



AIM Announcement

4 November 2019

AIM: AAZ

Anglo Asian Mining makes new gold discovery at Gilar, Gedabek Contract Area, Azerbaijan

Highlights

- Completed field mapping and sampling along outcropping quartz vein.
- 72 samples collected – assays received to date suggest a significant new discovery within the Gedabek Contract Area.
- Significant gold intercepts received with selected sample grades of gold:
 - North Zone
 - 11.84 g/t Au (Sample #19ZS14-214)
 - 9.39 g/t Au (Sample #19ZS14-219)
 - 9.16 g/t Au (Sample #19ZS14-218)
 - 9.06 g/t Au (Sample #19ZS14-217)
 - 8.37 g/t Au (Sample #19ZS14-192)
 - South Zone
 - 16.02 g/t Au (Sample #19ZS14-165)
- Discovered whilst completing reconnaissance over high-priority ZTEM anomalies.
- Assessment of site underway to determine most appropriate drill method and site access.

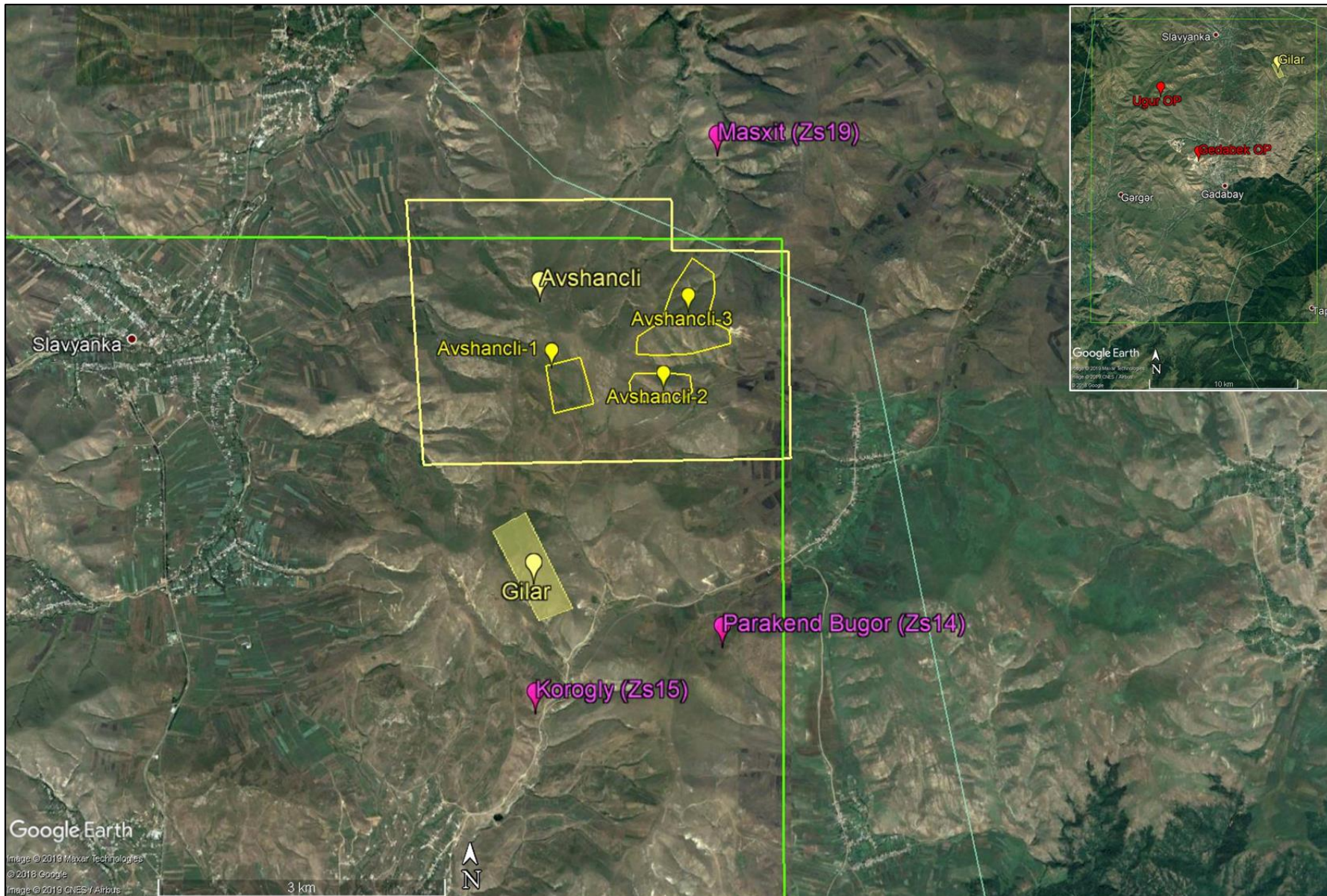
Anglo Asian Mining PLC (“AAM” or “the Company”), the AIM-listed gold, copper and silver producer focused in Azerbaijan, is pleased to announce the discovery of a laterally-extensive body hosting gold mineralisation at surface, herein termed “**Gilar**”, located within the Gedabek Contract Area.

Gilar Project Discovery

Gilar is a new mineral occurrence that was discovered during Q3 2019 [1], whilst fieldwork was being conducted over the region.

It is located approximately 2 km south of the Avshancli-1 mineral occurrence, which has previously been discussed in [1]. A location map is provided in Figure 1.

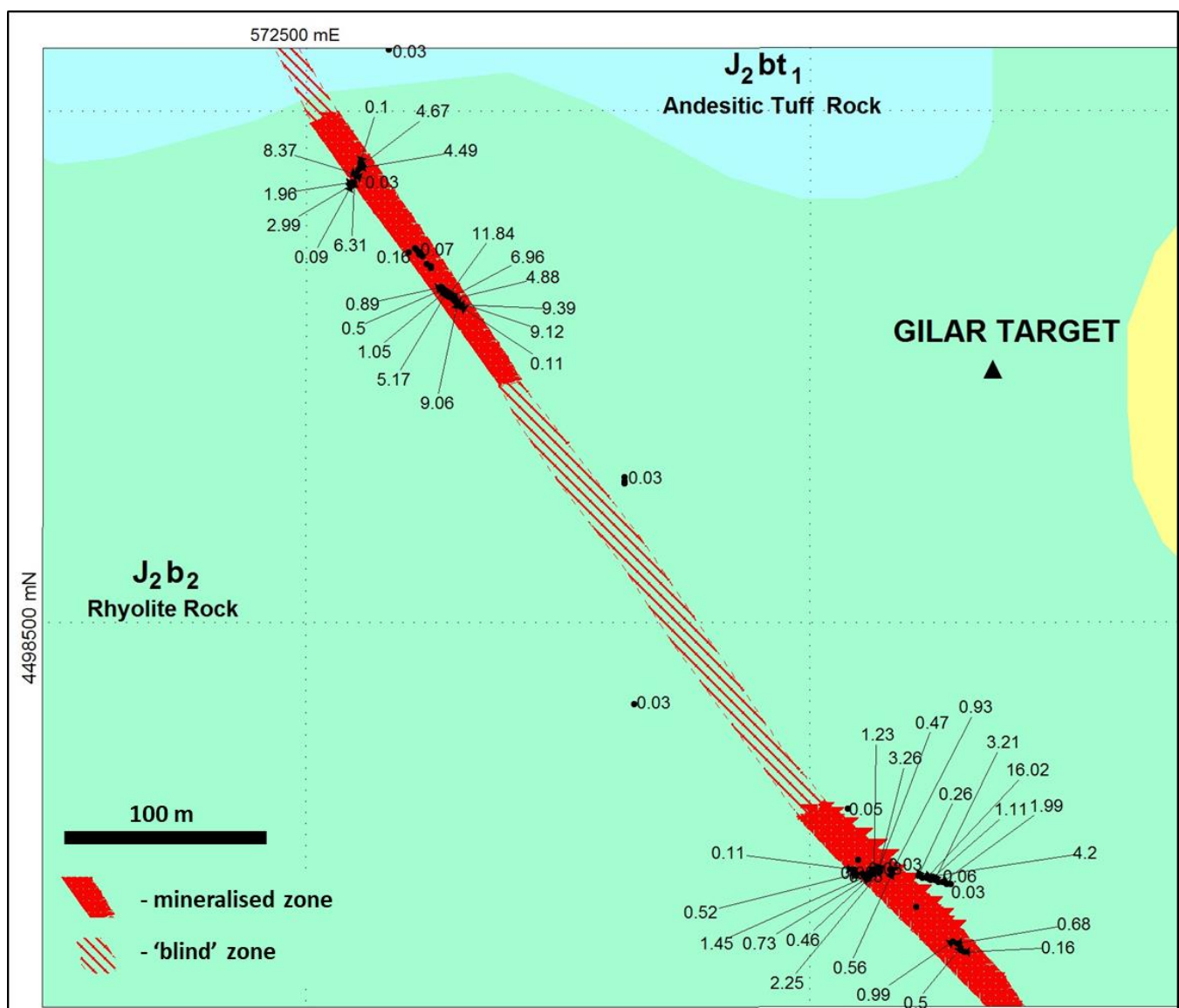
Figure 1 – A map showing the location of Gilar, relative to other geological targets, including the other new discovery, Avshancli. *Inset:* Overview map highlighting the location of Gilar in comparison to the Gedabek operations. Bright green boundary shows Contract Area extents. Image from [2].



Gilar Geology

Preliminary field mapping and outcrop sampling has established that Gilar is a continuous quartz vein, hosted in rhyolite volcanics (Figure 2). The quartz vein emplacement appears to be located in association with a previously mapped fault structure. The vein strikes between 320-330° (NW) which is the general trend of faulting mapped in the region. The vein has been found to outcrop in two areas, with a 'blind zone' occurring between these. The quartz vein can be traced for a total of around 500 m (including the 'blind zone') and has a measured dip at surface between 80-85° to the NE. Thickness varies between around 0.3-1 m.

Figure 2 – Geological mapping over the Gilar quartz vein. Lithologies labelled, with Quaternary sediments (yellow) found to the east of the structure. Solid red lines show where the quartz vein outcrops, while the dashed red line indicates the 'blind' zone. Black dots highlight sample locations, with gold grades (g/t) also published.



Gilar Surface Sampling

During Q3 2019, preliminary field mapping was completed over the target upon discovery. Additionally, 72 outcrop samples have been obtained along the length of the structure, both of the quartz vein and surrounding host rock (Figure 3). Of these, only the quartz vein material returned any material grade.

Figure 3 – A field photo showing the northern outcrop of the Gilar quartz vein, facing NW. Calico sample bags for scale.



Assaying was completed over the standard Au-Ag-Cu-Zn suite, with grades only being returned for Au (Table 1; see Appendix for reporting limits).

Table 1 – Assay grades from the outcrop sampling conducted over the Gilar quartz vein. Reportable grades have been highlighted in red.

Sample I.D.	Lithology	Au	Ag	Cu	Zn
		g/t	g/t	%	%
19ZS 14-154	andesite	0.16	5.00	0.01	0.00
19ZS 14-155	quartz vein	0.50	5.00	0.01	0.01
19ZS 14-156	quartz vein	0.68	5.00	0.03	0.01
19ZS 14-157	quartz vein	0.99	5.00	0.02	0.01
19ZS 14-158	rhyolite	0.03	5.00	0.02	0.01
19ZS 14-159	quartz vein	2.04	5.00	0.03	0.00
19ZS 14-160	quartz vein	1.99	5.00	0.02	0.01
19ZS 14-161	rhyolite	0.06	5.00	0.02	0.01
19ZS 14-162	quartz vein	3.21	5.00	0.02	0.01
19ZS 14-164	quartz vein	1.11	5.00	0.03	0.02
19ZS 14-165	quartz vein	16.02	5.00	0.05	0.01
19ZS 14-166	quartz vein	4.20	5.00	0.05	0.02
19ZS 14-167	rhyolite hosting quartz stringers	0.26	5.00	0.04	0.02
19ZS 14-168	quartz vein	0.56	5.00	0.03	0.01
19ZS 14-169	quartz vein	0.93	5.00	0.03	0.00
19ZS 14-170	andesite	0.03	5.00	0.01	0.00
19ZS 14-171	quartz vein	2.25	5.00	0.03	0.01
19ZS 14-172	quartz vein	0.47	5.00	0.01	0.01
19ZS 14-173	quartz vein	3.26	5.00	0.01	0.01
19ZS 14-174	quartz vein	0.46	5.00	0.02	0.01
19ZS 14-175	quartz vein	1.23	5.00	0.02	0.01
19ZS 14-176	andesite	0.03	5.00	0.01	0.01
19ZS 14-177	andesite hosting quartz stringers	1.45	5.00	0.03	0.01
19ZS 14-178	rhyolite hosting quartz stringers	0.73	5.00	0.02	0.01
19ZS 14-179	rhyolite	0.03	5.00	0.01	0.01
19ZS 14-180	rhyolite	0.03	5.00	0.01	0.01
19ZS 14-181	andesite hosting quartz stringers	0.52	5.00	0.02	0.01
19ZS 14-182	andesite	0.03	5.00	0.01	0.01
19ZS 14-184	andesite	0.03	5.00	0.01	0.01
19ZS 14-185	rhyolite	0.03	5.00	0.01	0.00
19ZS 14-186	rhyolite	0.03	5.00	0.01	0.00
19ZS 14-187	quartz vein	4.49	5.00	0.09	0.00
19ZS 14-188	quartz vein	4.67	11.00	0.04	0.00
19ZS 14-189	andesite	0.10	5.00	0.01	0.02
19ZS 14-190	andesite	0.03	5.00	0.02	0.01
19ZS 14-191	quartz vein	0.03	5.00	0.01	0.01

19ZS 14-192	quartz vein	8.37	12.00	0.05	0.00
19ZS 14-194	quartz vein	6.31	12.00	0.05	0.00
19ZS 14-195	quartz vein	1.96	5.00	0.02	0.00
19ZS 14-196	quartz vein	2.99	5.00	0.03	0.00
19ZS 14-197	rhyolitic breccia	0.09	5.00	0.01	0.00
19ZS 14-198	andesite hosting quartz stringers	0.03	5.00	0.03	0.01
19ZS 14-199	andesitic dyke	0.07	5.00	0.01	0.01
19ZS 14-200	andesitic dyke	0.03	5.00	0.01	0.01
19ZS 14-201	andesitic dyke	0.03	5.00	0.01	0.00
19ZS 14-202	andesitic dyke	0.03	5.00	0.01	0.01
19ZS 14-203	andesitic dyke	0.03	5.00	0.01	0.01
19ZS 14-204	andesitic dyke	0.03	5.00	0.01	0.01
19ZS 14-205	andesitic dyke	0.03	5.00	0.01	0.01
19ZS 14-206	andesitic dyke	0.03	5.00	0.01	0.01
19ZS 14-207	andesitic dyke	0.03	5.00	0.01	0.01
19ZS 14-208	quartz vein	0.16	5.00	0.01	0.00
19ZS 14-209	quartz vein	0.89	5.00	0.06	0.00
19ZS 14-210	quartz vein	0.50	5.00	0.04	0.00
19ZS 14-211	quartz vein	1.05	5.00	0.06	0.00
19ZS 14-212	quartz vein	5.17	5.00	0.08	0.00
19ZS 14-214	quartz vein	11.84	5.00	0.14	0.01
19ZS 14-215	quartz vein	6.96	5.00	0.07	0.00
19ZS 14-216	quartz vein	4.88	5.00	0.09	0.00
19ZS 14-217	quartz vein	9.12	5.00	0.15	0.00
19ZS 14-218	quartz vein	9.06	5.00	0.13	0.00
19ZS 14-219	quartz vein	9.39	5.00	0.08	0.00
19ZS 14-220	quartz vein	0.11	5.00	0.08	0.00
19ZS 14-221	quartz vein (milky)	0.03	5.00	0.01	0.00
19ZS 14-222	quartz vein (milky)	0.03	5.00	0.01	0.00
19ZS 14-224	quartz vein (milky)	0.03	5.00	0.01	0.00
19ZS 14-225	quartz vein	0.03	5.00	0.01	0.00
19ZS 14-226	rhyolite hosting quartz stringers	0.05	5.00	0.01	0.01
19ZS 14-227	quartz vein	0.11	5.00	0.06	0.01
19ZS 14-228	quartz vein	0.08	5.00	0.09	0.01
19ZS 14-229	andesite hosting quartz stringers	0.03	5.00	0.03	0.01
19ZS 14-230	andesite	0.12	5.00	0.01	0.00

Future Work

Due to the nature of the target, the next step of the exploration programme is to complete drilling at Gilar. This will help determine both the lateral and depth extents of the quartz vein. The topographic

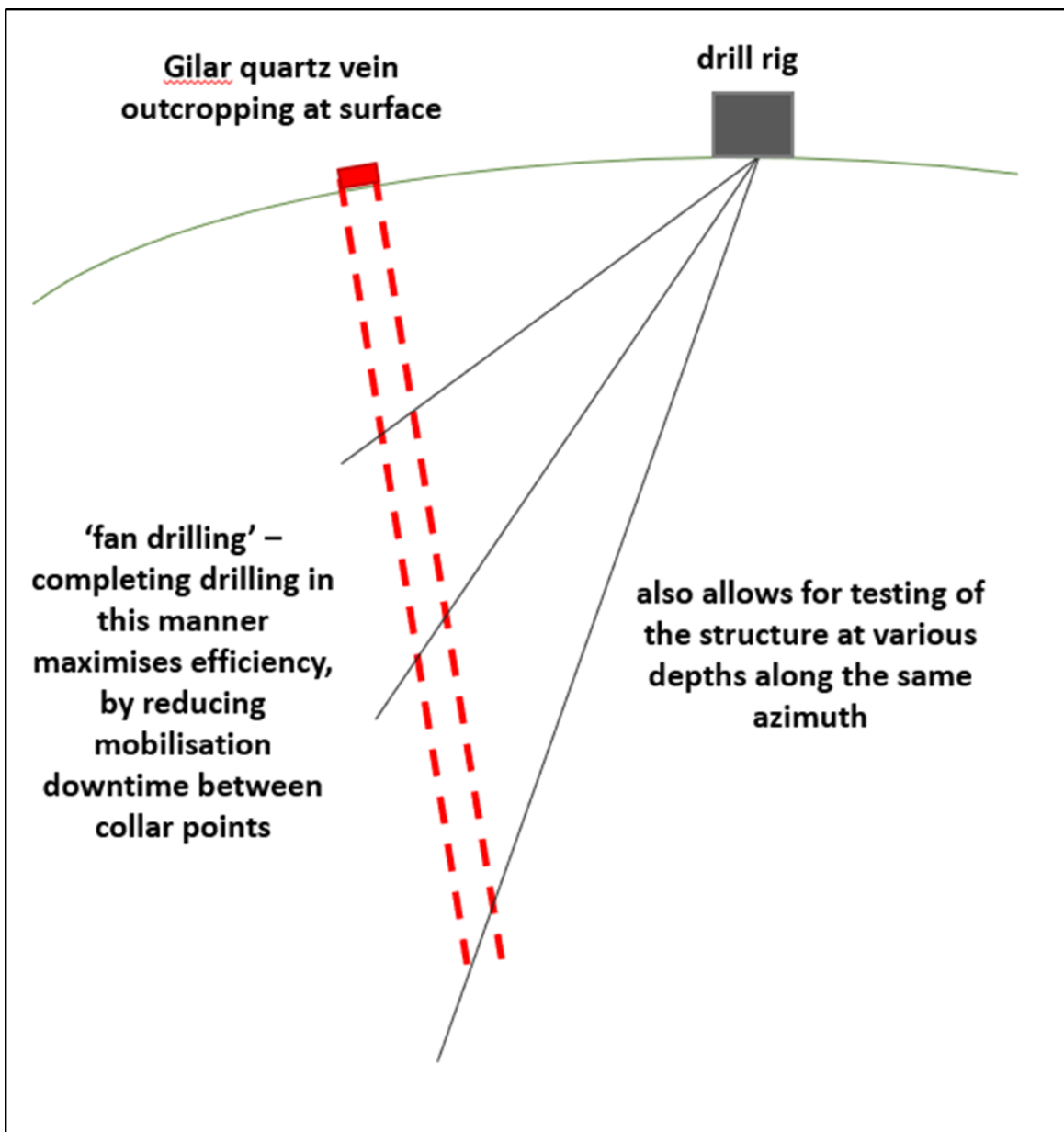
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relief is challenging for drill rig mobilisation and so, along with drill hole designing, planning for site access is underway. In order to better constrain and understand the ore body, diamond drilling is preferred over other types. It is proposed that collar locations be spaced at 100 metre intervals along the length of the outcrop, with fan drilling completed at each collar (Figure 4).

Other fault structures in a similar orientation are prevalent over the immediate region. Due to the emplacement of the Gilar vein along the same azimuth as the prevailing fault trends, field reconnaissance is underway in an attempt to identify similar quartz structures within this rhyolite unit.

Figure 4 – A schematic cross-section through the Gilar vein, projected to depth (dashed red line) and facing NW. By offsetting the drill rig away from the vein will allow for the drilling to intersect the structure at a perpendicular angle as possible.



Anglo Asian Mining Director of Geology & Mining, Stephen Westhead, commented,

“This is a significant discovery as the nature of mineralisation is different to many of the mineralised systems in the Gedabek Contract Area so far discovered and worked. Quartz vein systems can be highly productive with clear boundaries to the host veins. However, such veins may be affected by “nugget effect” where grade distribution of the gold can be erratic, but the extent of samples providing grade suggests good continuity. Gold grades, as discovered here, are rare on the surface and Gilar could provide outstanding potential to fast track a small high-grade extraction operation.

Gold in quartz veins is often in a free gold form, which would contribute to the gold production of AIMC should the discovery provide sufficient down dip continuity to develop resources and onward to reserves. Finds like these inspire the team to continue pushing the exploration with the aim to increase production, extending mine life and generate shareholder benefit.”

References

- [1] Azerbaijan International Mining Company, “Q3 2019 Exploration Activities - Gedabek”. [Online].
- [2] Google Earth, “Gedabek Contract Area,” DigitalGlobe 2019. <http://www.earth.google.com> [October 2019].

Appendix: Minimum Reporting Limits for Exploration Results

For gold assays, significant intersections were reported if samples graded ≥ 0.3 g/t Au.

For silver assays, significant intersections were reported if samples graded ≥ 15 g/t Ag.

For copper assays, significant intersections were reported if samples graded $\geq 0.3\%$ Cu.

For zinc assays, significant intersections were reported if samples graded $\geq 0.6\%$ Zn.

Should all assays for a sample or interval fall below all these values, the intersection is reported as ‘NSI’ (“no significant intersections”); reported for drill holes only).