

Midlincoln Research

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Focus: CIS Gold

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Tajikistan, Georgia and Azerbaijan Gold Industry

Tajikistan, Georgia and Azerbaijan Gold Key Numbers

Indicator	Estimate
Combined recent gold production	~20–25 t/year
TAJIKISTAN	
Gold production, 2024	~14.5 t
Gold production, 2019	~5.2 t
Zeravshan gold production, 2025	~6.1 t
Zeravshan reported gold resources	~87.6 t
Zeravshan potential future production	~10 t/year
Pakrut reported gold resources	~30 t
Konchoch reported gold	~50 t
Konchoch reported antimony	>265 kt
Tajik antimony production, 2024	~22 kt
GEORGIA	
Recent gold production	~4–5 t/year

Executive Summary

Tajikistan, Georgia and Azerbaijan represent a smaller but increasingly important part of the broader Central Asian and Caucasus gold and polymetallic mining industry. Together, the three countries produce roughly **20–25 tonnes of gold annually**, but their mining sectors differ substantially in scale, ownership, geology and development model. Gold remains the common element, although copper, silver, antimony, lead, zinc and molybdenum increasingly contribute to project economics.

Tajikistan is the largest gold producer of the three and one of the fastest-growing producers in the former Soviet Union. Gold production increased from approximately 5.2 tonnes in 2019 to around **14.5 tonnes in 2024**, driven largely by Chinese investment. The industry is dominated by Zeravshan Gold Company, with additional production from Pakrut, Aprelevka and smaller operators. Tajikistan also possesses important antimony, copper, silver, lead and zinc resources, making the country's mineral industry considerably broader than gold alone.

Zeravshan is the cornerstone of Tajikistan's gold industry. Controlled by China's Zijin Mining in partnership with the Tajik state, the operation produced approximately **6.1 tonnes of gold in 2025**. Its reported resource base contains approximately **87.6 tonnes of gold**, while continued investment is transforming the operation into an integrated gold and copper mining and metallurgical complex. A potential processing expansion could eventually move Zeravshan toward approximately 10 tonnes of annual gold production.

Pakrut provides Tajikistan with a second substantial Chinese-developed gold operation, while **Konchoch introduces a strategically important gold-antimony dimension**. The latter contains approximately 50 tonnes of reported gold and more than 265,000 tonnes of antimony. Tajikistan is already one of the world's largest antimony producers, giving its mining industry increasing

Principal mining district	Bolnisi
Main mining group	RMG
Principal processing centre	Kazreti / Madneuli
Principal export corridor	Kazreti → Poti
Key associated metal	Copper

AZERBAIJAN

Recent national gold production	~3 t/year
AzerGold gold sales, 2025	~73 koz
AzerGold silver sales, 2025	~93 koz
AzerGold 2025 sales revenue	~US\$266 m
Anglo Asian gold production, 2025	~25 koz
Anglo Asian copper production, 2025	~7.9 kt
Anglo Asian silver production, 2025	~153 koz
Gilar production start	2025
Demirli production restart	2025
Gilar + Zafar + Xarxar + Garadag Cu resources	>1.0 Mt Cu
Associated gold in those resources	~344 koz Au

relevance beyond conventional precious metals.

Georgia has a smaller gold industry but a particularly well-developed mining and logistics infrastructure. Production is concentrated in the Bolnisi district, where RMG operates an integrated gold-copper-polymetallic mining complex around Madneuli and Kazreti. The district contains gold, copper, silver and other metals, with different ore types directed through precious-metal or flotation processing circuits.

Georgia's principal strategic advantage is geography. Unlike Armenia and the Central Asian producers, it has **direct access to the Black Sea**. Copper and polymetallic concentrates can move from Kazreti by road and rail toward Poti, connecting Georgian mines directly with international commodity traders and smelters. Georgia also forms an important export corridor for Armenian mineral production. The country's role in the regional mining industry is therefore larger than domestic gold production alone suggests.

Azerbaijan combines state-controlled precious-metals production through AzerGold with international mining investment through Anglo Asian Mining. AzerGold's operations are centred on Chovdar and associated gold and silver deposits, while Anglo Asian historically developed the Gedabek gold district. The latter produced approximately **25,000 oz of gold and 7,900 tonnes of copper in 2025**.

Azerbaijan's mining industry is now undergoing a significant change in commodity mix. Gilar entered underground production in 2025, while the brownfield **Demirli copper-molybdenum mine** restarted under Anglo Asian's management. Garadag, Xarxar and Zafar provide additional large copper resources containing associated gold. Anglo Asian is consequently evolving from primarily a gold producer into a multi-asset copper-gold company.

The reopening of previously inaccessible mineral districts has also expanded Azerbaijan's development pipeline. Vejnaly, Kyzlbulag and other areas have returned to exploration and development, while existing infrastructure at Gedabek and Demirli provides potential processing hubs for surrounding deposits.

Ownership models differ sharply among the three countries. **Tajikistan relies heavily on Chinese capital combined with state participation; Georgia is dominated by an integrated private mining group; Azerbaijan combines a state mining company with an international operator working under a production-sharing agreement.** These different structures illustrate the variety of approaches being used across the region to finance and control mineral development.

The three countries also demonstrate the increasing importance of polymetallic economics. Taror combines gold with copper and silver; Konchoch combines gold and antimony; Georgia's Bolnisi district is fundamentally copper-gold-polymetallic; and Azerbaijan's future development pipeline is increasingly copper-led. Gold remains important, but associated metals can materially alter the economics of

individual deposits.

Overall, **Tajikistan offers the strongest gold-production growth story, Georgia the strongest processing and export-logistics position, and Azerbaijan the clearest transition toward a larger copper-gold industry.** Together they complete a regional mining system extending from the Caucasus through Central Asia in which gold production is increasingly integrated with base metals, domestic processing and international concentrate trade.

Materials

Tajikistan, Georgia and Azerbaijan

Gold and Polymetallic Mining in Tajikistan, Georgia and Azerbaijan



Industry Overview

Tajikistan, Georgia and Azerbaijan form a second tier of gold-producing countries surrounding the larger mining industries of Kazakhstan, Uzbekistan, Kyrgyzstan and Armenia. None has the scale of Kazakhstan or Uzbekistan, but collectively they illustrate three very different models of mineral development.

Tajikistan has emerged as a surprisingly substantial gold producer. Mine production reached approximately **14.5 tonnes in 2024**, compared with only 5.2 tonnes in 2019 and less than 4 tonnes a decade earlier. The expansion has been driven primarily by Chinese investment, particularly Zijin Mining and other Chinese state and private mining groups. Gold is increasingly integrated with copper, antimony, lead, zinc and other metals.

Georgia has a smaller but long-established mining industry concentrated primarily in the Bolnisi mineral district in the south of the country. Gold production is closely connected with copper and polymetallic mining. The RMG industrial complex around Madneuli/Kazreti dominates modern production, while Georgia's access to Black Sea ports gives the country an important logistical advantage over landlocked Armenia and the Central Asian producers.

Azerbaijan combines a state-controlled gold company, AzerGold, with the operations of London-listed Anglo Asian Mining. Historically centred on gold and silver, Anglo Asian is now deliberately evolving toward copper-gold polymetallic production. The reopening of mining districts in Karabakh and western Azerbaijan has materially enlarged the country's accessible mineral base.

The common characteristic of all three countries is that gold rarely exists in isolation. Copper, silver, antimony, lead, zinc and molybdenum increasingly affect project economics and, in several cases, are becoming at least as strategically important as gold itself.

TAJIKISTAN

1. Industry Overview and Gold Production

Tajikistan has undergone one of the fastest expansions of gold production in the former Soviet Union.

Mine production increased from approximately **7.6 tonnes in 2020 to 8.1 tonnes in 2021, 11.9 tonnes in 2022, 13.8 tonnes in 2023 and approximately 14.5 tonnes in 2024**. The 2024 level was almost three times production in 2019.

The expansion reflects both the development of new mines and substantial investment in processing capacity at existing operations.

The industry is dominated by six principal producers: **Zeravshan, Pakrut, Aprelevka, Tilloi Tochik, Odina and Naziri**, together with newer operations associated with TALCO Gold and TBEA.

Chinese capital has become the principal foreign source of mining investment.

This differs considerably from Kyrgyzstan, where Russian, Chinese, Canadian and state investors coexist. In Tajikistan, Chinese companies increasingly provide capital, equipment, processing technology and, in some cases, downstream markets for mineral production.

Gold also has direct monetary importance. Domestic producers generally sell gold locally, with the **National Bank of Tajikistan and Ministry of Finance holding statutory first-purchase rights**. Most gold acquired by the authorities is purchased by the National Bank, subsequently refined to monetary-gold standards and incorporated into international reserves.

2. Geology and Mineral Provinces

Tajikistan occupies the western portion of the Pamir and Tien Shan mountain systems and forms part of the broader Central Asian Orogenic Belt.

The country's mineral endowment is highly polymetallic.

Gold occurs in porphyry, skarn, hydrothermal and structurally controlled systems, frequently associated with copper, silver, antimony and other metals.

Northern Tajikistan, particularly **Sughd Region and the Zeravshan Valley**, contains the most important modern gold mines. Jilau and Taror form the core of the country's largest mining complex.

The central mountain districts contain **Pakrut**, east of Dushanbe, while the Ayni district contains important gold-antimony systems.

Tajikistan is particularly significant globally for **antimony**. In 2024 the country produced an estimated 22,000 tonnes of contained antimony and ranked as one of the world's largest producers. This gives several Tajik gold projects a strategic dimension extending beyond precious

metals.

3. Zeravshan Gold Company

Zeravshan is the dominant gold producer in Tajikistan.

The company operates the Jilau and Taror mining complex near Panjakent in Sughd Region and processes ore from several deposits including Jilau, Taror, Khirskhona and Olympiyskoe.

The operation began as a Tajik-foreign joint venture in the 1990s and subsequently came under the control of China's **Zijin Mining**.

The commonly cited project-level ownership structure is **Zijin 70% and the Tajik state 30%**. Zijin's current consolidated corporate disclosure reports a lower attributable economic interest of approximately **59.5%**, reflecting the ownership structure through its corporate chain. The two percentages therefore describe different levels of ownership and should not be treated as contradictory reserve or production figures.

Zeravshan produced approximately **6.1 tonnes of gold in 2025** on a 100% project basis.

Current reported resources contain approximately **87.6 tonnes of gold**, with an average grade of approximately **1.95 g/t**.

The operation is much more than a conventional gold mine. It now incorporates mining, concentration, gold recovery and metallurgical facilities and is becoming increasingly important in copper.

Zijin has invested approximately **US\$525 million** in the operation and constructed 10,000-tpd Jilau and 4,500-tpd Taror processing facilities, together with gold-smelting capacity and a copper smelter capable of processing approximately 165,000 tonnes of concentrate annually.

4. Jilau

Jilau forms the historical core of the Zeravshan operation.

The deposit is mined by open-pit methods and processed primarily through carbon-in-leach technology.

Jilau's importance increasingly lies in its integration with the broader Zeravshan processing complex rather than as an isolated deposit.

Ore from Jilau can be blended with material from nearby deposits, while shared crushing, processing, metallurgical and refining infrastructure substantially improves the economics of smaller surrounding resources.

This hub-and-satellite structure resembles the development of mature mining districts elsewhere in Central Asia.

5. Taror

Taror is geologically and economically more complex than Jilau.

It contains meaningful copper and silver alongside gold.

A 2025 JORC-based assessment reported approximately **20.9 Mt of Mineral Resources at 2.73 g/t gold, 12.9 g/t silver and 0.56% copper**, containing approximately **57 tonnes of gold and 116,000 tonnes of copper** across the reported categories.

Measured and Indicated material alone contained approximately 49.5 tonnes of gold.

Taror therefore illustrates why Tajikistan should not be considered purely a gold province.

Gold remains the principal economic metal, but copper and silver provide significant by-product value and influence both metallurgy and project economics.

6. Expansion of the Zeravshan Complex

Zijin continues to evaluate substantial expansion of the operation.

A potential technological upgrade would add approximately **10 Mtpa of processing capacity**, increasing the overall mining and processing scale toward approximately **16 Mtpa**.

If implemented successfully, annual gold production could eventually approach **10 tonnes**.

This would transform Zeravshan from a large national producer into an operation comparable in annual gold output with some of the major mines elsewhere in Central Asia.

The expansion is also important because it demonstrates the evolution of Chinese mining investment in Tajikistan.

The initial model involved acquiring and rehabilitating an existing Soviet/post-Soviet gold operation.

The current model involves construction of a much larger integrated mining and metallurgical complex capable of extracting value from gold, copper and other associated metals.

7. Pakrut

Pakrut, situated east of Dushanbe in mountainous terrain, is Tajikistan's other major Chinese-developed gold operation.

The project is operated by a subsidiary of China Nonferrous Metals interests.

Pakrut contains approximately **30 tonnes of reported gold resources**.

The project was designed initially around production of approximately **1.3 tonnes annually**, with expansion capable of taking output above 2 tonnes.

The mine illustrates the physical difficulties of mining in Tajikistan. Access is mountainous, transport infrastructure is limited and the region is exposed to avalanches and severe winter conditions.

These problems materially affected the project's development history.

Commercial production nevertheless became established from 2018 onward, and Pakrut has developed into an integrated mining, beneficiation and gold-production operation.

Pakrut is significant because it demonstrates that relatively modest deposits can support substantial investment when they form part of the broader Chinese resource-development strategy in Central Asia.

8. TALCO Gold and the Konchoch Gold-Antimony System

The **Konchoch** district introduces another dimension to Tajik mining: the combination of gold and antimony.

TALCO Gold was established to develop the Konchoch gold-antimony system in Ayni District.

Reported mineral inventory exceeds **23 Mt of ore containing approximately 50 tonnes of gold and more than 265,000 tonnes of antimony**.

Gold production facilities began developing from 2022 onward.

The complex has subsequently been expanded toward deeper processing of antimony, while further metallurgical capacity is planned.

This is strategically important because antimony has become an increasingly important critical mineral used in flame retardants, alloys, batteries and defence-related applications.

Tajikistan is already one of the world's largest antimony producers. Konchoch potentially strengthens that position while simultaneously developing a substantial gold resource.

The economics of Konchoch should consequently be considered as **gold-antimony economics**, rather than valuing the project solely on contained gold.

9. Aprelevka

Aprelevka represents one of Tajikistan's older multi-deposit gold operations.

The company controls a group of mines and prospects in northern Tajikistan rather than a single giant deposit.

The ownership structure historically combined the Tajik government with foreign investors.

More recently, the project has been associated with Gulf International Minerals and Vast Resources. The Tajik state holds **51%**, while the foreign side holds 49%, with Vast involved in management and development of the mines.

Aprelevka is potentially important as a consolidation and rehabilitation story.

Existing mines, processing infrastructure and numerous surrounding deposits may allow production to increase without requiring development of a single large greenfield project.

10. Other Gold and Polymetallic Operations

Several smaller producers contribute to Tajikistan's gold output.

Tilloi Tochik is a state-controlled producer associated particularly with placer gold.

Odina and **Naziri** operate smaller deposits.

TBEA-related operations have also entered the gold sector in Ayni district.

Beyond gold, Tajikistan contains significant **lead-zinc, silver, antimony, mercury and copper**

mineralization.

In 2024 the country produced approximately 45,000 tonnes of contained lead in concentrates and approximately 47,500 tonnes of contained zinc, in addition to its large antimony output.

Gold should therefore be seen as the most visible component of a broader polymetallic mining industry rather than as an isolated sector.

11. Chinese Investment and Ownership

The defining feature of modern Tajik mining is Chinese participation.

Zijin transformed Zeravshan into the country's dominant gold producer.

China Nonferrous developed Pakrut.

Other Chinese investors participate in gold, antimony and polymetallic projects.

This reflects Tajikistan's geography.

China lies immediately east of the country and provides capital, equipment, engineering capacity and a large downstream market for metals.

The model is frequently based on joint ventures with the Tajik state rather than outright foreign ownership.

This allows the government to retain direct participation in resource economics while shifting much of the capital and technical burden to foreign partners.

The model has succeeded in increasing physical production: Tajik gold output has more than tripled since the middle of the previous decade.

12. Gold Sales and the National Bank

Tajikistan has one of the more tightly integrated relationships between domestic gold mining and monetary reserves in the region.

The Ministry of Finance and National Bank have statutory priority rights to purchase domestically produced gold.

In practice, the **National Bank of Tajikistan purchases much of domestic production in local currency.**

The gold is subsequently sent abroad for secondary refining to monetary-gold standards and incorporated into the country's reserve assets.

The system provides the central bank with a domestic source of reserve accumulation while giving producers a guaranteed local buyer.

This resembles aspects of the Uzbek model, although Tajik gold production itself is much more dependent on foreign-operated joint ventures.

13. Tajikistan Outlook

Tajikistan should no longer be classified simply as a small gold producer.

Production of approximately **14.5 tonnes in 2024** places the country meaningfully within the Central Asian gold industry.

The most important future driver is Zeravshan.

If Zijin proceeds with its proposed processing expansion and moves production toward 10 tonnes annually, the country's overall output could increase materially.

Pakrut provides a second established Chinese-controlled production centre.

Konchoch adds a significant gold-antimony resource, while Aprelevka and smaller deposits provide additional optionality.

The principal constraints are difficult mountain geography, infrastructure, capital intensity and heavy dependence on a relatively small group of foreign investors.

Nevertheless, the combination of **gold, copper, antimony, silver, lead and zinc** gives Tajikistan a broader mineral base than headline gold statistics alone imply.

GEORGIA

14. Industry Overview

Georgia's gold industry is smaller than Tajikistan's but has a long mining history and unusually favourable logistics.

Modern metal mining is concentrated primarily in **Kvemo Kartli**, south of Tbilisi, particularly around Bolnisi and Kazreti.

The principal industrial group is **RMG**, whose operations combine gold and copper mining.

The distinction between a "gold mine" and a "copper mine" is therefore less meaningful in Georgia than in some of the other countries covered in this series.

The Bolnisi district contains gold-bearing copper and polymetallic mineralization, while different ore bodies and processing routes produce either precious-metal products or copper concentrates containing associated precious metals.

Georgia also possesses one important structural advantage over Armenia and the Central Asian countries:

direct access to the Black Sea.

Concentrates can move by road and rail toward **Poti and other Georgian ports**, giving producers direct access to international smelters and commodity traders.

15. The Bolnisi Mining District

The **Bolnisi district** is the centre of Georgian metal mining.

It forms part of the broader Tethyan metallogenic belt extending through Turkey, Georgia, Armenia, Azerbaijan and onward into Asia.

The district contains volcanic-hosted massive sulphide, epithermal gold and copper-gold mineralization.

This geological overlap explains the close relationship between gold and base-metal mining. The principal mining and processing infrastructure lies around **Madneuli/Kazreti**. Rather than consisting of isolated mines, the district operates increasingly as an integrated mineral-processing centre capable of receiving ore from several deposits. This gives smaller satellite deposits considerable strategic value.

16. Madneuli and RMG Copper

The **Madneuli mine** is the historical centre of Georgia's modern metal-mining industry. Industrial development dates from the Soviet period, with the mining and processing complex established in the 1970s.

The operation was privatized after independence and subsequently became part of GeoProMining.

GeoProMining acquired both Madneuli and the associated Quartzite gold operation in 2005 and invested in expanding production.

In **2012 GeoProMining sold its Georgian mining businesses**, including Madneuli and Quartzite, for approximately **US\$120 million**. The assets subsequently became part of the group now operating as RMG Copper and RMG Gold.

Madneuli is fundamentally a **copper-gold-polymetallic operation**.

Copper concentrates are the principal product, but precious metals form part of the broader mineral system.

Existing mining, crushing, flotation, tailings and transport infrastructure makes Madneuli the anchor for the entire Bolnisi mining district.

17. RMG Gold

RMG Gold operates the precious-metals side of the Bolnisi mining complex.

Historically the operation was known as Quartzite and processed gold-bearing secondary and low-grade material associated with the Madneuli district.

Over time, the business expanded from processing historical material toward direct exploitation of additional gold deposits.

RMG Gold and RMG Copper are closely connected operationally and through common ownership.

This integration allows the group to direct different ore types through appropriate processing routes.

Gold-bearing oxidized material can be treated through precious-metal recovery circuits, while sulphide and copper-rich ores can enter flotation and concentrate production.

The result is better understood as a **regional polymetallic mining complex** than as two completely separate gold and copper companies.

18. Sakdrisi

Sakdrisi became one of Georgia's best-known gold deposits because of the controversy surrounding its archaeological significance.

The deposit lies within the Bolnisi mining district and contains gold-bearing mineralization that was developed as part of RMG's regional operations.

Archaeologists argued that ancient workings at Sakdrisi represented exceptionally early gold mining activity.

The site's archaeological status consequently became the subject of a prolonged dispute between mining interests, heritage specialists and government authorities.

Mining ultimately proceeded.

For an industry analysis, the importance of Sakdrisi extends beyond the archaeological debate.

The project demonstrates the challenges that can arise when economically valuable mineral deposits overlap with cultural heritage sites—an issue that can materially affect permitting and development even where geological and processing infrastructure already exists.

19. Other Bolnisi Deposits

The Bolnisi district contains numerous additional gold and polymetallic occurrences.

These include deposits and prospects around **Sakdrisi, Beqtakari, Tsitel Sopeli, Kvemo Bolnisi and other parts of the wider licence area.**

Not all should be treated as independent mines.

Their importance lies partly in their proximity to existing RMG infrastructure.

A relatively small deposit may be commercially attractive if ore can be transported a short distance to an existing processing complex rather than requiring construction of an independent plant.

This hub-and-satellite model is likely to remain central to the Georgian industry's future.

20. Processing, Concentrate Trading and Poti

Georgia's location materially changes the economics of polymetallic mining.

RMG Copper can produce concentrate at Kazreti and move it westward toward the Black Sea.

An active **Kazreti–Poti concentrate transport route** connects the mining complex with Black Sea export infrastructure.

This gives Georgian producers access to international smelters without crossing several foreign jurisdictions.

It also gives Georgia a role in the broader Caucasus mineral trade.

Armenian concentrates can transit through Georgia, while trading and logistics companies operate around the Georgian transport corridor.

One of the companies encountered in the Armenian gold industry, **Industrial Minerals SA**,

historically acted as the exclusive buyer of Toukhmanuk gold and silver concentrate. Industrial Minerals-related activity has also appeared alongside **Caucasian Metals Terminal** in the Armenia-Georgia concentrate corridor.

The precise commercial relationships change over time, so these should be viewed as examples of the regional trading network rather than permanent mine-specific offtake arrangements.

This is considerably more important in Georgia than the Armenian report alone suggested.

Georgia is not merely a mining jurisdiction; it is also a **transit, concentrate-handling and Black Sea export corridor for the South Caucasus mining industry**.

21. Ownership and the GeoProMining Legacy

Georgia's modern mining ownership history intersects directly with Armenia.

GeoProMining once controlled major assets in both countries.

In Georgia it acquired **Madneuli and Quartzite in 2005**, while in Armenia it subsequently built a substantial position around Sotk and the Ararat processing complex.

GeoProMining sold its Georgian assets in 2012 but retained its Armenian mining interests for considerably longer.

The Georgian businesses eventually developed into today's RMG structure.

Operationally, RMG functions as Georgia's dominant integrated metal-mining group.

22. Georgia Outlook

Georgia is unlikely to rival the major Central Asian gold producers in physical gold output.

Its attraction is different.

The country combines a known **gold-copper-polymetallic mineral district**, established processing infrastructure and direct access to Black Sea logistics.

The Bolnisi district can therefore support deposits that might be marginal in a remote landlocked jurisdiction.

Future growth is likely to come through development of additional satellite deposits and more efficient utilization of the existing RMG processing complex rather than construction of multiple giant standalone gold mines.

Gold should consequently remain economically important, but the industry's underlying identity is increasingly **copper-gold-polymetallic**.

Georgia's additional role as a transport and trading corridor gives its mining infrastructure regional significance extending beyond domestic production.

AZERBAIJAN

23. Industry Overview

Azerbaijan's mining economy is overwhelmingly associated with oil and natural gas, but the country also possesses a meaningful metallic-minerals industry.

Gold production is divided principally between **AzerGold**, the state mining company, and **Anglo Asian Mining**, an international listed operator.

Historically the industry centred on gold and silver.

That is changing.

Anglo Asian is deliberately transitioning toward a **multi-asset copper-gold producer**, while AzerGold is expanding its portfolio of gold deposits and gaining control of additional mineral assets.

The reopening of previously inaccessible mining districts in Karabakh and western Azerbaijan has also materially changed the industry's geography.

24. Gedabek

Gedabek was the foundation of Azerbaijan's modern private-sector gold industry.

Anglo Asian Mining began commercial gold production there in **2009**.

The district contains multiple ore bodies rather than a single homogeneous deposit.

Historically production came from the Gedabek open pit, followed by underground operations at Gadir and Gedabek.

Processing infrastructure includes heap leaching, agitation leaching, SART and flotation.

This allows the company to recover different combinations of gold, silver and copper depending on ore characteristics.

Gedabek therefore evolved naturally from a gold mine into a **polymetallic processing hub**.

The Gedabek and Gadir underground mines were closed during 2025, but the surrounding processing complex remains central to Anglo Asian's new operations.

25. Gilar

Gilar represents the next generation of mining within the Gedabek district.

The underground mine entered production in **May 2025**.

Gilar contains both copper and gold and uses the existing Gedabek processing infrastructure.

The deposit is particularly attractive because of relatively high-grade underground ore and the limited requirement for an entirely new processing complex.

Gilar therefore demonstrates the value of established mining districts: exploration can replace

mature deposits without rebuilding the entire industrial system.

Its development also marks Anglo Asian's transition away from dependence on the original Gedabek open pit.

26. Anglo Asian's Transition Toward Copper

Anglo Asian produced approximately **25,061 oz of gold in 2025**, together with **7,915 tonnes of copper and 153,000 oz of silver**.

Copper production increased dramatically from only 377 tonnes in 2024.

The increase reflects the commissioning of Gilar and particularly **Demirli**, which entered production in July 2025.

This changes how Anglo Asian should be analysed.

It was historically viewed primarily as an Azerbaijani gold producer.

Its future increasingly depends on copper.

The company has adopted a strategy of becoming a mid-tier, multi-asset producer with copper eventually representing the majority of production.

Gold nevertheless remains economically important and several of its new copper systems contain associated gold and silver.

27. Demirli

Demirli, located in Karabakh, is one of the most important additions to Azerbaijan's modern mining industry.

It is a large brownfield **copper-molybdenum operation** with an existing open pit and flotation plant.

Anglo Asian began production from Demirli in **July 2025**.

The mine produced approximately **3,128 tonnes of copper during its partial first year of operation**.

Anglo Asian leases the existing processing facilities and equipment from AzerGold and operates the mine under its broader production-sharing framework.

The first commercial sales of Demirli copper concentrate took place in December 2025 under an agreement with **Trafigura**.

Demirli is not primarily a gold asset, but it is important to this report because it illustrates the transition of Azerbaijan's precious-metal mining industry toward a broader polymetallic model.

28. AzerGold

AzerGold is the principal state-owned mining company.

Established to develop Azerbaijan's non-hydrocarbon mineral resources, it has built its production base primarily around gold and silver.

The company's flagship operation is **Chovdar**.

AzerGold has subsequently expanded into several additional deposits and exploration areas.

Its scale is now substantial relative to Azerbaijan's overall gold industry.

In 2025 AzerGold and its subsidiaries generated approximately **US\$266 million of sales revenue**, up 46% year on year.

Gold sales reached approximately **73,300 oz**, accompanied by approximately 93,200 oz of silver.

AzerGold therefore provides Azerbaijan with a state-controlled mining platform comparable in concept—though not scale—to Kyrgyzaltyn in Kyrgyzstan.

29. Chovdar

Chovdar is the cornerstone of AzerGold's precious-metals operations.

The deposit is located in western Azerbaijan and produces both gold and silver.

Mining has progressively moved through different portions of the deposit while exploration has sought to extend mine life and identify additional resources nearby.

AzerGold's accumulated production from its operations has now exceeded **575,000 oz of gold and one million ounces of silver**, demonstrating that the state company has moved well beyond the scale of an experimental producer.

Chovdar also acts as an infrastructure base from which nearby smaller deposits can potentially be developed.

As in Georgia and Tajikistan, existing processing capacity can turn otherwise modest satellite resources into economically viable mines.

30. Vejnalý

Vejnalý is an established gold deposit in the Zangilan district close to the Armenian and Iranian borders.

The area forms part of Anglo Asian's contractual portfolio.

Access was restricted while the territory underwent demining and safety work.

By 2026 access to the Vejnalý contract area had been restored.

The project therefore returns to the exploration and development pipeline.

Its ultimate importance will depend on updated drilling, resource definition and the economics of establishing or accessing suitable processing infrastructure.

31. Kyzlbulag and Karabakh

The **Kyzlbulag contract area** contains a number of known mineral occurrences and historical mining sites.

Full access to the area was obtained in **April 2026**.

Kyzlbulag lies adjacent to Demirli and forms part of a broader mineralized district.

This creates potentially important infrastructure synergies.

Rather than developing each occurrence independently, ore bodies identified around Kyzlbulag could potentially benefit from roads, power, mining equipment and processing capacity established for Demirli.

The district is geologically attractive primarily for copper and associated precious metals.

Its importance to Azerbaijan therefore lies in the possibility of establishing another integrated polymetallic mining centre rather than simply reopening individual historical gold workings.

32. Garadag, Xarxar and Zafar

Anglo Asian's longer-term development pipeline includes **Garadag, Xarxar and Zafar**.

These deposits significantly increase the company's copper resource base.

At the beginning of 2026, Gilar, Zafar, Xarxar and Garadag together contained JORC Mineral Resources of more than **one million tonnes of copper and approximately 344,000 oz of gold**.

Demirli contains additional mineralization outside that JORC total.

Garadag is particularly large in copper terms.

Xarxar is planned as one of the next projects to enter production.

Zafar lies close to the existing Gedabek infrastructure.

These deposits reinforce the same conclusion: Azerbaijan's mining growth story is increasingly **copper with associated gold**, rather than expansion of standalone gold mining.

33. Ordubad

The **Ordubad contract area** lies in the Nakhchivan exclave.

It contains numerous copper and gold exploration targets.

The district has been explored for many years but remains substantially less developed than Gedabek.

Its location gives it a different logistical profile from western Azerbaijan.

Ordubad remains primarily an exploration option rather than a major contributor to current production.

Nevertheless, the number of identified mineral occurrences makes it one of the more interesting longer-term exploration districts within Anglo Asian's portfolio.

34. Production Sharing and Foreign Investment

Anglo Asian operates under a **Production Sharing Agreement with the Government of Azerbaijan dating from 1997**.

The agreement gives the company contractual rights over designated mining areas while providing the state with an economic share of production.

The structure differs significantly from the conventional licence-and-royalty regimes used elsewhere in the region.

Additional contract areas were incorporated through amendments, including assets that subsequently became accessible.

A further amendment substituted AzerGold as the Azerbaijani party to the PSA.

This creates an unusual relationship in which Anglo Asian is simultaneously an international operator and partner of the state mining company.

At Demirli, for example, Anglo Asian leases processing infrastructure from AzerGold while operating under the PSA framework.

The arrangement allows Azerbaijan to combine foreign operating expertise and public-market capital with substantial state participation.

35. Processing and Offtake

Azerbaijan possesses increasingly sophisticated domestic processing capacity.

Gedabek combines **heap leaching, agitation leaching, SART and flotation**, allowing recovery of gold, silver and copper from different ore types.

Demirli has its own flotation plant.

This flexibility is important as the industry transitions toward copper-rich ores.

Gold doré can be sold through conventional bullion channels, while copper concentrates require international smelters and commodity-trading networks.

Anglo Asian established dedicated concentrate logistics centres during 2025 and began selling Demirli concentrate commercially toward year-end.

The first Demirli concentrate sales were contracted with Trafigura.

Transport links westward toward Georgia also connect Azerbaijan's mining industry to the same broader Caucasus logistics corridor used by Georgian and Armenian producers.

36. Azerbaijan Outlook

Azerbaijan's gold industry is evolving into something broader.

AzerGold should remain a meaningful gold and silver producer centred on Chovdar and its expanding portfolio.

Anglo Asian will continue producing gold, but its investment programme is increasingly directed toward copper-rich assets.

Gilar provides high-grade underground copper-gold ore.

Demirli provides substantial copper production.

Garadag, Xarxar and Zafar add a large future copper resource base with associated gold.

Vejnaly and Kyzilbulag return previously inaccessible mineral districts to the development pipeline.

The result is an industry shifting from:

gold production with copper by-products

toward:

integrated copper-gold-polymetallic mining with gold as one of several important revenue streams.

That transition could ultimately produce a substantially larger mining industry than expansion of Azerbaijan's gold mines alone would have supported.

	Tajikistan	Georgia	Azerbaijan
Recent gold production	~14.5 t	~4–5 t range	~3 t range
Main gold/mining group	Zeravshan / Zijin	RMG	AzerGold / Anglo Asian
Principal foreign capital	Chinese	Private/regional	International listed
Main gold centre	Jilau–Taror	Bolnisi–Madneuli	Chovdar / Gedabek
Major associated metals	Sb, Cu, Ag, Pb, Zn	Cu, Ag, Zn, Pb	Cu, Ag, Mo
Industry structure	State–Chinese JVs	Integrated private mining complex	State company + PSA
Main logistics constraint/advantage	Mountainous, landlocked	Black Sea access	Caspian + Georgia corridor
Direction	Rapid expansion	Mature / brownfield expansion	Transition to Cu-Au growth

