

## **ALTYNGOLD PLC**

### **Unaudited Interim Results – six months to 30 June 2022**

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AltynGold Plc (“AltynGold” or the “Company”), the gold mining and development company, announces its unaudited results for the six months to 30 June 2022.

The Company had a successful 6 months with milling of ore exceeding 300kt generating an increase in profits to US\$11.6m (2021 US\$9.3m). The principal KPI's saw an increase from the prior period, the Company is continuing to grow and develop in line with its medium-term plan.

The Company's aim is to develop the mine at Sekisovskoye moving from its current level of processing to 1mt of ore in a phased development. The current plan is to move to 650ktpa in the current period and progressively move up to 850ktpa in the medium term.

The management are currently finalising the funding with the bank to invest in the processing plant to move the capability to 1mtpa.

In previous periods the Company has been developing the mine site, investing in equipment and making use of subcontractors in order to develop the mine and extract ore for processing. The move to increase the involvement of the subcontractors has streamlined the process of ore extraction and also accelerated the mines capital development, the costs of the latter are reflected in the additions to mining properties in the current period.

In line with its mine developments the Company is aware of its social and environmental responsibilities, particularly in relation to climate change and carbon reduction. Currently in Kazakhstan there are three levels of categorisation for companies based on their carbon emissions. AltynGold is in the lowest level of category, and closely monitors its emissions, reporting to the relevant government bodies on a regular basis. The Company will continue to look at the development of its social and environmental policies as it evolves.

#### **Highlights:**

##### **Mine development**

- Transport declines No.1 and No. 2 have both been developed to the horizon 100masl from 150masl in the prior period.
- Development of the mine tunneling amounted to 2,992 linear metres, (H12021: 3,131 linear metres).
- Exploration drilling amounted to 11,040 linear metres, (2021: 8,200m).
- Ore was mined in the period principally from ore bodies 3.8 and 11 at horizons between 164masl to 117 masl.
- An extension for the licence at Teren-Sai has been applied for in July 2022 to continue exploration works for a further three years.

##### **Production**

- The milled ore was 306,599t (H1 2021: 262,744t), in the current period, an increase of 17%.
- Average processed gold grade in the period was 2.06g/t (H1 2021: 1.88g/t).
- Gold recovery averaged 83.44% during the 6 month period (H1 2021: 82.18%).
- H1 2022 gold production from Sekisovskoye was 16,965oz, compared with H1 2021 of 13,066oz
- H1 2022 gold sold was 17,542oz, compared with H1 2021 of 12,560oz

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**Financial**

- The turnover has increased to US\$32m (H1 2021: US\$23m). The gold price achieved averaged US\$1,830oz during the period (H1 2021: US\$1,832oz).
- The Company made a gross profit of US\$17m (H1 2021: gross profit of US\$14m), with a net profit before taxation of US\$11.6m (H1 2021: loss of US\$9.3m).
- The total cash cost of production was US\$884oz (H1 2021: US\$766oz).
- Adjusted EBITDA achieved was US\$16.6m (H1: 2021: US\$13.4m).
- A loan in principal has been agreed with Bank Center Credit for an additional US\$40m to fund the Company's capital program.

**Aidar Assaubayev, CEO of AltynGold plc commented:**

*'The Company is moving forward in its plan to increase its production capability to 1mtpa and has agreed an in principal loan with Bank Center Credit in order to assist in this process. The current results are very encouraging and demonstrate the strong economics of our business'.*

**For further information please contact:**

**AltynGold plc**

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**Information on the Company**

AltynGold plc (LSE:ALTN) is an exploration and development company, which is listed on the main market segment of the London Stock Exchange. 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.

This report will be available on our website at [www.altyngold.uk](http://www.altyngold.uk)

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**H1 2022 Review**

**Mine developments**

**H1 2022 Operational Overview – Sekisovskoye**

<b>Ore</b>		<b>H1 2022</b>	<b>H1 2021</b>
Ore mined	tons	277,398	266,607
Gold grade	g/t	2.06	1.85
Silver grade	g/t	1.69	1.80

<b>Mineral processing</b>		<b>H1 2022</b>	<b>H1 2021</b>
Milling	tons	306,599	262,774
Gold grade	g/t	2.06	1.88
Silver grade	g/t	1.69	1.83
Gold recovery	%	83.44%	82.18%
Silver recovery	%	72.34%	73.19%
Gold produced	ounces	16,965	13,066
Silver produced	ounces	11,306	11,315

The principal development milestones achieved in the period were:

- Tunnelling and decline development of 2,992 linear metres, in the similar period last year it was 3131 metres.
- Exploration drilling was carried out and amounted to 11,039m (2021: 8,200 linear metres).

The declines have now been developed to 100masl. The ore bodies currently being developed are ore bodies 3, 8 and 11 which, are expected to continue to be mined into the second half of the year. The principal ore body that is ready for extraction after those noted above will be ore body 10 above which is above 100masl and is readily accessible.

The principal capital expenditure relating to plant to extract ore at the Sekisovskoye mine is now in place; the ongoing capital expenditure will relate to the development of the processing plant to increase the capability of ore processing and further development of the mine declines.

The gold grade has increased from 1.88g/t to 2.06g/t and is in line with that budgeted for the period. Further increases are expected as the ore bodies are developed.

**H1 2022 – Teren-Sai**

In the current period the Company has been concentrating on the finalising its plans for future development of the site, with proposals being sent into the government department in July 2022, these are currently being reviewed. The initial exploration phase requested is three years, but the Company is anticipating a move to production within this period once more detailed studies have been carried out on the approach to develop the site and define the ore bodies.

As part of the review of Teren-Sai the Company has narrowed its search parameters of the 288km<sup>2</sup> site, and reduced the areas of interest, to concentrate on those areas showing significant potential. Areas that are no longer of significance are to be returned to the government for alternative use.

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**H1 2022 Financial Review**

The Company has reported a gross profit of US\$17m for H1 2022, against US\$14m for H1 2021, with turnover of US\$32m (H1 2021 US\$23m).

The results are in line with budget, with 306.5kt of ore milled, the Company is expecting to process up to 650,000t for the year. The average gold price achieved was similar to the prior period at of US\$1,830 (H1 2021 US\$1,832).

Sekisovskoye produced 16,965oz of gold in H1 2022 (H1 2021: 13,066oz). Gold sold during the period amounted to 17,542oz (H2 2021: 12,560oz).

The operating cash cost of production (cost of sales excluding depreciation and provisions) for the period was US\$730/oz (H1 2021 US\$546/oz). The total cash cost was US\$884/oz as compared to US\$766/oz in H1 2021. These are in line with the expected costs for the period.

Administrative costs have been contained and were US\$2.7m which is similar to the prior period. Inflationary pressures are increasing in both Kazakhstan and the UK, and the management will be monitoring the position closely to ensure that action is taken to minimise any significant increase in costs to the Company. The Company has benefited in the current period from the strength of the US Dollar, (which is the currency in which revenues are received) against the Kazakh, at the 31 December 2021 it was 432 Kazakh Tenge, and the dollar has averaged 448 Kazakh Tenge in the six month period. The current rate in September is one US\$ to 485 Kazakh Tenge.

In terms of finance costs these are similar to the prior period; with no new loans in the period; the finance cost was US\$1.7m in both periods. Interest and loan commitments were paid as they arose, and plans are in place to repay the bond of US\$10m in December 2022.

The significant change in the financial position of the Company relates to the movement in advance payments made to the contractor who is responsible for the capital development and ore extraction services. As the development has progressed and production growing, the payments have increased in the period. The current contract runs until April 2023. A monthly drawdown and reconciliation against monies advanced is done on a monthly basis as the mine development continues. The Company generated an EBITDA of US\$16.6m (2021: US\$13.4m), but a substantial amount of this was absorbed in the period by the capex development prepayments as noted above.

As of 30 June 2022, the Company had cash balances of US\$1.1m. A loan in principal has been agreed with Bank Center Credit in Kazakhstan, there are sufficient projected funds from this and from current trading to meet the Company's medium term plans. This includes the repayment of the US\$10m bonds that are due for repayment in December 2022.

Aidar Assaubayev  
**Chief Executive Officer**

26 September 2022

**ALTYNGOLD PLC**  
**Unaudited Interim Results – six months to 30 June 2022**

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**Directors Responsibility Statement and Report on Principal Risks and Uncertainties**

Responsibility statement

The Board confirms to the best of their knowledge, that the condensed set of financial statements have been prepared in accordance with the UK-adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim management report includes a fair review of the information required by:

DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

DTR 4.2.8R of the Disclosures and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during the period; and any changes in the related party transactions described in the last annual report that could do so.

The Company's management has analysed the risks and uncertainties and has in place control systems that monitor daily the performance of the business via key performance indicators. Certain factors are beyond the control of the Company such as the fluctuations in the price of gold and possible political upheaval. However, the Company is aware of these factors and tries to mitigate these as far as possible. In relation to the gold price the Company is pushing to achieve a lower cost base in order to minimise possible downward pressure of gold prices on profitability. In addition, it maintains close relationships with the Kazakhstan authorities in order to minimise bureaucratic delays and problems.

Risks and uncertainties identified by the Company are set out on page 9 and 10 of the 2021 Annual Report and Accounts and are reviewed on an ongoing basis. There have been no significant changes in the first half of 2022 to the principal risks and uncertainties as set out in the 2020 Annual Report and Accounts and these are as follows:

- Fiscal changes in Kazakhstan
- No access to capital
- Commodity price risk
- Currency risk
- Reliance on operating in one country
- Reliant on one operating mine
- Technical difficulties associated with developing the underground mines at Sekisovskoye and Teren-Sai
- Failure to achieve production estimates
- COVID -19 uncertainties
- Health, safety and environment

The Directors do not expect any changes in the principal risks for the remaining six months of the financial year.

Aidar Assaubayev  
**Chief Executive Officer**

26 September 2022

**ALTYNGOLD PLC**  
**Consolidated statement of profit or loss – six months to 30 June 2022**

	<b>Six months ended 30 June 2022 Unaudited</b>	Six months ended 30 June 2021 Unaudited
	<b>US\$'000</b>	US\$'000
Revenue	32,095	23,009
Cost of sales	(15,137)	(9,037)
<b>Gross profit</b>	<b>16,958</b>	<b>13,972</b>
Administrative expenses	(2,714)	(2,757)
<b>Operating profit</b>	<b>14,244</b>	<b>11,215</b>
Foreign exchange	(954)	(278)
Finance expense	(1,734)	(1,676)
Profit before taxation	11,556	9,261
Taxation	(689)	(510)
<b>Profit attributable to equity shareholders</b>	<b>10,867</b>	<b>8,751</b>
<b>Profit per ordinary share</b>	<b>Note</b>	
<b>Basic and diluted (US cent)</b>	<b>3</b>	
	<b>39.76c</b>	<b>32.03c</b>

**ALTYNGOLD PLC**  
**Consolidated statement of profit or loss and other comprehensive income**

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	Six months ended 30 June 2022	Six months ended 30 June 2021
	unaudited	unaudited (restated)
	US\$'000	US\$'000
Profit for the period	10,867	8,751
Currency translation differences arising on translations of foreign operations items which will or may be reclassified to profit or loss	(2,506)	(1,493)
<b>Total comprehensive profit for the period attributable to equity shareholders</b>	<b>8,361</b>	<b>7,258</b>

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**ALTYNGOLD PLC**  
**Consolidated statement of financial position**

Notes	Six months ended 30 June 2022  (unaudited) US\$'000	Six months ended 30 June 2021  (audited) US\$'000
<b>Non-current assets</b>		
Intangible assets	5	12,576
Property, plant and equipment	6	34,130
Other receivables	7	10,348
Deferred tax asset		6,936
Restricted cash		35
	<b>64,025</b>	<b>56,214</b>
<b>Current assets</b>		
Inventories		10,775
Trade and other receivables	7	21,536
Cash and cash equivalents		1,148
		<b>33,459</b>
<b>Total assets</b>		<b>97,484</b>
<b>Current liabilities</b>		
Trade and other payables		(6,030)
Provisions		(250)
Borrowings	10	(19,374)
		<b>(25,654)</b>
<b>Net current assets</b>		<b>7,805</b>
<b>Non-current liabilities</b>		
Other financial liabilities & payables		(450)
Provisions		(5,488)
Borrowings	10	(5,366)
		<b>(11,304)</b>
<b>Total liabilities</b>		<b>(36,958)</b>
<b>Net assets</b>		<b>60,526</b>
<b>Equity</b>		
Called-up share capital		(4,267)
Share premium		(152,839)
Merger reserve		282
Other reserve		-
Currency translation reserve		56,958
Accumulated loss		39,340
<b>Total equity</b>		<b>(60,526)</b>

The financial information was approved and authorised for issue by the Board of Directors on 26 September 2022 and was signed on its behalf by:

Aidar Assaubayev – **Chief Executive Officer**



**ALTYNGOLD PLC**  
**Consolidated statement of changes of equity**

	Share capital	Share premium	Merger reserve	Currency translation reserve	Share based payment reserve	Other reserves	Accumulated losses	Total
Unaudited	US\$'000	US\$'000	US'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
At 1 January 2022	4,267	152,839	(282)	(51,412)	-	-	(50,207)	55,205
Profit for the period	-	-	-	-	-	-	10,867	10,867
Exchange differences on translating foreign operations	-	-	-	(5,546)	-	-	-	(5,546)
Total comprehensive income for the period	-	-	-	(5,546)	-	-	10,867	5,321
<b>At 30 June 2022</b>	<b>4,267</b>	<b>152,839</b>	<b>(282)</b>	<b>(56,958)</b>	<b>-</b>	<b>-</b>	<b>(39,340)</b>	<b>60,526</b>
<b>Unaudited</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
At 1 January 2021	4,267	152,839	(282)	(52,959)	-	333	(68,863)	35,335
Profit for the period	-	-	-	-	-	-	8,751	8,751
Exchange differences on translating foreign operations	-	-	-	(1,493)	-	-	-	(1,493)
Total comprehensive income for the period	-	-	-	(1,493)	-	-	8,751	7,258
<b>At 30 June 2021</b>	<b>4,267</b>	<b>152,839</b>	<b>(282)</b>	<b>(54,452)</b>	<b>-</b>	<b>333</b>	<b>(60,112)</b>	<b>42,593</b>
<b>Audited</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
At 1 January 2021	4,267	152,839	(282)	(52,959)	-	333	(68,863)	35,335
Profit for the year	-	-	-	-	-	-	18,323	18,323
Exchange differences on translating foreign operations	-	-	-	1,547	-	-	-	1,547
Total comprehensive income	-	-	-	1,547	-	-	18,323	19,870
Transfer to reserves	-	-2	-	-	-	(333)	333	-
<b>At 31 December 2021</b>	<b>4,267</b>	<b>152,839</b>	<b>(282)</b>	<b>(51,412)</b>	<b>-</b>	<b>-</b>	<b>(50,207)</b>	<b>55,205</b>

**ALTYNGOLD PLC**  
**Consolidated statement of cash flows**

		<b>Six months ended 30 June 2022</b>	Six months ended 30 June 2021
	<b>Note</b>	<b>(unaudited) US\$'000</b>	(unaudited) US\$'000
<b>Net cash inflow from operating activities</b>	8	13,622	1,819
<b>Investing activities</b>			
Purchase of property, plant and equipment		*(11,805)	*(2,133)
Acquisition of intangible assets		(189)	(375)
<b>Net cash used in investing activities</b>		(11,994)	(2,508)
<b>Financing activities</b>			
Loans received		-	4,641
Loans repaid		(2,668)	(6,518)
Interest paid		(1,282)	(1,120)
<b>Net cash flow decrease from financing activities</b>		(3,950)	(2,997)
<b>Decrease in cash and cash equivalents</b>		(2,322)	(3,686)
<b>Cash and cash equivalents at the beginning of the period</b>		3,598	7,154
Effect of exchange rate fluctuations on cash held		(128)	10
<b>Cash and cash equivalents at end of the period</b>		1,148	3,478

\* Cash paid to purchase property, plant and equipment represents additions of US\$4.9m (2021 :US\$4.2m) (note 6) plus the cash amounts paid as a result of the net increase in prepayments/payables of US\$6.9m from the prior year.(2021 a net decrease in prepayments/payables of \$2.1m).

# ALTYNGOLD PLC

## Notes to the consolidated financial information

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### 1. Basis of preparation

#### *General*

AltynGold Plc (the "Company") is a Company incorporated in England and Wales under the Companies Act 2006. The address of its registered office, and place of business of the Company and its subsidiaries is set out within the Company information at the end of this interim report

The Company is registered and domiciled in England and Wales, whose shares are publicly traded on the London Stock Exchange. The interim financial results for the period ended 30 June 2022 are unaudited. The financial information contained within this report does not constitute statutory accounts as defined by Section 434(3) of the Companies Act 2006.

This interim financial information of the Company and its subsidiaries ("the Group") for the six months ended 30 June 2022 have been prepared, in accordance with the UK-adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority, and on a basis consistent with the accounting policies set out in the Group's consolidated annual financial statements for the year ended 31 December 2021. It has not been audited, does not include all of the information required for full annual financial statements, and should be read in conjunction with the Group's consolidated annual financial statements for the year ended 31 December 2021, which has been prepared in accordance with both "international accounting standards in conformity with the requirements of the Companies Act 2006" and "international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union".

These interim financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2021 were approved by the board of directors on 24 June 2022 and delivered to the Registrar of Companies. The report of the auditors on those accounts was qualified in relation to not obtaining sufficient audit evidence in relation to a prepayment at the year end. Further details are available on page 37 of the annual report.

The financial statements have not been reviewed.

The financial information is presented in US Dollars and has been prepared under the historical cost convention. On 31 December 2021, IFRS as adopted by the European Union at that date was brought into UK law and became UK adopted international accounting standards, with future changes being subject to endorsement by the UK Endorsement Board.

The same accounting policies, presentation and method of computation together with critical accounting estimates, assumptions and judgements are followed in this consolidated financial information as were applied in the Group's latest annual financial statements except that in the current financial year, the Group has adopted a number of revised Standards and Interpretations. However, none of these have had a material impact on the Group. In addition, the IASB has issued a number of IFRS and IFRIC amendments or interpretations since the last annual report was published. It is not expected that any of these will have a material impact on the Group.

**ALTYNGOLD PLC**  
**Notes to the consolidated financial information (continued)**

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**Going concern**

Turnover and profitability have continued to grow as the Group expands production. The Company has made significant payments to facilitate the capital development of the mine at Sekisovskoye and for ore extraction services for which the contract runs to April 2023. These prepayments will be offset as production and capital development continues during the year

At the period end the Group had cash resources of US\$1.1m (31 December 2021: US\$3.6m). The Board have reviewed the Group's cash flow forecasts for the period to December 2023. The forecasts are based on the current approved budgets taking into account any adjustments from current trading. The principal capital costs and to a large extent the mining costs of ore extraction have now been made and the Directors are of the opinion that the current cash balances and cash generated from operations will be sufficient for the Group to meet its cash flow requirements. In addition, the Group are in the final stages of agreeing a US\$40m loan facility for further capital development.

The Board have considered at the period end possible stress case scenarios that they consider may likely impact the Group's operations, financial position and forecasts, such as factors impacting the production and possible falls in gold prices. From the analysis undertaken the Board have concluded that the Group will be able to continue to trade based on its existing resources. The stress tests included a drop in the gold price of 10% from the current gold price and budgeted production by 10%, in both scenarios and combination of both together it was concluded that the Group had sufficient cash reserves to continue to operate. The Board therefore considers it appropriate to adopt the going concern basis of accounting in preparing these financial statements.

**2. Segmental information**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments and making strategic decision, has been identified as the Board of Directors.

The Board of Directors consider there to be two operating segments, the exploration and development of mineral resources at Sekisovskoye and at Teren-Sai, both based in one geographical segment, being Kazakhstan. All sales were made in Kazakhstan from the mine at Sekisovskoye. However, in relation to Teren-Sai as there is discrete financial information available and the assets account for greater than 10% of the combined total assets of all segments it is a separate operating segment.

Teren-Sai is an exploration asset, details of the carrying value of the asset are shown in note 5.

**3. Profit per ordinary share**

Basic profit per share is calculated by dividing the profit attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. The weighted average number of ordinary shares and retained profit for the financial period for calculating the basic loss per share for the period are as follows:

	Six months ended 30 June 2022	Six months ended 30 June 2021
	(unaudited)	(unaudited)
The basic weighted average number of ordinary shares in issue during the period	27,332,933	27,332,933
The profit for the period attributable to equity shareholders (US\$'000s)	10,867	8,751

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**ALTYNGOLD PLC**  
**Notes to the consolidated financial information (continued)**

**4. Alternative performance measures**

The Directors have presented the alternative performance measures adjusted EBITDA , operating cash cost and total cash cost as they monitor these performance measures at a consolidated level and the Directors believe it is relevant in measuring the Group's performance.

A reconciliation of the alternative performance measures is shown below.

Adjusted EBITDA, operating cash cost and total cash cost are not defined performance measures in IFRS. The Group's definition of adjusted EBITDA may not be comparable with similar titled performance measures as disclosed by other entities.

<b>Adjusted EBITDA</b>	Six months ended 30 June 2022 (unaudited) US\$000's	Six months ended 30 June 2021 (unaudited) US \$000's
Profit before taxation	11,556	9,261
Adjusted for		
Finance expense	1,734	1,676
Depreciation of tangible fixed assets	2,339	2,167
Foreign currency translation	954	278
<b>Adjusted EBITDA</b>	<b>16,583</b>	<b>13,382</b>
Operating cash cost	US\$	US\$
Cost of sales	15,137	9,037
Adjusted for		
Depreciation of tangible fixed assets	(2,339)	(2,167)
	12,798	6,870
Gold sold in the period per oz	17,542	12,560
<b>Operating cash cost per oz</b>	<b>729</b>	<b>546</b>
Total cash cost		
Cost of sales	15,137	9,037
Adjusted for		
Administrative expenses	2,714	2,757
Depreciation of tangible fixed assets	(2,339)	(2,167)
	15,512	9,627
Gold sold in the period per oz	17,542	12,560
<b>Total cash cost per oz</b>	<b>884</b>	<b>766</b>

**ALTYNGOLD PLC**  
**Notes to the consolidated financial information (continued)**

<b>5. Intangible assets</b>	Terens-Sai geological data	Exploration and evaluation costs	US\$'000
<b>Cost</b>			
1 January 2021	9,026	8,650	17,676
Additions	-	830	830
Amortisation capitalised	-	585	585
Currency translation adjustment	(225)	(240)	(465)
December 2021	8,801	9,825	18,626
Amortisation capitalised	-	276	276
Additions	-	190	190
Currency translation adjustment	(632)	(715)	(1,347)
<b>30 June 2022</b>	<b>8,169</b>	<b>9,576</b>	<b>17,745</b>
<b>Accumulated amortisation</b>			
1 January 2021	4,662	165	4,827
Charge for the period	585	-	585
Currency translation adjustment	(125)	(7)	(132)
31 December 2021	5,122	158	5,280
Charge for the period	276	-	276
Currency translation adjustment	(375)	(12)	(387)
<b>30 June 2022</b>	<b>5,023</b>	<b>146</b>	<b>5,169</b>
<b>Net books values</b>			
30 June 2022	3,146	9,430	12,576
31 December 2021	3,679	9,667	13,346

The intangible assets relate to the historic geological information pertaining to the Terens-Sai ore fields. The ore fields are located in close proximity to the current open pit and underground mining operations of Sekisovskoye.

The Company is in the final stages of the renewal of the licence, an updated and revised application was submitted to the relevant authorities in July 2022 for an extension to the exploration licence. The licence is for three years and will commence on the date the licence is signed, which is expected to be in Q4 2022. During the period of licence renewal, the company can continue its exploration activities.

**ALTYNGOLD PLC**  
Notes to the consolidated financial information *(continued)*

**6. Property, plant and equipment**

	Mining properties  US\$000	Freehold land and buildings  US\$000	Plant, Equipment fixtures and fittings  US\$000	Assets under construction  US\$000	Total  US\$000
<b>Cost</b>					
1 January 2021	13,264	24,050	21,102	1,973	60,389
Additions	3,356	197	2,800	2,187	8,540
Disposals	-	-	(659)	-	(659)
Transfers	-	1,441	-	(1,441)	-
Transfer - inventories	-	-	-	170	170
Currency translation adjustment	(611)	(654)	(464)	(67)	(1,796)
31 December 2021	16,009	25,034	22,779	2,822	66,644
Additions	2,076	43	742	2,022	4,883
Disposals	-	-	(54)	-	(54)
Transfers	-	-	645	(645)	-
Transfer to inventories	-	-	-	(500)	(500)
Currency translation adjustment	(1,697)	(1,797)	(1,689)	(342)	(5,525)
30 June 2022	16,388	23,280	22,423	3,357	65,448
<b>Accumulated depreciation</b>					
1 January 2021	2,869	11,371	14,057	-	28,297
Charge for the period	699	2,188	1,599	-	4,486
Disposals	-	(2)	(659)	-	(661)
Currency translation adjustment	(218)	(238)	(372)	-	(828)
31 December 2021	3,350	13,319	14,625	-	31,294
Charge for the period	401	1,088	850	-	2,339
Currency translation adjustment	(254)	(985)	(1,076)	-	(2,315)
30 June 2022	3,497	13,422	14,399	-	31,318
<b>Carrying amount</b>					
30 June 2022	12,891	9,858	8,024	3,357	34,130
31 December 2021	12,659	11,715	8,154	2,822	35,350

**ALTYNGOLD PLC**  
**Notes to the consolidated financial information (continued)**

**7. Trade and other receivables**  
**Non-current**

	30 June 2022 (unaudited) US\$000's	31 December 2021 (audited) US \$000's
VAT recoverable	1,277	1,375
Prepayments- advances to suppliers	9,071	2,550
	10,348	3,925

The amount recoverable in relation to Value Added Tax is expected to be recovered by offset against VAT payable in future periods.

The advances to suppliers relate to mining services for capital development of the mine at Sekisovskoye.

**Current**

	30 June 2022 (unaudited) US\$000's	31 December 2021 (audited) US \$000's
Trade receivables	902	-
VAT recoverable	5,428	5,054
Prepayments - advances to suppliers	11,322	14,500
Prepayments - other	3,929	-
Other receivables	96	2,917
Other receivables/prepayments – provision	(141)	(941)
	21,536	21,530

The prepayment of advances to suppliers relates to payments for mining services for the extraction of ore.

**8. Notes to the cash flow statement**

	Six months ended 30 June 2022 (unaudited) US\$000's	Six months ended 30 June 2021 (unaudited) US \$000's
Profit before taxation	11,556	9,261
Adjusted for		
Finance expense	1,734	1,676
Depreciation of tangible fixed assets	2,339	2,167
Increase in inventories	(1,809)	(2,689)
Increase in trade receivables	(1,310)	(7,641)
Increase/(decrease) in trade and other payables	158	(1,233)
Foreign currency translation	954	278
<b>Cash inflow from operations</b>	<b>13,622</b>	<b>1,819</b>
Income taxes	-	-
	13,622	1,819



**ALTYNGOLD PLC**  
**Notes to the consolidated financial information (continued)**

**9. Related party transactions**

Remuneration of key management personnel

The remuneration of the Directors, who are the key management personnel of the Group, is set out below in aggregate for each of the categories specified in IAS 24 - "Related Party Disclosures". The total amount remaining unpaid with respect to remuneration of key management personnel amounted to US\$114,000 (31 December 2021 US\$122,000).

	Six months ended 30 June 2022 US\$000	Six months Ended 30 June 2021 US\$000
Short term employee benefits	138	66
Social security costs	9	2
	147	68

During the period, the following transactions were connected with Company's in which the Assaubayev family have a controlling interest:

- An amount is owing to Asia Mining Group of US\$77,816, (31 December 2021: US\$83,850) and is included within trade payables.
- Loan amounts due by the Group to Amrita Investments Limited a company controlled by the Assaubayev family total US\$12,000 (31 December 2021 US\$12,000).
- The group made sales to Altyn Group Qazaqstan of US\$122,000 the amount is included with in receivables at the period end.

**10 . Borrowings**

	Six months ended 30 June 2022 (unaudited) US\$000's	Year ended 31 December 2021 (audited) US \$000's
<b>Current loans and borrowings</b>		
Bonds	9,891	9,723
Bank loans	5,354	5,298
Related party loans	12	12
Other borrowings	-	54
	15,257	15,087
<b>Due one-two years</b>		
Bonds	-	-
Bank loans	3,049	3,546
	3,049	3,546
<b>Due two-five years</b>		
Bank loans	6,434	8,675
	6,434	8,675
<b>Total non-current loans and borrowings</b>	9,483	12,221

**ALTYNGOLD PLC**  
**Notes to the consolidated financial information (continued)**

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**Bond Listed on Astana International Exchange**

The total number of bonds at the period end amounted to US\$10m at a coupon rate of 9%, the bonds are repayable in December 2022. At the period end the carrying value approximates to their fair value.

**Bank loans**

The bank loans are repayable in instalments and bear interest at 6%-7% on the US\$ denominated loans and at 15.5% on the Kazakh denominated loans.

The bank loans are secured over the assets of the Group.

**11. Reserves**

A description and purpose of reserves is given below:

<b>Reserve</b>	<b>Description and purpose</b>
Share capital	Amount of the contributions made by shareholders in return for the issue of shares.
Share premium	Amount subscribed for share capital in excess of nominal value.
Merger Reserve	Reserve created on application of merger accounting under a previous GAAP.
Currency translation reserve	Gains/losses arising on re-translating the net assets of overseas operations into US Dollars.
Accumulated losses	Cumulative net gains and losses recognised in the consolidated statement of financial position.

**12. Events after the balance sheet date**

In July 2022 the Company agreed in principal a US\$40m loan from Bank Center Credit in Kazakhstan, the loan facility is expected to be signed and details agreed during Q4 2022.

An extension for the licence at Teren-Sai has been applied for in July 2022 to continue exploration works for a further three years.

## ALTYNGOLD PLC

### Company information

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Directors	Kanat Assaubayev Aidar Assaubayev Sanzhar Assaubayev Ashar Qureshi Andrew Terry Maryam Buribayeva Victor Shkolnik	Chairman Chief executive officer Executive director Non-executive director Non-executive director Non-executive director
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Secretary	Rajinder Basra
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Registered office and number	Company number: 05048549 28 Eccleston Square London SW1V 1NZ Telephone: +44 208 932 2455
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Company website	<a href="http://www.altyngold.uk">www.altyngold.uk</a>
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Kazakhstan office	10 Novostroyevskaya Sekisovskoye Village Kazakhstan Telephone: +7 (0) 72331 27927 Fax: +7 (0) 72331 27933
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Auditor	BDO LLP, 55 Baker Street, London W1U 7EU
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Registrars	Neville Registrars Neville House Steelpark Road Halesowen West Midlands B62 8HD Telephone: +44 (0) 121 585 1131
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Bankers	NatWest Bank plc London City Commercial Business Centre 7th Floor, 280 Bishopsgate London EC2M 4RB  LTG Bank AG Herrengasse 12 FL-9490, Vaduz Principal of Liechtenstein
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