



**Copper and high grade poly-metallic exploration in Cyprus**

**Investor Presentation**

**April 2021**

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# ● Growth through exploration and acquisition



- IPO 2017 LSE, followed by RTO Cyprus 2018
- Main board-listed copper exploration company. Positioned for expansion to take advantage of the mega-trend of global electrification
- World-class team of geologists from tier-one mining groups
- Backed by FTSE 100 Polymetal International as strategic partner
- Operating in Cyprus, an historical mining centre and one of the best mining jurisdictions in the EU
- Recently announced discovery of high grade poly-metallic massive sulphides
- Fully-funded, integrated exploration campaign commencing for 2021 in Cyprus
- Active programme for new acquisitions. Ambitions to be a high-growth diversified player in the copper space

# ● Copper: at the center of a mega-trend

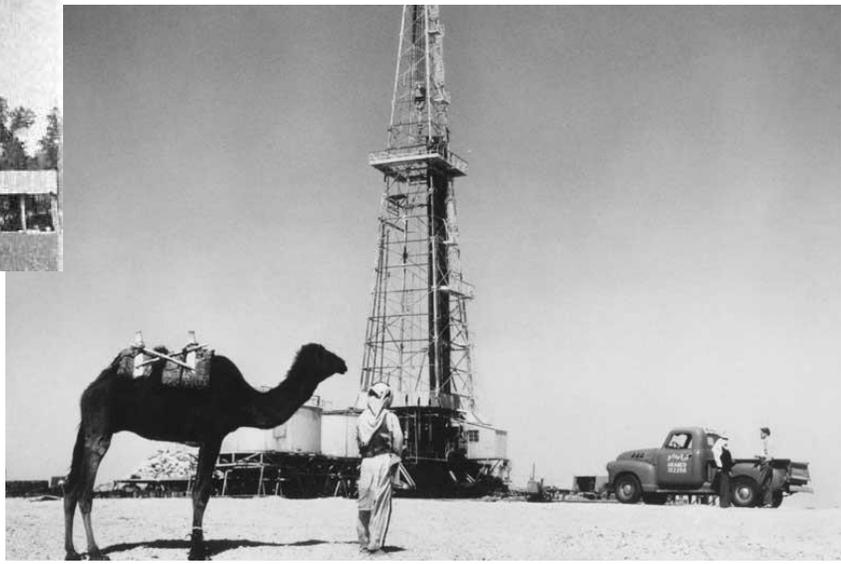
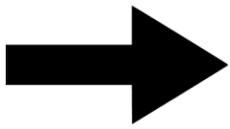
*"We see a significant copper deficit, in the region of 10 million tonnes, that will be required to balance market by 2030"*

**Jeremy Weir, CEO, Trafigura,  
12 March 2021**



**Clean and green = copper**

# ● Energy transition is profitable for explorers



# Cyprus: a surprising opportunity in the EU

- Long and rich history of mining. The word “Copper” comes from the Latin name for Cyprus, which was “Cuprum”. It was the world centre of copper and gold in classical times.
- One of the EU’s best mining jurisdictions. Supportive mines department. Economy needs to diversify from tourism and finance. Prospective areas are well away from the coast and in brownfield mining territory.
- Strong cultural links to the UK. Legal system is based on English common law, large Cypriot population based in London, English commonly spoken.
- First world power, water, infrastructure. An easy place to do business.
- **First mover advantage.** Chesterfield bought a suite of clean licences from the Government, now other players are entering the market

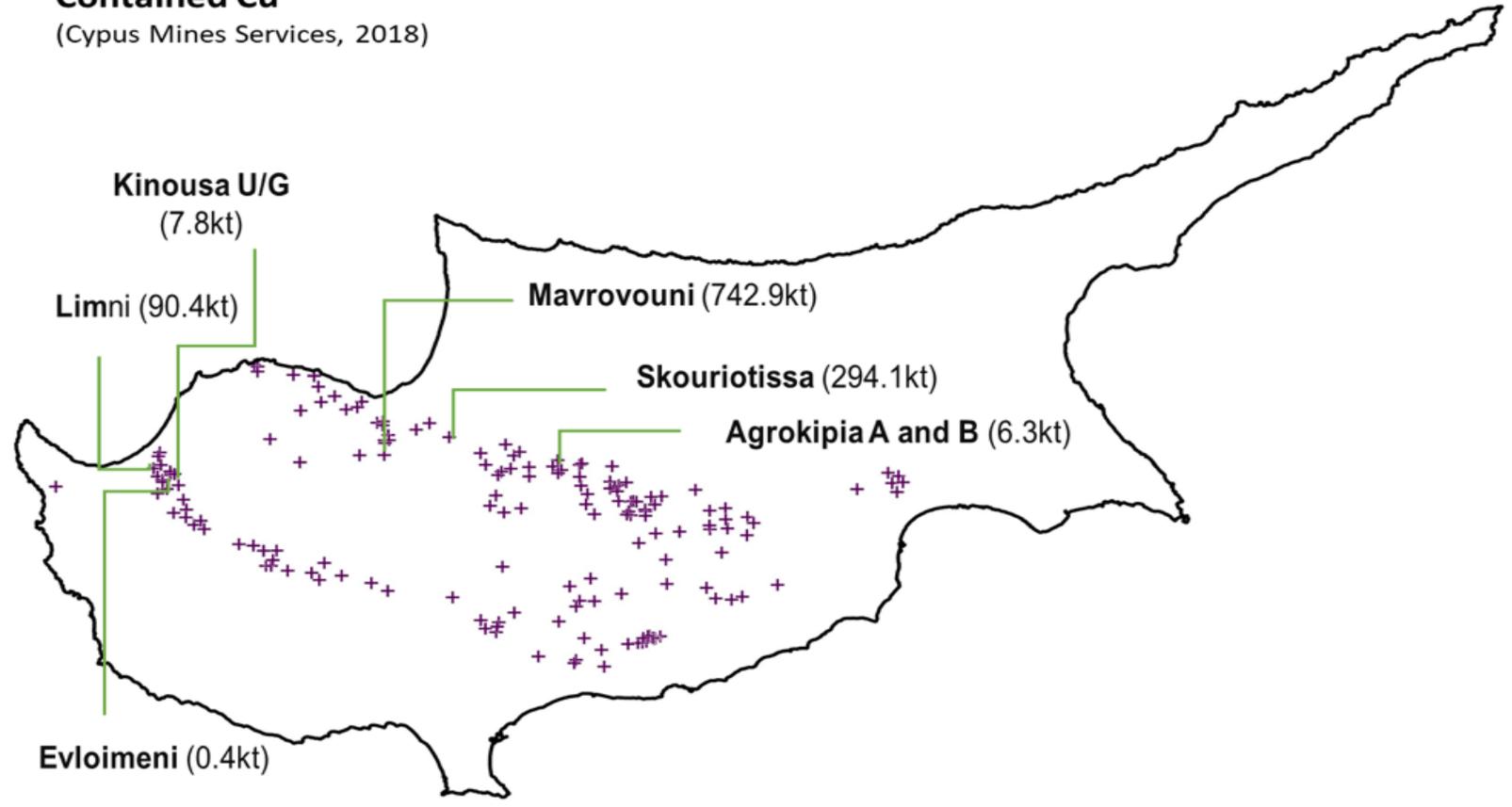


# ● Why Cyprus? A major mining industry in the 1960s and 1970s



# Numerous historical mines, but only discovered at surface....

**Contained Cu**  
(Cyprus Mines Services, 2018)



Modern mining commenced in the 1920s. Approximately 1.3 million tonnes of copper metal were extracted in a 60 year period.

Mavrouni is the largest known deposit, with 16.5m tonnes of ore grading approximately 4.5% copper

# ● Buried VMS deposits in the Troodos foothills

- *Image to right: a clear example of a massive sulphide orebody trapped below a basalt flow. This had been exposed at the side of a hill and excavated.*
- VMS deposits form in clusters and stacks. Known as VMS camps. Typical mining project comprises several deposits.
- In the last 30 years there have been huge advances in geological understanding, and exploration techniques for VMS deposits buried 50-200 below surface.
- Cyprus VMS systems remain largely under-explored for buried deposits, gold and base metals, such as zinc and silver.



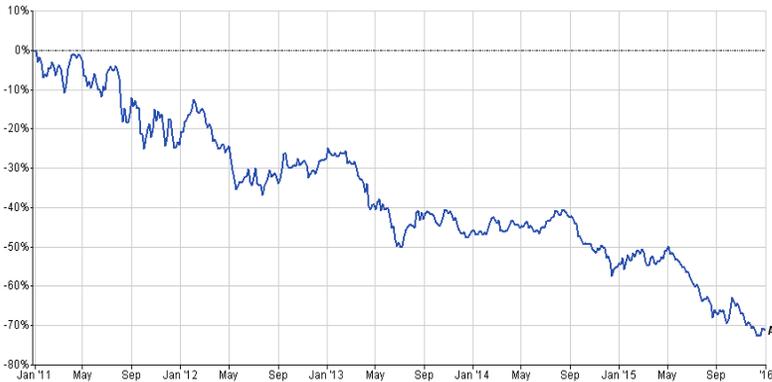
# ● Gold: The forgotten metal of Cyprus

- Cyprus produced no gold during its mining boom in the 1960s and 1970s because the gold price was fixed at just US\$35 per ounce until 1971, and so mining gold was uneconomic.
- Assays were unable to accurately detect gold at less than around 3 g/t. Although gold oxide and silver worth \$46m at today's prices exported from Cyprus in 1938.
- The gold price disconnected from the copper price around 1974 (see chart right), the year coincidentally that Turkey invaded Cyprus and most mining halted.
- The gold price started a 40 year rally in which it increased fifty-fold.

- Because Cyprus was still considered risky after the invasion it did not benefit from the new wave of explorers searching both for buried deposits and also gold associated with the copper. This hiatus presents Chesterfield with its exploration opportunities.



# ● A prime exploration target has been frozen in time for 45 years...why?

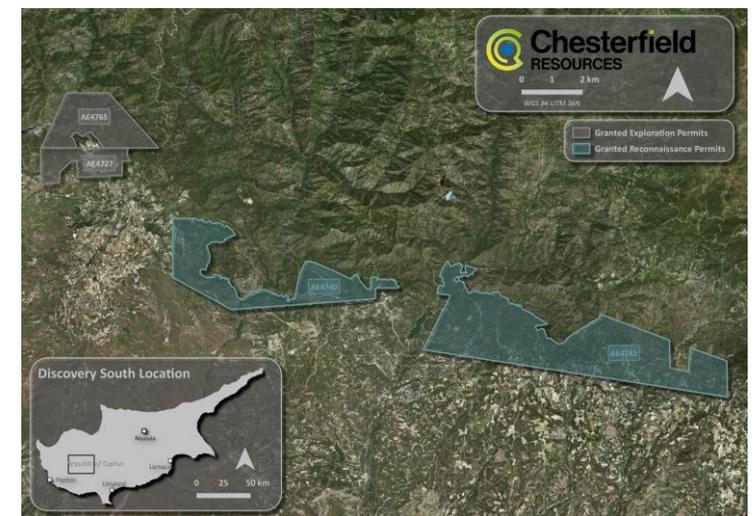
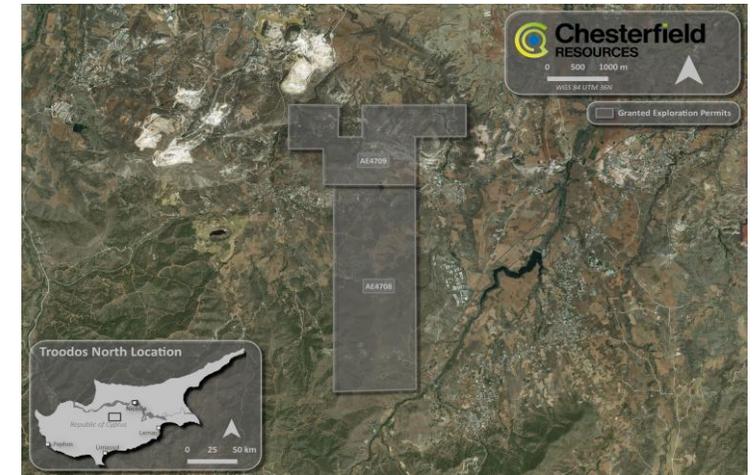


■ A - FTSE All World - Mining GTR in GB [-71.26%]  
31/12/2010 - 31/12/2015 Data from FE 2018



# ● The largest exploration license package in Cyprus

- By far the largest licence package in Cyprus. 94 Km<sup>2</sup> granted.
- Clean licences bought inexpensively from the government
- Actively managed land portfolio
- Five year licences with an option to extend for another five years



# ● One of the world's most experienced teams in a junior explorer



**Neil O'Brien:** Previously **Head of Exploration at Lundin Mining**. Neil was one of the longest serving employees at Lundin Mining, and he is a leading authority on the Tethyan belt and VMS deposits. Neil is Director of Exploration at Chesterfield and has also invested in the company.



**Dave Cliff:** Previously **Head of Exploration Europe, Rio Tinto**. Dave worked for Rio Tinto for 26 years. He played a leading role in the discovery of the Copler gold mine in eastern Turkey, which has reserves of 3.7m ounces. Dave is a director of Chesterfield.

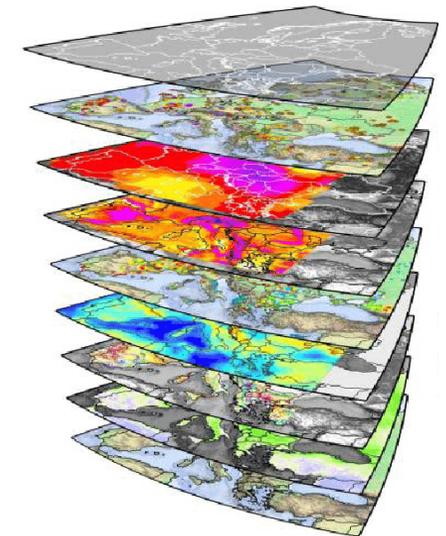
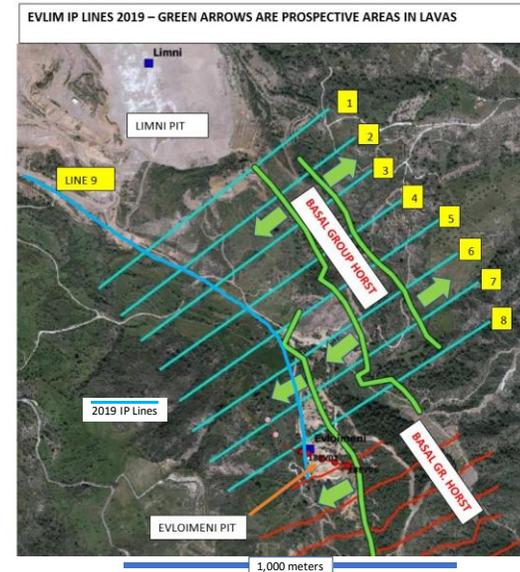
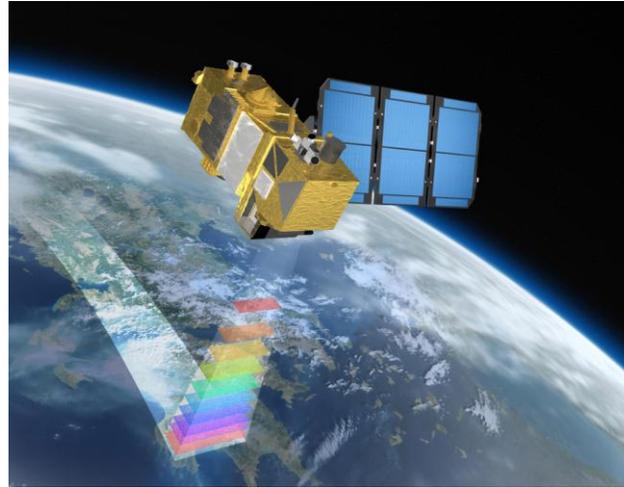


**Mike Parker:** Twenty year career with **First Quantum Minerals (FQM)**. Mike was instrumental in two major copper discoveries for FQM, the Lonshi and Frontier mines. He was also the Country Manager of DRC and then Peru for FQM, and managed a team of over 100 exploration personnel.

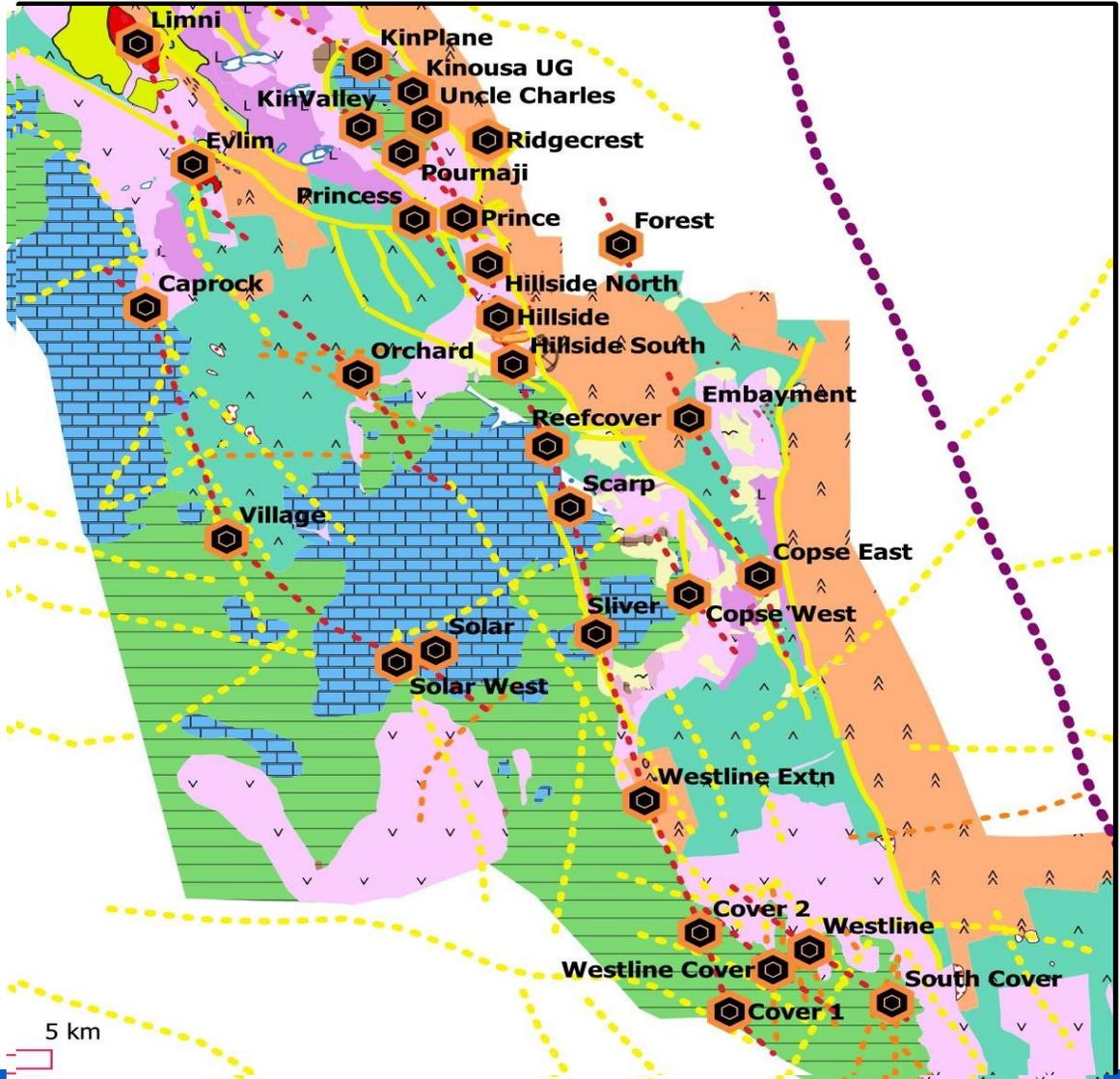
# Extensive programme of target development

## Exploration tool box

- Hi tech and low tech
- Satellite remote sensing
- Archive data
- Analysis of fresh core
- Mapping and XRF survey
- Soil sampling
- Stream sampling
- IP and AMT
- GIS data collation and interpretation

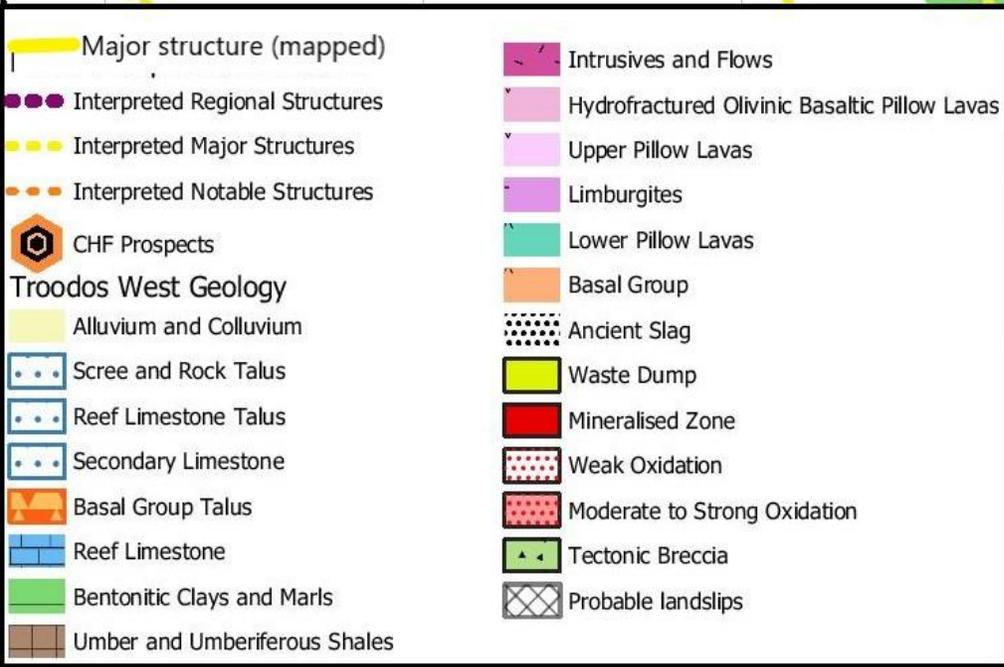


# Troodos West: extensive list of 30 VMS targets identified



Extensive target list at Troodos West the culmination of 12 months work in the field, the archives and on desktop. Targets closely grouped for potential centralised plant.

Area dominated by 10km long structure with multiple targets in various settings at top of volcanic pile (exhalative) or within volcanic pile (stratabound).



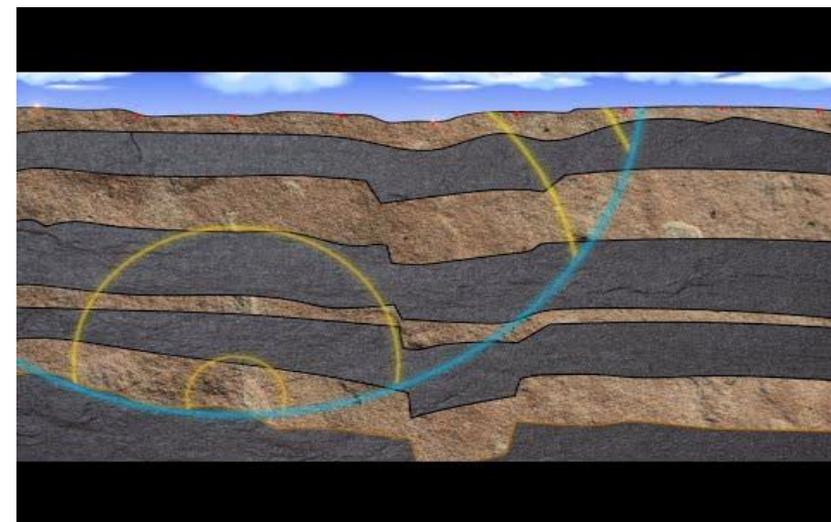
# Operations: Advanced testing by percussion drill 2020

- Percussion drilling is a cost-effective and rapid method to investigate targets at depths of up to 200m.
- Drill costs are around just 15% those of diamond drilling, with no mobilisation costs. It is also quite rapid. A hole can usually be drilled in a day.
- Percussion drilling as an excellent final test prior to diamond drilling (coring) programmes. If the percussion drills through sulphides this helps greatly in planning diamond drill holes.
- Very important information is learned about structures, traps and the causes of anomalies. This means that the diamond drill holes can be efficiently planned to encounter the mineralised sulphides that we are seeking.



## ● Advanced technology: AMT geophysics

- AMT is an advanced technology that measures the natural electro-magnetic signals in the earth's crust, which have been induced by lightning strikes over time. The method is capable of imaging the sub-surface with resolutions good enough to detect features a few meters across.
- AMT has been well-proven as a VMS target definition tool in similar VMS regions, such as the Iberian Pyrite Belt. It is man portable, providing a rapid and cost effective survey.
- The survey has been conducted across key areas of the Troodos West exploration area as part of an integrated advanced testing programme to include percussion and diamond drilling.





# September – November 2020 diamond drill/AMT program



View over Kynousa license area



An AMT survey station



# September – November 2020 diamond drill/AMT program



Drilling at night during September to avoid the heat



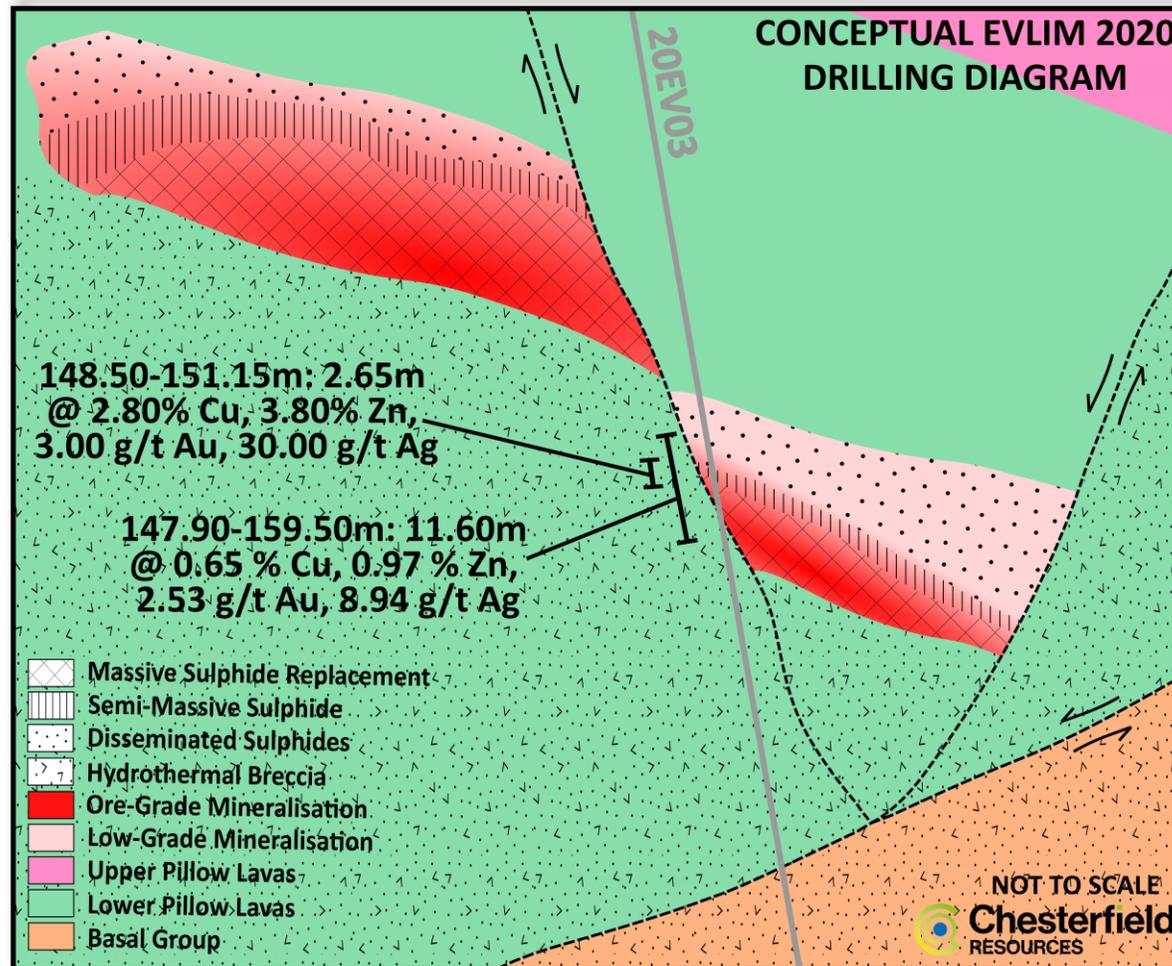
Core sample facility



## ● 2020 results: high-grade poly-metallic discovery

- Among the top VMS grades globally. Copper grades are in the top 20% of VMS deposits globally, Zinc, Gold and Silver grades are in the top 10% of VMS grades globally. *USGS (2009) Global VMS Study*
  - Evlim: from 147.9m depth intercepted **11.6m** of semi-massive sulphides including lowermost 2.65m of massive sulphides grading **2.8% Cu, 3.8% Zn, 3.0 g/t Au, 30 g/t Ag** ...faulted bottom contact
  - Hillside from 137.9m depth intercepted **16.6m** of sulphide breccia mineralization including a lowermost interval of 2.45m grading **1.4% Cu, 4.4% Zn, 3.0 g/t Au, 38 g/t Ag**....faulted bottom contact.
- In both cases the best grade mineralization was at the bottom and cut off by a fault. So we know that the original mineralization was thicker and likely to be nearby across the fault
- An economic discovery needs both grade and tonnage; grade is much more difficult to explore for than tonnage

## ● Intersection grades increase, then sheared by faults



- A Evlin and Hillside 11.6m and 16.6m of VMS was intersected
- At both targets, the grade of the intersections increased with depth, becoming high-grade poly-metallic material.
- They were sheared off by faults suggesting that more high-grade tonnage exists nearby.

## ● Encountered native copper, visible on the drill bit

- At KinValley target three holes drilled 300m apart intersected native copper over circa 40m.
- Visible copper in core and smeared on drill bit
- Relatively inexpensive to process
- Signals that sizable source deposit likely nearby



# ● April 2021: New integrated campaign has commenced.....

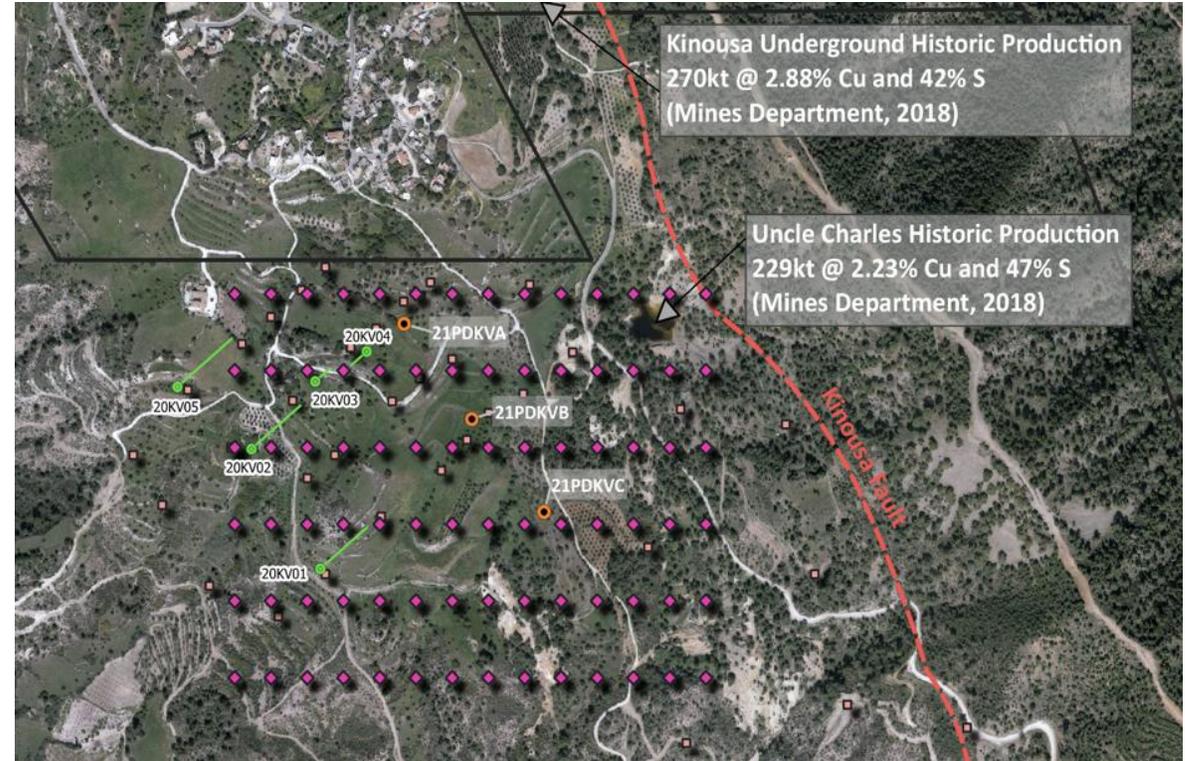
Target sites being prepared for arrival of the diamond drill, right



# ● The 2021 exploration programme: geophysics planning

Gravity surveys on five main target areas, with approximately 800 survey points over 5 KM<sup>2</sup>

AMT surveys on three main target areas, with approximately 250 survey points over 2.25 KM<sup>2</sup>



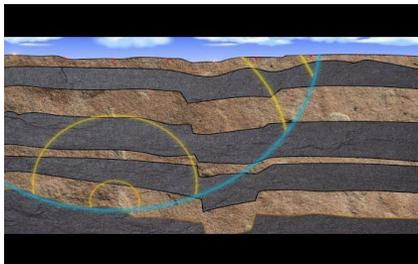
Gravity survey planning at target Kin Valley

# The 2021 exploration programme: drill planning



Drillhole planning at the Evlin and Hillside target areas

# The 2021 exploration programme: an integrated approach



AMT geophysics



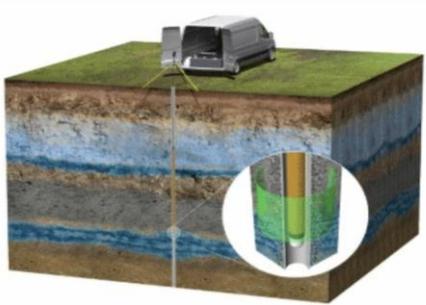
Percussion drilling



Gravity geophysics



Diamond drilling



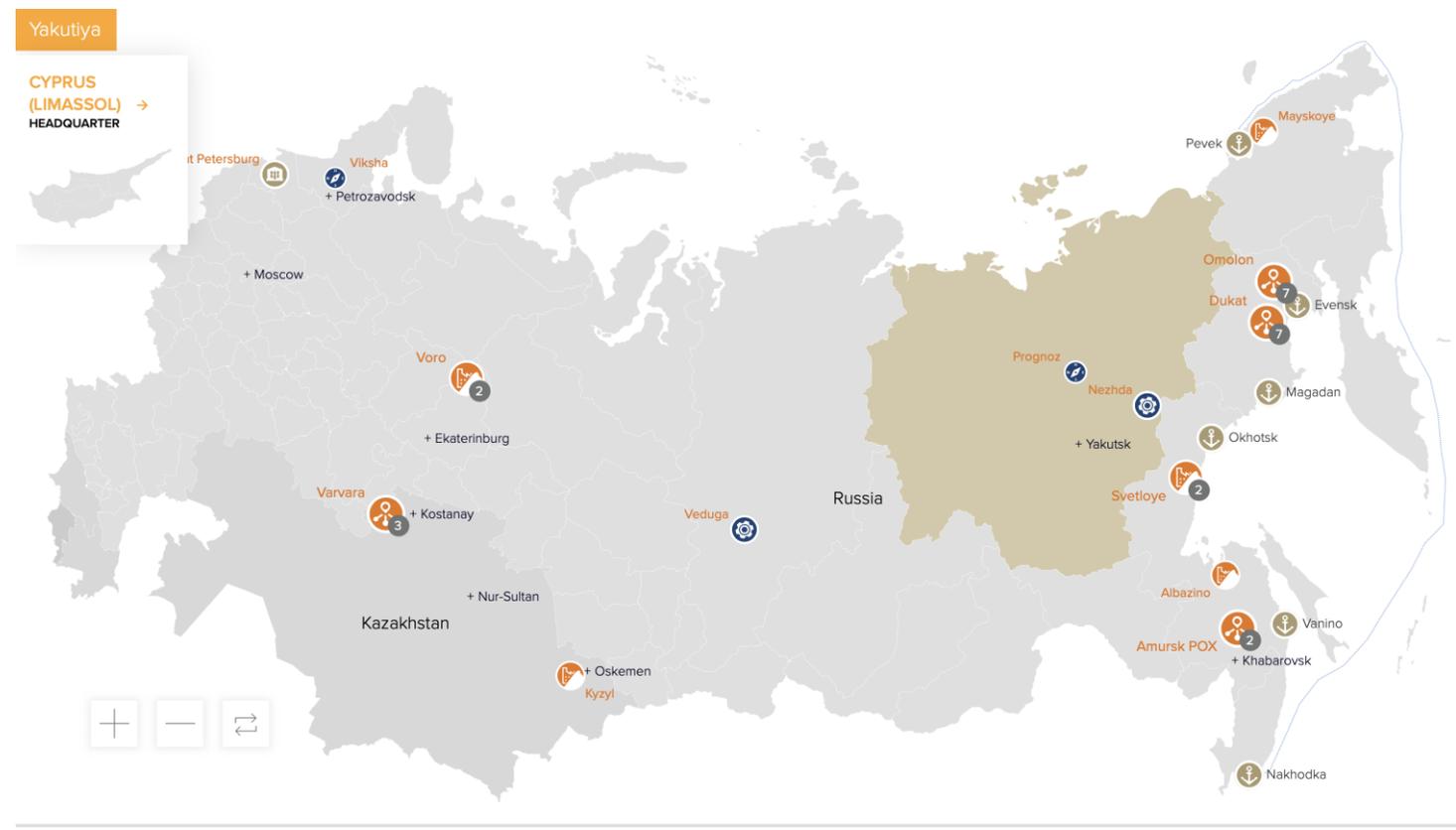
Downhole EM

# ● Polymetal International

- A FTSE 100 company with a market capitalisation of around **£7bn**
- One of the ten largest gold mining companies in the world and one of the **five** largest producers of silver
- Nine mines produced 1,614,000 ounces of gold last year, with **11,600** employees
- Last year revenue of was **US\$2.25 billion**, dividend next year forecast at **8.5%**
- Stock has rallied 36% this year, one of best performers on FTSE 100 this year
- A popular stock with institutions, well regarded for compliance and IR



**POLYMETAL**  
INTERNATIONAL PLC



# ● Polymetal backs copper...and so Chesterfield Resources

Miner seeks to tap rising demand for the commodity as world shifts away from fossil fuels



Polymetal chief Vitaly Nesis said he was 'very bullish' on copper long term, citing its use in electric vehicles and renewable energy  
© Bloomberg

FT 3<sup>rd</sup> March 2021

“Our long-term bullishness on copper translates into our readiness to invest in copper exploration,”

**Chesterfield is Polymetal’s first ever public company investment.**

# ● Polymetal takes a 23% strategic stake in Chesterfield

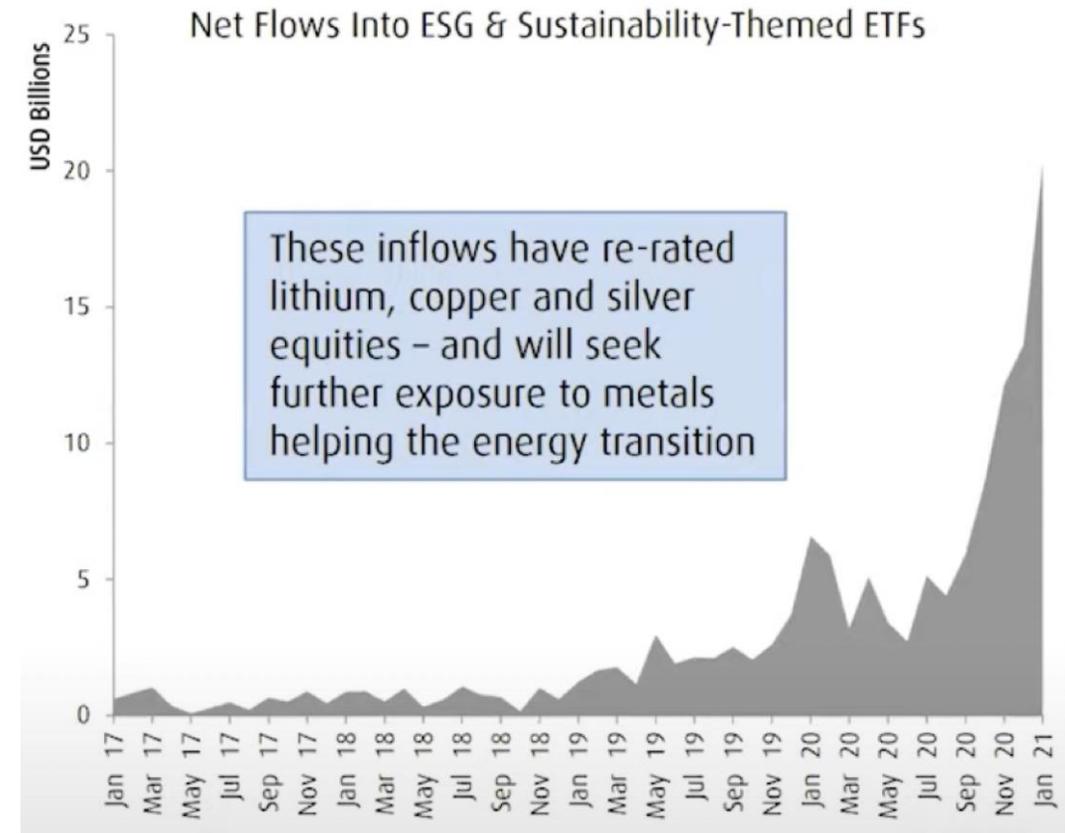
- Polymetal invests £2.1m to take a **23% strategic stake** in November 2020
- Strategic decision to increase **exposure to copper**.
- Polymetal is familiar with Cyprus as its head-quarters are located there
- This is Polymetal’s **first ever** investment in a public company
- Polymetal bought into Chesterfield for:
  - a) its Cyprus exploration project
  - b) its vision for growth

Polymetal stated that it was “**getting in on the ground floor**” in its investment in Chesterfield.



# ● Active search underway for new acquisitions

- Strategy to acquire assets to be high growth player in the copper space
- Very experienced team in acquisitions, both technically and corporately
- Already demonstrated the ability to execute transactions
- Strong financial backing, and in the ESG space
- Seeking synergistic acquisition opportunities
- Several projects currently being appraised
- Ambition to become a growth player in the copper space



# ● A highly experienced transactions team



**Neil O'Brien:** Previously Vice president of New Business Development at Lundin Mining



**Dave Cliff:** Previously Head of Exploration Europe, Rio Tinto.



**Martin French:** Formally senior investment banker with Credit Lyonnais in China, S.E. Asia and Latin America



**Ajay Kejriwal:** 30 years experience in finance, having worked for Morgan Stanley, Cazenove and Nomura.



**Paul Ensor:** 30 years experience in small-cap institutional equity markets with Barings, CLSA and UBS.



**Peter Damouni:** 18 years experience in investment banking and capital markets. Founder of Chesterfield and sourced the Cyprus project for the RTO.

# ● New business growth: criteria and strategy

- In the space of green energy recovery metals
- Playing to our strengths, exploration and deal structuring
- Scale, can take Chesterfield up to the next level
- Objective, to find at least one deal within the next few months
- Exit strategy for our shareholders, can sell onto a development partner
- Establish Chesterfield as a diversified play for investors to gain exposure to copper, and therefore the mega-trend of decarbonisation-electrication



## ● News flow: a communicative shareholder-friendly company

- Company build out, more recruitment
- 2020 Drill results including native copper
- 2021 exploration programme
- Investor webinars, podcasts
- Geophysics work has commenced
- Down hole EM planned for May
- Diamond drilling scheduled for May-July
- Assays expected July-August
- Acquisitions
- Site visits hopefully in July
- Active on Twitter, webinars, podcasts launching a Linked-in service, website refresh (including educational sections on copper, geophysics, videos etc).



zoom



podcast

# ● Why invest in Chesterfield?

We are in the right space on the mega-trends of copper and ESG investment.

1. A tier-one geological team, tier one corporate team
2. Programme underway: After strong results, a new integrated 2021 exploration campaign has just commenced in Cyprus
3. Now backed by Polymetal International, a FTSE 100 strategic shareholder.
4. Chesterfield has demonstrated its ambitions to grow. Potential for growth both from exploration success, and via new acquisitions

Chesterfield is establishing itself as a new name in copper sector on the main LSE board. With a low market cap, opportunity to also invest in us on the ground floor.



# ● Appendix



Capital structure

Board

# Low market cap provides good leverage for growth

Listing Standard Main Board  
London Stock Exchange

Ticker Symbol LSE:CHF

Shares outstanding 101,711,112

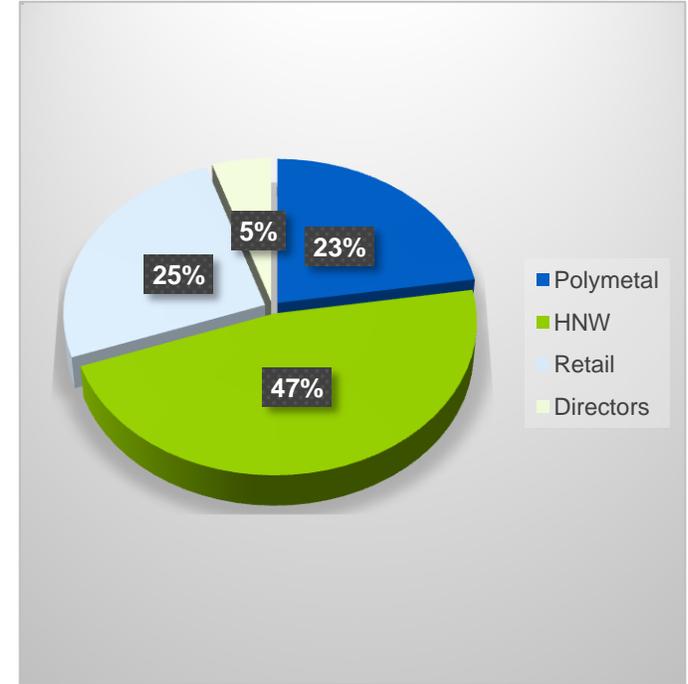
Warrants and options 15,969,889

Fully diluted capital 117,681,001

Share price 10p

Market capitalisation £10.2m

Diversified shareholder base



### Directors 5.5%

- Martin French 3,175,000 shares
- Peter Damouni 1,583,000 shares
- Dave Cliff 450,000 shares
- Paul Ensor 150,000 shares
- Ajay Kejriwal 150,000 shares

Source: Company, London Stock Exchange  
• As of 19 April 2021

# Board of Directors



## **Martin French**

Executive Chairman

Mr French has over 30 years of experience in capital markets, investment banking and mining. He began his career at Merrill Lynch, and was country manager for Credit Lyonnais Securities Asia (CLSA) in various locations in Asia, before setting up its business in Latin America. Mr French was also Managing Director of North River Resources plc from December 2012 until January 2015, and took its Namibia-based brownfield lead-zinc project through to bankable feasibility study and sourced a strategic funding partner. The project is now under construction.



## **Ajay Kejriwal**

Chief Financial Officer

Mr Kejriwal has over 30 years' experience in finance and commerce, having worked for Morgan Stanley, Cazenove and Co and Nomura in London and Hong Kong, and Morgan Stanley. Mr Kejriwal is a Chartered Accountant, having qualified with PriceWaterhouseCoopers in 1994. He has considerable experience in the junior resource sector and is a specialist in structuring transactions.



## **David Cliff**

Non-Executive Director

Mr Cliff has over 50 years in exploration and mine geology. Previously he had over 26 years at Rio Tinto including five as Exploration Manager Europe. He has a BSc Hons in Geology and a Chartered Engineer, Member of the Institute of Materials, Minerals and Mining.



## **Paul Ensor**

Non-Executive Director

Mr Ensor has 30 years' experience in institutional equity markets having worked for Baring Securities, CLSA and UBS in Hong Kong and South-East Asia. Since his return to London, Mr Ensor has advised on growth strategies for a number of junior companies, principally in the natural resources sector. He has notable experience in new business development and financing.



## **Evgeny Vrublevskiy**

Non-Executive Director

Evgeny (Eugene) is the Nominated Director of our strategic partner, Polymetal International, where he runs its headquarters Cyprus office. Eugene is also Head of Treasury, with oversight of all finance and accounting matters for the FTSE 100 listed mining company. He has a 15 year career in banking and financial services.



## **Peter Damouni**

Non-Executive Director

Mr. Damouni has over 18 years of experience in investment banking and capital markets, with expertise in mining and oil and gas. Throughout his career, Mr. Damouni has worked on and led equity and debt financings valued over \$5 billion. He has comprehensive experience in equity financing, restructuring, corporate valuations and advisory assignments.