AMUR MINERALS CORPORATION
AND ITS SUBSIDIARIES

Interim Financial Report
for the 6 months ended 30 June 2014

Chairman's Statement

Dear Shareholder:

It is with pleasure that I take this opportunity to update shareholders of Amur Minerals Corporation on the Company's financial review during the first six months of 2014 and activities summary through the present.

For the six month period, our activities have been focused on two primary areas with the primary objective of the Company's being its efforts to convert a 36 square kilometre area of our 950 square kilometre exploration licence to that of a "Detailed Exploration and Production Licence" on our Kun-Manie nickel copper sulphide project in the Russian Far East. Equally as important is the ongoing update of our 2007 SRK Consulting Ltd ("SRK") Prefeasibility Study ("PFS") which is under final review by the Board of Directors and executive management.

2014 Mid-Year Highlights

- The Company is set up to begin exploration site work on a short notice basis.
- Resources and Reserves have been substantially expanded and there is a high prospect for further expansion of both with step out and infill drilling.
- The proposed operational design is being modified.
- Power will be generated onsite.
- The proposed access road design has been upgraded to account for expansion in the resources and reserves.
- The annual production rate of the proposed operation has been increased from 4 to 6 million tonnes of ore per year.
- New Russian legislation has reduced the net profits tax and metals extraction tax (Royalty).
- Operating costs have been updated to a Q1 2014 basis.
- Zeppelin heavy lift is being considered and could eliminate the need to construct and access road.
- An updated internal prefeasibility study is under review by the Board of Directors and Executive Management, results will be announced and subsequently audited by an independent contractor.
- The conversion from an exploration licence to that of a production licence continues through the award process.

Field Operations

In March 2014, the Company restocked the Kun-Manie site with fuel, spares and supplies using the annually constructed ice road. All equipment has been repaired and is readied for our next field season and the initiation of our resumption of road and drill site construction and site support once the mining licence is awarded. Until issuance of the mining licence and necessary approvals, the Company intends to remain focused on the engineering aspects of the proposed design and preparing additional filings for the various Russian agencies that are required post mining licence award.

Technical Assessment

In 2007, SRK Consulting LTD ("SRK") completed a positive Prefeasibility Study ("PFS") based on the available technical and economic information as well as specific project assumptions. During the last six years, a financial market crash, inflation, substantial increases in the resources and reserves, metallurgical recovery improvements, reduction in taxation, reduction in royalties and key assumptions have resulted in the study being considered to be outdated.

With newly acquired post 2007 PFS information and the issuance of the December 2013 resource update, the

Company began a comprehensive internal review of the PFS. The review and additional information acquired since 2007 has resulted in our redesign of the base case operation and subsequent assessment of the proposed Kun-Manie operation. This internally compiled report is presently being reviewed by the Board of Directors and Executive Management. Once approved, it is the intent of the Company to have it reviewed by qualified external consultants.

Resources and Reserves

The Kun-Manie nickel copper sulphide project ranks among the 20 largest nickel sulphide projects in the world. Exploration within the mining licence area remains highly prospective with the limits of mineralisation along strike and down dip not yet being established at four of our five drilled deposits. The potential for reserve expansion is also substantial. As reserves are based solely on the specific resource classes of Measured and Indicated, the immediately adjacent Inferred Resources could well contribute substantially to the Reserve. A summary of highlights follow:

- Since the issuance of the 2007 PFS, the global JORC Resource has been increased by 76% bringing the mineralised tonnage to 120.8 million, 91% to a total of 650,600 tonnes contained nickel and 87% to a total of 178,400 total tonnes of copper. The average grade per ore tonne for nickel is 0.54% and for copper is 0.15%. Platinum Group Metals (PGM's) are projected to be 16.9 tonnes of platinum and palladium.

- The combined Measured and Indicated Resources total 50.1 million tonnes containing 268,000 tonnes of nickel, 72,000 tonnes of copper and a combined total of 15.2 tonnes for the PGM's. The remaining 70.7 million tonnes of mineralised material are classified as Inferred resources and successful infill drilling is required to upgrade its classification for consideration in the definition of Reserves.

- Operating costs have been updated and are now projected to total approximately $US 42.12 per ore tonne and have been used to define the currently defined Reserve.

- Metallurgical recoveries of all metals have been improved and the net profit tax has been reduced from 24% to 0% for the first five years of operation and increasing to a maximum of 10%. MgO penalties at the smelter will be reduced as test work indicates it can be suppressed to a greater degree. Royalties for production have been substantially reduced. These parameters are an integral part of the determination of Reserves.

- The increase in operating costs is offset by the improved metallurgical recoveries, reduced smelter penalties and reduced royalties.

- Pit-optimisation has defined the potential presence of a combined Proved and Probable Reserve of 39.2 million tonnes of ore containing 219.1 thousand tonnes of nickel at an average grade of 0.56% nickel, 58.1 thousand tonnes at an average grade of 0.15% copper, and 11.6 tonnes of PGM's. Nearly 80% of the Measured and Indicated Resources are projected to be mineable. Within the Reserve, approximately 35% is considered to be within the Proved Reserve class with the remainder being considered to be Probably Reserve. (Note: the updated Reserve has been calculated by the Company and is not considered to be JORC compliant until sign off by a Competent Person (as defined by the JORC Code)).

- The Reserve has been delimited using the Earnings Before Interest, Tax, Depreciation, and Amortisation ("EBITDA") and a maximum stripping ratio of 20 tonnes of waste per tonne of ore. Based on Q1 2014 costs and the newly acquired results from various technical studies, the EBITDA is projected to range from $732 million to $1.057 billion. Respective nickel prices used to establish the EBITDA are $18,730 per tonne and $20,940 per tonne for nickel.

- Substantial potential remains to increase both the Resource and Reserve at Kun-Manie. Successful infill drilling converting Inferred Resources to Measured and Indicated will likely increase the currently defined pits along strike. This is specifically the case at Maly Kurumkon/Flangovy and Ikenskoe/Sobolevsky. Kubuk may also contribute substantially to the reserve with successful infill drilling. Kubuk is currently only drilled to the extent that it is classified as Inferred Resources thereby not contributing to the Reserve.

- There is also highly prospective ground located immediately adjacent to resources where drilling has not yet defined the limits of mineralisation. This is the case at all but one deposit, Vodorazdelny. The increase in Resources could lead to an even greater expansion of the Reserve.

Operational Design Updates

In our review of the 2007 PFS and based on advances since the study, the base case design is being modified. These modifications substantially change the operational design and include the following:

- The Resources and Reserves at Maly Kurumkon/Flangovy and Ikenskoe/Sobolevsky have added substantially to the resource and reserve base. There have also been the discoveries at Gorny and Kubuk. The additional contribution to resources and ultimately to reserves indicates that the processing plant needs to be relocated to a more central location and to allow for the need of a substantial increase in the ability to store more tailings.

- The relocation of the plant will require greater haulage distances which have been included in the updated Q1 2014 operating costs.

- Projections of the ultimate reserve potential indicate that the annual throughput of 4.0 million tonnes can potentially be increased to 6.0 million tonnes thereby increasing metal production by 50% per annum and taking advantage of the economy of scale. This will also increase the amount of concentrate generated and the need for transport to the Baikal Amur rail system located to the west of Kun-Manie.

- All facilities have been upgraded to handle the production increase to 6.0 million tonnes of ore per year. This also includes a substantial increase in the mobile mining fleet to enable handling of the increased production tonnage and increased ore haul distance to the new plant site location.

- The Russian utility companies responsible for construction of the power line from the Zeya hydroelectric dam to the site will construct the (more than 360 kilometre long power line) to the site with the Company having to fund to the construction. This is a substantial change to the 2007 study where the utility company would construct the line at their cost. The high cost of construction per kilometre (up to $US 1 million per kilometre) has resulted in the decision to generate power onsite using diesel (black oil). The evaluation indicates this alternative to be substantially less capital intensive and provides less exposure to intermittent power drop outs related to inclement weather.

- The expansion of the production capacity from 4.0 to 6.0 million tonnes per annum will require an increase of 50% in operational supplies to be delivered to site and the need to handle the transport of the additional fuel for power generation. Also, the amount of concentrate to be transported will substantially increase. As a result, the 2007 road design is inadequate to support the enhanced operation and has been substantially upgraded. The proposed design will allow for handling the necessary transport of all materials to and from the site and will be upgraded to ensure year round access which will include emergency stop over stations and a greater compliment of road maintenance equipment and staffing.

In the last quarter of 2013 and early first quarter of 2014, the Company began to investigate a developing innovative transport system, heavy lift zeppelins. Research indicated that the development of the zeppelin system was rapidly advancing. The system possesses multiple significant and substantial benefits to the Company. Benefits would include:

- The potential elimination of the need to construct the access road - successful implementation of the system would preclude the need for the construction of the access road which ranges from $US 250,000 to $US 1,000,000 per kilometre.

- The system also substantially reduces the environmental footprint necessary for construction of the road.

- Concentrate could be directly delivered to a port whilst supplies and personnel would be hauled to the site on its return.

- It would eliminate the longer lead time to survey, engineer and construct the access road.

In light of the zeppelin potential, the Company conducted a site visit to Aeroscraft Corporation in Monte Bello, California to inspect the development of the system and its potential. With the potential to substantially reduce up-front initial capital expenditure for the road and the longer lead time to construct the road, AMC entered into a Memorandum of Understanding (“MOU”) to participate as a launch partner in the development of the system.

Two additional Russian regulatory changes have been instituted during the first half of this year. One is the reduction of the net profit tax (0% for the first five years) and the other is the reduction of the metals extraction tax (a reduction of 50% over the first 10 years of operation). These incentives have been implemented to encourage investment in the Far East.

Detailed Exploration and Production Licence Update

The Company possesses an exploration licence on the mineral rights of Kun-Manie which expires 31 December 2014. The Company has compiled a TEO (Sibsvetmetniproyect, the certified Russian institute) which was reviewed and approved by the State Committee on Reserves ("GKZ"). In 2008 and based on the GKZ approval, a Certificate of Discovery ("Certificate") was awarded by Rosnedra. Within one month of the award of the Certificate, the Company applied for a production licence. By submitting its application within the 30 day period, the Company is granted the right to production without the need of going to an auction and we maintain first right of refusal on production. Should the exploration licence expire prior to the award of the "Detailed Exploration and Production Licence", the Company maintains the production rights to the property. The production licence application includes a 36 square kilometre area within the limits of the 950 square kilometre exploration licence area.

In addition, our project is classified as a Strategic Project based on implemented Russian regulations in 2008. During the last four years, the Company has been working with various agencies responsible for the award and conversion of an exploration licence to that of a production licence. A Strategic Project requires substantially more information and work to convert from exploration to production. AMC is the first Company (Russian or western) that has undertaken the process to convert an exploration licence issued before enactment of the Strategic Law to that of a production licence subsequent to the implementation of the Strategic Law.

During the period since the original submission of our application, multiple modifications have been implemented by the Ministry of Natural Resources ("MNR") which has necessitated modification to our documentation to ensure the process is fully completed as per Russian regulatory requirements. During the course of this year, we have accomplished a great deal in advancing through the licence conversion process regarding a Strategic Project. This has been accomplished in combination with extensive assistance and guidance from Rosnedra. It has certainly been a team effort.

Key recent accomplishments include the following:

- In April 2014, the Company appointed Mr. Randolph Lewis to President of Russian Operations. His addition provided a full time presence in Moscow allowing us to respond promptly to impromptu meetings required to move the process forward. This along with his success and experience in working with the various Russian licencing agencies has been invaluable to AMC.

- Amurnedra provided a NTS Protocol, which provides a review and approval that the Company has met its exploration licence obligations. This is a key document for the conversion process and allows the Company to fully identify the area for conversion to production while simultaneous returning the territory that is no longer desired by the Company. Amurnedra is a subsidiary of Rosnedra and is responsible for confirming the work and results of the Company.

- The Certificate of Discovery was reissued by Rosnedra. This update was undertaken to ensure that all by-product metals could be recovered by the Company as the previously issued Certificate stated "associated metals". The specific recoverable metals were added to the Certificate ensuring that the Company could recover revenues for all metals and that the Russian government would qualify to recover royalties.

- An updated one time conversion payment was recalculated by Rosnedra affiliates based on the new Certificate. This payment is the fee to convert from an exploration licence to that of a production licence. It was estimated that the payment would be 23.6 million Roubles (approximately US$655,000) due within 30 days of the registration of the production licence.

- All documentation and approvals must be less than six months old upon award of the licence. The Company provided updated information covering the period since the last reviews for various agency reviews required of Strategic Projects. Presently, the Company has updated approval reports from the Anti-Monopoly Board ("FAS"), the Federal State Security Bureau ("FSB") and the Ministry of Defense ("MOD"). The fourth and final external agency that must report to Rosnedra is the Ministry of Economics ("MED") which has been provided the application by Rosnedra. This review includes a review of the terms and conditions of the licence as well as an overview of the environmental protection considerations. It is noted that MED no longer calculates the one time licence conversion payment.

Upon approval by MED, Rosnedra will collate the four reports and provide its recommendation to its parent organisation, the Ministry of Natural Resources (“MNR”) for review and approval. From the MNR, a recommendation is provided to the Russian Government for final approval by Mr. Dmitry Medvedev. The approval by Mr. Medvedev (or his designate), completes the application process in converting our 36 square kilometre area to a production licence.

Financial Overview

The Company remained debt free throughout 2014 with cash reserves of US$1.018 million as at 30 June 2014. The Directors have prepared a cash flow projection for the next 12 months which indicate that the Group is sufficiently funded by its current financial resources, which comprise cash and derivative financial assets. The amounts receivable under the derivative financial asset varies with share price. The Group has completed the exploration phase and is awaiting the approval of the mining licence before any significant further capital expenditure.

During the first half of the year the Company received the four settlements from the Lanstead Capital LLP (“Lanstead”) financing agreement entered into during February 2012, totalling US$173,000. The Company also received US$4,000 from a single settlement received from the Lanstead financing agreement entered into in July 2013.

Outlook

Into the foreseeable future, the Company will continue to work on advancing Kun-Manie on several fronts. These can be broadly divided into three areas. These are the on-going activities on site, assessment and development of an updated operating plan for Kun-Manie and obtaining the mining licence.

Mr. Robert W. Schafer
Non Executive Chairman
29 September 2014

Independent Review Report
To the shareholders of Amur Minerals Corporation

Introduction

We have been engaged by the Company to review the consolidated financial information in the interim financial report for the six months ended 30 June 2014 which comprises the consolidated statement of financial position, the consolidated statement of comprehensive income, the consolidated statement of cash flows, the consolidated statement of changes in equity and the related notes.

We have read the other information contained in the interim financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the financial information.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of and has been approved by the Directors. The Directors are responsible for preparing the interim report in accordance with the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market which require that the interim report be presented and prepared in a form consistent with that which will be adopted in the Company's annual accounts having regard to the accounting standards applicable to such annual accounts.

Our responsibility

Our responsibility is to express to the Company a conclusion on the consolidated financial information in the interim financial report based on our review.

Our report has been prepared in accordance with the terms of our engagement to assist the Company in meeting the requirements of the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, ''Review of Interim Financial Information Performed by the Independent Auditor of the Entity'', issued by the Auditing Practices Board. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated financial information in the interim financial report for the six months ended 30 June 2014 are not prepared, in all material respects, in accordance with the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market.

Emphasis of matter – grant of mining licence

In forming our review conclusion, which is not modified, we have considered the adequacy of the disclosures in note 3 to the financial statements concerning the outcome of the licence application at Kun-Manie. Since acquiring the licence in 2004 the Group has met all of the requirements of the exploration licence and applied for a mining licence in 2010. The realisation of the historic costs incurred to date in the exploration assets is dependent upon the successful application for a mining licence which has not yet been granted. The ultimate outcome of this matter cannot presently be determined.

BDO LLP
Chartered Accountants and Registered Auditors
London,
United Kingdom
29 September 2014

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

AMUR MINERALS CORPORATION AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014
(Amounts in thousands of US Dollars)

	Note	*Unaudited 30 June 2014*	*Unaudited 30 June 2013*	*Audited 31 December 2013*
NON-CURRENT ASSETS				
Capitalised exploration costs	**5**	18,665	17,066	18,318
Property, plant and equipment		520	742	637
Total non-current assets		**19,185**	**17,808**	**18,955**
CURRENT ASSETS				
Other receivables		77	148	188
Inventories		428	487	269
Derivative financial asset	**7**	3,994	3,107	8,225
Cash and cash equivalents		1,018	2,191	2,392
Total current assets		**5,517**	**5,933**	**11,074**
Total assets		**24,702**	**23,741**	**30,029**
CURRENT LIABILITIES				
Trade and other payables		350	223	123
Total current liabilities		**350**	**223**	**123**
SHAREHOLDERS' EQUITY				
Share capital	**8**	48,949	40,946	48,949
Share premium		6,473	6,613	6,473
Share options reserve	**10**	2,306	1,710	2,086
Retained deficit		(29,070)	(21,974)	(23,802)
Foreign exchange translation reserve		(4,306)	(3,777)	(3,800)
Total shareholders' equity		**24,352**	**23,518**	**29,906**
Total liabilities and shareholders' equity		**24,702**	**23,741**	**30,029**

Approved on behalf of the Board on 29 September 2014

Robin Young

Brian C Savage

The accompanying notes on pages 11 to 15 form an integral part of the financial information

AMUR MINERALS CORPORATION AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2014
(Amounts in thousands of US Dollars)

	Note	*Unaudited 6 Months ended 30 June 2014*	*Unaudited 6 Months ended 30 June 2013*	*Audited Year ended 31 December 2013*
Other administrative expenses		(871)	(945)	(1,668)
Share based payment		(343)	(634)	(871)
Total administrative expenses		(1,214)	(1,579)	(2,539)
Loss from operations		**(1,214)**	**(1,579)**	**(2,539)**
Finance expense		(355)	(895)	(1,141)
Fair value gain/(loss) on derivative financial assets	**7**	(3,699)	455	(151)
Loss before tax		**(5,268)**	**(2,019)**	**(3,831)**
Taxation	**6**	-	-	-
Loss for the period attributable to owners of the parent		**(5,268)**	**(2,019)**	**(3,831)**
Other Comprehensive income:				
Exchange differences on translation of foreign operations which could subsequently be reclassified to profit or loss		**(506)**	**(1,339)**	**(1,362)**
Total comprehensive loss for the period attributable to owners of the parent		**(5,774)**	**(3,358)**	**(5,193)**
Loss per share: basic & diluted	**4**	US$ (0.012)	US$ (0.006)	US$ (0.009)

The accompanying notes on pages 11 to 15 form an integral part of the financial information.

AMUR MINERALS CORPORATION AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2014
(Amounts in thousands of US Dollars)

	Note	*Unaudited 6 Months ended 30 June 2014*	*Unaudited 6 Months ended 30 June 2013*	*Audited Year ended 31 December 2013*
Cash flow from operating activities:				
Payments to suppliers and employees		(932)	(698)	(1,556)
Net cash used in operating activities		(932)	(698)	(1,556)
Cash flow from investing activities:				
Payment for property, plant and equipment		-	(86)	(70)
Payments for capitalised exploration expenditure		(840)	(1,113)	(2,245)
Net cash used in investing activities		(840)	(1,199)	(2,315)
Cash flow from financing activities:				
Proceeds from issue of equity shares (net of issue costs)		-	-	1,832
Settlements of derivative financial asset	**7**	532	3,135	3,551
Finance expense		(355)	(895)	(1,141)
Net cash from financing activities		177	2,240	4,242
Net change in cash and cash equivalents		**(1,595)**	**343**	**371**
Cash and cash equivalents brought forward		2,392	2,048	2,048
Foreign exchange effects		221	(200)	(27)
Cash and cash equivalents carried forward		**1,018**	**2,191**	**2,392**

The accompanying notes on pages 11 to 15 form an integral part of the financial information.

AMUR MINERALS CORPORATION AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2014
(Amounts in thousands of US Dollars)

	Share capital	*Share premium*	*Share options reserve*	*Retained deficit*	*Foreign exchange translation reserve*	*Total*
At 1 January 2014	**48,949**	**6,473**	**2,086**	**(23,802)**	**(3,800)**	**29,906**
Loss of the period	-	-	-	(5,268)	-	**(5,268)**
Comprehensive income for the period	-	-	-	-	(506)	**(506)**
Equity settled share based payments associated with issue of shares	-	-	(123)	-	-	**(123)**
Equity settled share based payments	-	-	343	-	-	**343**
At 30 June 2014 (unaudited)	**48,949**	**6,473**	**2,306**	**(29,070)**	**(4,306)**	**24,352**
At 1 January 2013	**40,902**	**6,613**	**1,256**	**(20,135)**	**(2,438)**	**26,198**
Loss for the period	-	-	-	(2,019)	-	**(2,019)**
Other comprehensive income for the period	-	-	-	-	(1,339)	**(1,339)**
Share options expired in the period	-	-	(180)	180	-	-
Equity settled share based payments	-	-	634	-	-	**634**
Shares issued for services	44	-	-	-	-	**44**
At 30 June 2013 (unaudited)	**40,946**	**6,613**	**1,710**	**(21,974)**	**(3,777)**	**23,518**
At 1 January 2013	**40,902**	**6,613**	**1,256**	**(20,135)**	**(2,438)**	**26,198**
Loss for the year	-	-	-	(3,831)	-	**(3,831)**
Other comprehensive income for the year	-	-	-	-	(1,362)	**(1,362)**
Shares issued	8,047	-	-	-	-	**8,047**
Share options expired in the year	-	-	(164)	164	-	-
Equity settled share based payments	-	-	871	-	-	**871**
Equity settled share based payments associated with issue of shares	-	(123)	123	-	-	-
Costs associated with issue of share capital	-	(17)	-	-	-	**(17)**
At 31 December 2013 (audited)	**48,949**	**6,473**	**2,086**	**(23,802)**	**(3,800)**	**29,906**

The accompanying notes on pages 11 to 15 form an integral part of the financial information.

1. REPORTING ENTITY

Amur Minerals Corporation (the "Company") is a company domiciled in the British Virgin Islands. The consolidated interim financial information as at and for the six months ended 30 June 2014 comprise the Company and its subsidiaries (together referred to as the "Group").

The consolidated financial statements of the Group as at and for the year ended 31 December 2013 are available upon request from the Company's registered office at Kingston Chambers, P.O. Box 173, Road Town, Tortola, British Virgin Islands, from offices of RBC Europe Limited, Riverbank House, 2 Swan Lane London EC4R 3BF or at www.amurminerals.com.

2. BASIS OF PREPARATION

The financial information set out in this report is based on the consolidated financial information of Amur Minerals Corporation and its subsidiary companies. The financial information of the Group for the 6 months ended 30 June 2014 was approved and authorised for issue by the Board on 29 September 2014. The interim results have not been audited, but were the subject to an independent review carried out by the Company’s auditors, BDO LLP. This financial information has been prepared in accordance with the accounting policies that are expected to be applied in the Report and Accounts of Amur Minerals Corporation for the year ended 31 December 2014 and are consistent with IFRS as adopted by the European Union. The auditors’ report on the group accounts to 31 December 2013 was unqualified, but did include an emphasis of matter on grant of mining licence. The comparative information for the full year ended 31 December 2013 is not the Group’s full annual accounts for that period but has been derived from the annual financial statements for that period.

The consolidated financial information incorporates the results of Amur Minerals Corporation and its subsidiaries undertakings as at 30 June 2014, using the acquisition method of accounting as appropriate. The corresponding amounts are for the year ended 31 December 2013 and for the 6 month period ended 30 June 2013.

The Group financial information is presented in US Dollars (‘US$’) and values are rounded to the nearest thousand Dollars.

3. GOING CONCERN

The Group operates as a natural resources exploration and development company. To date, the Group has not earned significant revenues and is considered to be in the exploration and development stage. The Directors anticipate that a mining licence will eventually be granted for the Kun-Manie deposit, but cannot estimate a date for commercial production to commence. Presently, the Company has updated approval reports from the Anti-Monopoly Board (“FAS”), the Federal State Security Bureau (“FSB”) and the Ministry of Defense (“MOD”). The fourth and final external agency that must report to Rosnedra is the Ministry of Economics (MED”) to which an application has been delivered. This review includes a review of the terms and conditions of the licence as well as an overview of the environmental protection considerations.

The Directors have prepared a cash flow projection for the next 12 months which indicate that the Group is sufficiently funded by its current financial resources, which comprise cash and derivative financial assets. The amounts receivable under the derivative financial asset varies with share price. The Group has completed the exploration phase and is awaiting the approval of the mining licence before any significant further capital expenditure. Accordingly the financial information has been prepared on a going concern basis.

(Amounts in thousands of US Dollars)

4. LOSS PER SHARE

Basic and diluted loss per share are calculated and set out below. The effects of warrants and share options outstanding at the period ends are anti-dilutive and have therefore been excluded from the following calculations.

	Unaudited 6 Months ended 30 June 2014	Unaudited 6 Months ended 30 June 2013	Audited Year ended 31 December 2013
Net loss for the period	(5,268)	(2,019)	(3,831)
Average number of shares for the period	431,151,334	353,296,237	387,227,252
Basic and diluted loss per share	**US$ (0.012)**	**US$ (0.006)**	**US$ (0.009)**

The Group had no dilutive potential ordinary shares in either period that would serve to increase the loss per ordinary share. There is therefore no difference between the basic and diluted loss per share for either period. A total of 27,265,500 (2013: 27,941,400) potential ordinary shares have therefore been excluded from the above calculations.

5. CAPITALISED EXPENDITURES

During the six months ended 30 June 2014, the Group capitalise exploration and development related expenditures of US$840,000 (1H 2013: US$1,113,000). The Group did not recognise any impairment of capitalised expenditure during the period (1H 2013: nil).

6. TAXATION

No taxation has been provided due to losses in the period. No deferred tax asset has been recognised for past or current taxable losses as the recoverability of any such assets is uncertain in the foreseeable future.

7. DERIVATIVE FINANCIAL ASSET

The Company enters into financing agreements with Lanstead Capital L.P ("Lanstead") which include an equity swap price mechanism for 75% of the shares.

All the voting rights are transferred on the date of the transaction with the consideration received monthly over a 24 month period. The actual consideration receivable will vary to the extent that the actual share price is greater or lower than the reference point. As the consideration is variable, dependent upon the Company's share price, the agreement is treated as a derivative financial asset and re-valued through the income statement with reference to the Company's share price.

(Amounts in thousands of US Dollars)

	Actual share price	**Lanstead 2**	**Lanstead 3**	**Lanstead 4**	**Total**
Number of unpaid shares outstanding at 1 January 2014	**6.93p**	**-**	**21,262,500**	**50,724,139**	**71,986,639**
Inception of new instruments		**-**	**-**	**-**	**-**
Number of shares paid up		-	(2,850,000)	(150,000)	**(3,000,000)**
Number of unpaid shares outstanding at 30 June 2014 (unaudited)	**3.4p**	**-**	**18,412,500**	**50,574,139**	**68,986,639**
Number of unpaid shares outstanding at 1 January 2013	**8.725p**	**3,125,000**	**37,937,500**	**-**	**41,062,500**
Inception of new instruments		**-**	-	**-**	**-**
Number of shares paid up		(3,125,000)	(15,175,000)	**-**	**(18,300,000)**
Number of unpaid shares outstanding at 30 June 2013 (unaudited)	**8.975p**	**-**	**22,762,500**	**-**	**22,762,500**
Number of unpaid shares outstanding at 1 January 2013	**8.725p**	**3,125,000**	**37,937,500**	**-**	**41,062,500**
Inception of new instruments	9.67p	**-**	-	51,724,139	**51,724,139**
Number of shares paid up		(3,125,000)	(16,675,000)	(1,000,000)	**(20,800,000)**
Number of unpaid shares outstanding at 31 December 2013 (audited	**6.93p**	**-**	**21,262,500**	**50,724,139**	**71,986,639**

	Lanstead 2	**Lanstead 3**	**Lanstead 4**	**Total**
Value of derivative at 1 January 2014	**-**	**2,429**	**5,796**	**8,225**
Inception of new instruments	**-**	**-**		-
Cash received during the period	-	(173)	(4)	(177)
Finance expense	-	(335)	(20)	(355)
Loss on revaluation at 30 June 2014	-	(855)	(2,844)	(3,699)
Value of derivative at 30 June 2014 (unaudited)	**-**	**1,066**	**2,928**	**3,994**
Value of derivative at 1 January 2013	**440**	**5,347**	**-**	**5,787**
Inception of new instruments	-	-	**-**	**-**
Cash received during the period	(356)	(1,884)	**-**	**(2,240)**
Finance expense	(297)	(598)	**-**	**(895)**
Gain on revaluation at 30 June 2013	213	242	**-**	**455**
Value of derivative at 30 June 2013 (unaudited)	**-**	**3,107**	**-**	**3,107**
Value of derivative at 1 January 2013	**440**	**5,347**	**-**	**5,787**
Inception of new instruments	**-**	-	6,140	**6,140**
Cash received during the year	(285)	(2,081)	(44)	**(2,410)**
Finance expense	(367)	(658)	(116)	**1,141)**
Gain/(loss) on revaluation at 31 December 2013	212	(179)	(184)	**(151)**
Value of derivative at 31 December 2013 (audited)	**-**	**2,429**	**5,796**	**8,225**

(Amounts in thousands of US Dollars)

8. SHARE CAPITAL

	Unaudited 30 June 2014	Unaudited 30 June 2013	Audited 31 December 2013
Number of Shares (no par value):			
Authorised	1,000,000,000	1,000,000,000	1,000,000,000
Total issued	**431,151,334**	353,530,642	431,151,334

9. RELATED PARTIES

Key management personnel and directors were paid a total compensation of US$337,000 for the six months ended 30 June 2014 (1H 2013: US$251,000). No new options were granted to directors in the six months ended 30 June 2014 (1H 2013: 11.7 million).

10. OPTIONS

During the period ended 30 June 2014 no previously outstanding options expired (1H 2013: 1,618,600) with no write back to the Options Reserve (1H 2013: US$180,000). During this period no new options were granted to key management and personnel (1H 2013: 18.2 million).

At 30 June 2014 the following options and warrants were outstanding:

Grant Date	Expiry Date	Number of shares as at 1 January 2014	New shares granted during period	Shares expired during the period	Number of shares as at 30 June 2014
18 April 2011	18 April 2016	10,140,000	-	-	10,140,000
23 April 2013	23 April 2018	17,125,500	-	-	17,125,500
		27,265,500	**-**	**-**	**27,265,500**

The fair value of the new options is estimated at the grant date using a Black-Scholes model, taking into account the terms and conditions on which the options were granted. The fair value is based on the following assumptions:

Share Price	7.3p
Exercise price	8.7p
Expected volatility	86%
Option life	5 years
Expected dividends	0
Risk free rate	1.25%

The current price is the price at which the shares can be sold in an arm's length transaction between knowledgeable, willing parties and is based on the mid-market price on the grant date. The expected volatility is based on the historic performance of Amur Minerals shares on the Alternative Investment Market of the London Stock Exchange. The option life represents the period over which the options granted are expected to be outstanding and is equal to the contractual life of the options. The risk-free interest rate used is equal to the yield available on the principal portion of UK government issued Gilt Strips with a life similar to the expected term of the options at the date of measurement.

There are no market conditions associated with the share option grants. The total expense recognised in profit or loss during the period arising from outstanding options is US$343,000 (H1 2013: US$634,000, Dec 2013: US$871,000).

11. EVENTS AFTER THE BALANCE SHEET DATE

On the 14 July 2014 the Certificate of Discovery was reissued by Rosnedra to ensure that all by-product materials could be recovered by the Company.

On the 11 August 2014 an updated one-time payment to convert from an exploration licence to a production licence was recalculated by Rosnedra affiliates based on the new Certificate of Discovery

On the 4 September 2014 the Ministry of Defense delivered its updated approval report to Rosnedra which was followed by the approval report from the Federal Security Service on 9 September 2014. As a result, the necessary updates, approvals and protocols are now in hand for further advancement through the production licence review and approval.

12. INTERIM REPORT

Copies of this interim report for the six months ended 30 June 2014 will be available from the Company's website www.amurminerals.com.