

AMG increases its stake in CMT to 37.04%, through the acquisition of the remaining capital of OSEAD fund: This concludes the takeover by AMG of the leading producer of silver and lead in Morocco

Press release – 25th of February 2020

Auplata Mining Group (Euronext Growth - FR0013410370 - ALAMG) is pleased to announce the acquisition of the remaining shares, not yet held by AMG, of the Luxembourg fund Osead, allowing the company to increase its stake in the fund to 100.00%. This transaction allows AMG to indirectly control, through the company Osead Maroc Mining, 37.04% of the capital and voting rights of Compagnie Minière de Touissit SA (CMT), listed on the Casablanca Stock Exchange in Morocco. CMT is the leading producer of lead and silver in the country.

This transaction is carried out through a two-year current account advance from San Antonio Securities LLC, a 19.61% shareholder of AMG. The main terms of the operation and its financing are detailed in an appendix, in the legal section. This information is available on the Auplata website, Investors area, Documents section ([click here](#)).

Following this operation, the corporate governance of CMT will change and the company will now be managed by a Board of Directors consisting of (i) Mr. Luc Gerard Nyafe, who will assume the functions of Chairman and Chief Executive Officer replacing Mr. Mohamed Lazaar, who will become the Chief Operations Officer, (ii) AMG, represented by Mr. Juan Carlos Rodriguez Charry as permanent representative and member of the Board of Directors of AMG, and (iii) Mr. German Chaparro, as independent director.

Luc Gerard Nyafe, CEO of AMG and CMT declares: *« We are pleased to complete this strategic acquisition for the AMG group, which will allow us to combine the recognized skills of CMT's management team with the significant potential of our mining assets in French Guiana and Peru. CMT is a company that stimulates my admiration, through its financial performance year after year and especially by the quality of its management, the sophistication of its mining operations and the responsible approach that has been adopted to ensure the social and environmental sustainability of its operations. The transaction will benefit CMT and AMG shareholders alike. CMT will have the opportunity to export its skills and develop attractive mining assets, and AMG will be able to benefit from the know-how and demonstrated capabilities of CMT, which is a company at a more advanced maturity stage of the business cycle. »*

Mohamed Lazaar, COO of CMT, comments: *« I am delighted with the indirect acquisition by AMG of 100% of the shares of Osead Maroc Mining (OMM) and therefore of 37.04% that this company holds in the capital of CMT. I gladly give up my spot as Chairman and CEO to Luc Gerard Nyafe and will now focus on CMT's operational and national activity as COO, leaving Luc Gerard Nyafe to personally invest in the strategy development of the AMG mining group. My teams and I will naturally give him all our support and all our expertise. »*



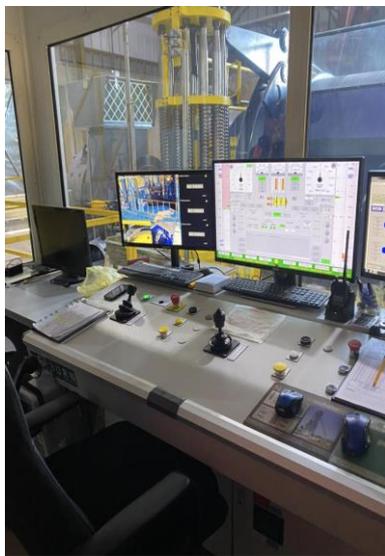
Mr. Luc Gerard Nyafe et Mr. Mohamed Lazaar

La Compagnie Minière de Touissit – CMT

Through this transaction, AMG significantly strengthens its stake in one of the main producers of silver and lead. The Tighza mine, which has been in production for many years, and its reserves ensure that the mine operate for the next 15 years. AMG can now fully rely on the expertise of the CMT teams, which will allow AMG Guyana and AMG Peru to increase their productivity and successfully transition to much more significant production volumes.

CMT is recognized for its professional and goal-based approach and seriousness, as evidenced by its increasing financial results each year. Cumulative turnover at the end of the 3rd quarter of 2019 amounted to € 35 million, up + 13% compared to the same period in 2018 ([read the press release of 2 December 2019](#)).

Similarly, the dividends distributed by CMT have increased in 2018 by + 59% compared to 2017, going from € 16.7 million up to € 26.5 million. As of February 25, 2020, CMT's market valuation on the Casablanca market amounted to more than € 275 million.



Control room



Tighza room



Plant

TIGHZA: The Tighza mining center is located in the administrative region of Meknès - Tafilalet, in the Middle Atlas, 5 km from the town of M'rirt (90 km south of Meknès). The exploitation occupies the center of a zone of high hills culminating at 1494 m in Jbel Aouam, and included between the plateaus of M'rirt in the South East and Tanadra in the West.

Geologically speaking, the mining center is located in the northeastern part of Hercynian Morocco. It is part of the evolution of magmatic and hydrothermal events in the northern part of the Moroccan Meseta and is characterized by four granitic points and polymetallic mineralization Pb / Zn / Ag / Au / W:

- Lead, zinc and silver, in the form of hectometric veins, galena and silver blende
- Gold, vein or in skarns, linked to quartz and sulfides
- Stratum and vein tungsten, in the form of scheelite and wolframite.

The Tighza mine is underground and operates 3 main veins: Signal, Ighrem Aoussar and Sidi Ahmed. Each of the three operations has as its main infrastructure and two wells: one for extraction and the other for service. These wells reach depths of over 750 meters.

The exploitation of the Tighza site currently uses three exploitation methods, depending on the morphology of the deposit and its geotechnical characteristics (soil condition, deepening of the mineralization, width of the mineralization, richness of the mineralization, presence of water, etc.).

The operating cycle at the Tighza mine can be illustrated as follows:

Production → Extraction → Processing.

The average geological grades at the end of December 2017 were 7.54% for lead, 1.06% for zinc and 147 gr / t for silver. The research carried out in parallel with the exploitation is intended to replenish the reserves, prepare the mine and therefore extend the life of the mining site. These operations have made it possible, over the past few years, to replenish the reserves beyond the tonnages exploited. The research work mainly consists of:

- geophysical and geochemical work from the surface;
- drilling from the bottom of the mine;
- mining works (galleries, wells and chimneys).

TOUISSIT: CMT is present on the Touissit site where it has 8 concessions and 2 research permits.

BOULLEMANE / ITZER: CMT has 5 research permits in Boulleman and 1 in Itzer.

TOUNFIT / AGUELMOUS: CMT has 6 mining permits and 6 exploration permits in Tounfit and 1 in Anguelmous.

MIDELT: The veins of Hautes Moulouya are located in the province of Midelt. Since 2011, a research program comprising topo geological, sampling and core drilling campaigns have been carried out in this area. No less than 9,000 meters of core drilling have been carried out to date. The results are positive and have revealed resources of approximately 1,500,000 tones at a grade of 4% for lead. The company MINREX, a subsidiary of CMT, was created to take charge of the development of this project.

TABAROUCHT: The Tabaroucht mining area, located 50 km southeast of Beni Mellal, contains copper mineralization surrounded by a layer affecting the Cretaceous sandstones and the base of the Dogger limestones. This layer shows a dimension of 250 x 250 m with a power of 12 m, slightly sloping to the north and flush in certain areas. The copper mineralization is 70% oxidized. CMT has carried out several preliminary research works on these mineralizations (drilling, small wells, two galleries). This work made it possible to properly estimate the reserves / resources of this area which amount to more than 2 million tones of ore with a copper content of 1.4%. Processing trials for this ore are in progress.

MARRAKESH: CMT has 1 concession and 3 research permits in Marrakech.

AGADIR: CMT has 4 research permits in Jbel Seroua, 1 research permit in Biougra, 2 research permits in Toundout and 2 research permits in Jbel Marouane.

GUELMIN: CMT has 2 research permits.

Auplata in a nutshell

Auplata Mining Group (AMG), incorporated in July 2004 and listed on the Paris Stock Exchange (Euronext Growth) since December 2006, is a polymetallic mining exploration and mining group. AMG is present in French Guiana and, through its subsidiaries, in Peru, Morocco (listed on the Casablanca Stock Exchange) and Côte d'Ivoire. AMG pursues a dynamic, sustainable and innovative industrial and financial strategy for the development of high-potential precious and base metal deposits with the involvement of local stakeholders. The objective of the company is to produce the metals of tomorrow needed for the energy transition in a clean and responsible way, while trying to provide France with a national source of strategic metals.
ISIN : FR0013410370- ALAMG; ICB : 1777 – Gold Mining.

For more information about Auplata Mining Group : www.auplatamininggroup.com

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