.06	1.33
Probable	Underground (260masl to +25masl)	6.23	3.25	0.65	5.33	1.07
Total Probable Reserves		6.23	3.25	0.65	5.33	1.07
TOTAL ORE RESERVES		16.43	2.74	1.45	4.54	2.40

Apparent computational errors due to rounding.

Ore Reserves are reported as RoM tonnes.

Mineral Resources are reported inclusive of Ore Reserves.

No Inferred Mineral Resources have been converted to Ore Reserves.

The key modifying factors used by Altyn for the estimation of Ore Reserves are as follows: -

- long term prices for gold and silver of USD1,250/oz and USD16.50/oz, respectively;
- a processing recovery of 83% for gold and 73% for silver;
- an average underground mining cost of USD35/RoMt;
- mining dilution of 10% for the open pit and 5% for the underground;
- mining losses of 5% for the open pit and 2% for the underground; and
- 90% mining extraction factor.

The difference between the gold price used to estimate Ore Reserves and the price used for the valuation is simply a reflection of the difference in timing of the Ore Reserve estimation and the valuation date.

Mineral Resources and Ore Reserves have been estimated and signed off by Mr V. Redozubov-Gorskiy, the chief geologist at the Teren- Sai Project. As per the Kazakhstan State Commission on Mineral Reserves system for classification of reserves (“the GKZ system”), the geologist is responsible for the estimation of reserves. Mr V. Redozubov-Gorskiy relies on a team of technical and mining experts to provide the various inputs for Mineral Resource and Ore Reserve estimation. Mr V. Redozubov-Gorskiy is a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy.

Exploration Target

The Exploration Target was estimated using the same estimation methodology as the Mineral Resources; however, they are estimated for the depth extension of the orebody. The Exploration Target is estimated for the depths - +25masl to -375masl, an extension of 400m below the deepest drillhole intersection.

The potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration results to estimate a Mineral Resource and it is uncertain whether further exploration will allow for portions of the Exploration Target to be converted to a Mineral Resource.

Exploration Target estimate for the Teren-Sai Project as at 31 May 2019

Resource Classification	Level	Tonnage (Mt)	Cut-off Grade (Gold g/t)	Average Gold Grade (g/t)	Contained Gold (Moz)	Average Silver Grade (g/t)	Contained Silver (Moz)
Exploration Result	+25masl to -375masl	9.28	1.50	3.46	1.03	No estimation	
TOTAL EXPLORATION RESULTS		9.28	1.50	3.46	1.03	No estimation	

The Exploration Target are reported exclusive of Mineral Resources and Ore Reserves.

All figures are rounded to reflect the accuracy of estimates, apparent computational errors due to rounding.

Exploration Targets are reported on a 100% basis.

No geological losses applied.

Density = 2.83.

The Exploration Target has not been reported as a range due to the conversion from estimation based on the GKZ requirements, which does not require a range to be reported. Creating an artificial range around the results of the estimation could be misleading.

Mineral Asset Valuation

The results of the mineral asset valuation are presented in the table below. EY estimated the preferred value for Teren-Sai Project as the average value between the Income-based approach and the Market-based approach for both Scenario 1 and 2, resulting in a preferred value of USD98.33m. The preferred valuation range for the Teren- Sai Project is estimated as USD101m under Scenario 1 and USD89m under Scenario 2.

Mineral Asset Valuation Summary of Teren- Sai Project, 31 May 2019

Scenario	Units	Income-Based Approach – Mean Value*	Market-Based Approach – Mean Value*	Preferred Value
Scenario 1: Forecast	USDm	162.78	45.78	104.28
Scenario 2: Spot	USDm	138.98	45.78	92.38

Source: EY analysis

* Mean values are derived from high and low value ranges for the respective valuation approaches.

Notes: Real discount rate of 12.84%.

Scenario 1: Consensus analyst long term gold price of USD1,321/oz.

Scenario 2: Spot gold price of USD1,300/oz at valuation date.

Altyn CEO Aidar Assaubayev commented:

"Following the updated CPR on Sekisovskoye released last week we are pleased to announce the company's first CPR on Area # 2 of the Teren-Sai exploration and development project. The momentum from this initial step in Teren-Sai will be maintained as we intend to continue the exploration of the project, by analysing the 15 remaining targets of this significant project."

Competent Persons Statement

The information in this statement relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr V. Redozubov-Gorskiy and other technical experts at the Teren-Sai Project. Mr V. Redozubov-Gorskiy, the chief geologist for the Teren-Sai Project, is responsible for estimation of Mineral Resources and Ore Reserves. Mr V. Redozubov-Gorskiy has more than 20 years' relevant experience in the assessment of the types of gold exploration and mining properties discussed in this statement. Mr V. Redozubov-Gorskiy is a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy.

Mr A. Clay, Principal Consultant employed by EY, is the Competent Person that supervised preparation of the CPR. Mr A. Clay has more than 40 years' relevant experience in the evaluation of the types of gold exploration and mining properties discussed in this statement. Mr A. Clay is a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Clay is also the Competent Valuator. Mr A. Clay is independent of Altyn does not have any material interest in either Altyn or in any of the properties described herein.

Mr V. Redozubov-Gorskiy and Mr A. Clay consent to the inclusion in this statement of this information in the form and context in which it appears.

Cautionary Statement on Forward Looking Information

EY have relied on and challenged the forecasts as provided by Altyn management. The forecasts for Altyn relate to future events and are based on assumptions that may or may not remain valid for the whole of the forecast period. Consequently, such information cannot be relied upon to the same extent as that derived from audited financial statements for completed accounting periods. EY express no opinion as to how closely the actual future results for the business will correspond to those projected. Therefore, conclusions arrived at in this document should be interpreted in this light. EY also do not express an opinion on the commercial merits of any aspects of the business.

EY have reviewed the explanations provided by Altyn management during the compilation of the CPR. EY have assessed such comments and explanations for reasonableness within the context of our knowledge and understanding of the business and the industry within which it operates.

EY's CPR contains forward-looking statements. These forward-looking statements are based upon the technical and economic parameters identified by Altyn and EY. The statements are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those forward-looking statements identified by Altyn and EY. Factors that could cause such differences include changes in the global gold and silver markets, equity markets, costs and supply of materials and regulatory changes. Although Altyn and EY considers the expectations reflected in the forward-looking statements to be reasonable EY will not be held liable for any deviations from these statements.

Further Information:

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The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014.

Information on the Company

Altyn Plc (LSE:ALTN) is an exploration and development company, which is listed on the standard segment of the London Stock Exchange.

To read more about Altyn Plc please visit our website www.altyn.uk