

Walnort moves forward with holding expansion in Armenian copper / molybdenum giant ZCMC

FOR IMMEDIATE RELEASE: 30 March 2021

On 29 March 2021, Zangezur Mining LLC (ZM), a wholly owned Armenian subsidiary of Walnort Finance Ltd. (*Walnort*), notified Zangezur Copper Molybdenum Combine Closed Joint Stock Company (ZCMC) of its firm intention to exercise its priority right to purchase ZCMC shares. This acquisition will allow Walnort to own, through ZM, an additional 37.5% of ZCMC.

Following internal changes within ZCMC shareholding groups in Q4 2019, the mining company bought 75% of its own shares from existing shareholders Cronimet and Pure Iron. Only ZM and AMP Holding LLC remained in the company with almost 13% each. Armenian laws and ZCMC regulations grant shareholders a priority right to acquire shares before these are redeemed or sold to external buyers.

ZCMC, based in Kajaran (Syunik region), is the largest mining company in Armenia and one of the world's leading producers of molybdenum. The mine is one of the top employers in the country and its activities generate the highest tax returns for the Armenian administration.

With copper and molybdenum prices expected to rise in the future, Walnort's expansion in ZCMC follows our commitment to maximize value through active intervention. Walnort's management expects to contribute to ZCMC's governance and provide opportunities for business development.

Contacts:

Walnort Finance Ltd.
Strovolou 77
Strovolos Center
2018 Nicosia
Cyprus