

30 September 2016

**AMUR MINERALS CORPORATION**  
**(AIM: AMC)**

**Interim Results 2016**

**Chairman's Statement**

Dear Shareholder,

I am pleased to have this opportunity to report on Amur Minerals Corporation's ("the Company") progress over the first six months of 2016 as well as post H1 2016 developments which we consider to be important for inclusion to provide a fuller update on our accomplishments for the year to date. Activities on our Kun-Manie nickel copper sulphide project located in the Russian Far East have been focused on the preparation of a Definitive Feasibility Study ("DFS") and the implementation of the most ambitious field season ever undertaken at Kun-Manie.

Major milestones have already been attained this year and include the following:

- Completion of a preliminary survey of the access road route;
- Bench scale metallurgical test work has been completed on the four main orebodies;
- A resource update has been completed which confirms the presence of high grade continuous mineralised structures within 3 of the 4 main deposits;
- A combination of both open pit and underground production is being considered in the production development studies;
- Over 19,000 metres of drilling have been completed within the Maly Kurumkon / Flangovy ("MKF") deposit so far;
- The MKF deposit has been expanded to a total length of 3,000 metres, all of which has been drilled to a JORC category of Indicated resource suitable for use in the determination of reserves. At the start of this year the Indicated resource was limited to a total length of 1,400 metres;
- A 7.5 tonne bulk metallurgical sample has been collected and delivered to our Khabarovsk core storage facility;
- MKF resource expansion remains to the east of the last drill line. This target is projected to be in the order of 400 metres and will be drilled in the future. Beyond this target, the Gorny mineralised area is present which could be an extension of the MKF deposit; and
- The first of two phases of field data collection for the determination of the source of industrial and potable water supply has been completed.

The Company has made significant steps in the period under review and the newly acquired information will provide valuable input to the DFS, which will be the prime source of documentation upon which project financing shall be obtained. This cornerstone document provides the necessary support of the Company's ability to fund the project from western-based financial institutions. Hence, all work that has been completed to date and in the future will continue to be focused on activities key to the successful completion of the DFS.

Above all, this year's highly successful drill programme has been extremely productive and is likely to have provided a substantial resource increase with regard to the identification of reserves within the MKF deposit. The expansion of the Indicated resource represents a major accomplishment, with regard to the DFS. Typically, financial institutions require seven to eight years of reserve to ensure payback of a construction loan. For Kun-Manie, this equates to

approximately 42 to 48 million tonnes of ore reserve. Entering this field season, the Company had open pit reserves defined to be in the order of 39.2 million tonnes of Proven and Probable reserves. Of this, 21.5 million tonnes of Probable reserves were identified at MKF, with the remaining 17.7 million tonnes being located at Vodorazdelny and Ikenskoie / Sobolevsky. This year's expansion in the MKF Indicated resource category should provide the Company with reserves allowing the Company have a minimum of the aforementioned seven to eight years of reserves.

### **The 2016 Site Activities**

The design of the 2016 field programme covers multiple facets in our planned development of the Kun-Manie project. These include necessary work for inclusion within the DFS as well as completion of work commitments related to the terms and conditions of our mining licence. Based on an integrated work programme designed to allow the Company to obtain its objectives and the targeted DFS completion at end of Q4 2017, an aggressive work plan was implemented for this year's site activities. This included the following:

- Capital equipment purchases enabling the Company to double our drill capacity from that of 7,500 metres per year to 15,000 metres. This included earthmoving equipment allowing for the more rapid construction of drill roads and drill sites as well as personnel transport;
- Resupply the Kun-Manie site with sufficient fuel to drill up to 20,000 metres and the accompanying drill road and drill pad construction, spare parts and consumables to support the 75-member team on site;
- Drilling was designed to convert Inferred resources to that of Indicated for use in the determination of DFS level reserves. This was to be targeted within the MKF deposit;
- Any newly identified mineralisation identified by step out drilling at MKF would be immediately drilled at a spacing allowing for its classification as Indicated resource for use in the definition of reserves;
- Generate a large scale (5.0 tonne minimum) bulk sample for process flow sheet design and ultimate processing plant design;
- Completing a geophysical survey to identify the potential source of water to support the processing of the ores and to provide sources of potable water for supporting the staff component of the operation once in production; and
- Conduct a field survey of variously available access road routes and identify the preferred route connecting the Baikal Amur rail system ("BAM") to the project site.

### Capital Equipment Purchases

With the plan to expand reserves to cover a seven to eight year production period and to meet the DFS completion date of Q4 2017 the Board undertook the decision in late 2015 to double Amur's drilling capacity with the purchase of a new LF90 drill rig to supplement the existing LF70 rig. In addition, other new mobile fleet equipment was purchased to both support the new rig and replace existing aging equipment. An order was placed with Caterpillar USA for two new D9R bulldozers and a 329D excavator, and the following equipment was purchased locally:

- A truck mounted 25 tonne crane;
- A 10 tonne capacity fuel truck;
- A 10 tonne dump truck;
- A GAZ personnel carrier;
- Two portable housing units for the drill teams; and
- Two diesel generators

### Ice Road and Restocking

Planning for the restocking of the Kun-Manie project site began in October 2015. The increase in scale of the 2016 field season required an increased number of field personnel, the identification and purchase of large quantities of

fuel, spare parts and other materials in preparation for transportation to the Kun-Manie project site. These were marshalled at the Company's base station on the BAM rail line.

Construction of the 350 kilometre ice road commenced in mid-March and transportation of supplies from our base station was completed in mid-April. The mild winter meant that the ice road was available for a much shorter time than usual, but the experience and initiative of Amur's Khabarovsk staff meant the team was able to accelerate the transportation program, and in all 500 tonnes of materials and supplies, plus the new capital equipment, were delivered to site in a series of seven convoys.

The Khabarovsk team has executed an incredible undertaking, successfully restocking the project site. An upsized 2016 field season was an essential pre-requisite for completion of the DFS at the end of 2017.

#### MKF Reserve Definition Drill Programme

In February 2016, a 15,000 metre drill programme for the MKF deposit was defined with drill start up planned for early June 2016 and completion in late October 2016. The 2016 drill plan for MKF was organised into three sectors identified as Area's A, B and C with the drill programme advancing from west (Area A) to the east (Area C) which allowed for efficient support of both drill rigs and to minimise redundant activities such as shift changes of personnel, preventive maintenance and refuelling requirements.

The drilling objectives by area and accomplishments to date are:

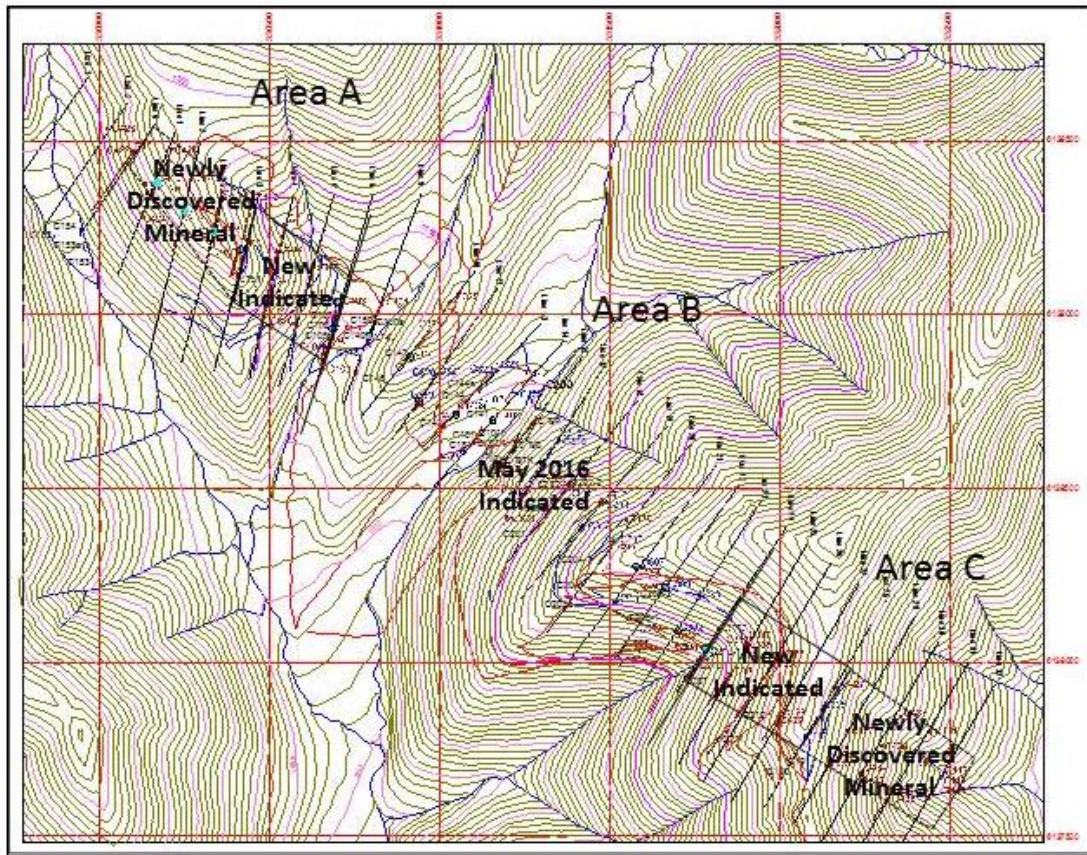
- Area A: infill drilling to convert a 300-metre-long block of Inferred resource to Indicated was planned and successfully completed. A limited number of step out holes were planned to identify the western limits of the mineralisation thought to be limited by the presence of a fault which had been interpreted to truncate mineralisation. However, the step out drilling indicated the fault was pre-mineralisation meaning that an additional 300 metres of mineralisation was present. This area was then drilled to a spacing allowing it to be classified as Indicated resources. Metallurgical holes to acquire bulk samples for metallurgical test work were also drilled along the entire 600 to 700-metre-long Area A.
- Area B: acquire bulk samples for metallurgical test work along the 1,400-metre-long resource block which was classified to be Indicated resources. Additional drilling was also completed to define deeper limits of mineralisation which could be mined using underground methods.
- Area C: infill drilling to convert a 400-metre-long Inferred resource to Indicated and a step out programme to identify additional mineralisation to the east. Drilling has confirmed the continuity of the mineralisation in the 400-metre-long Inferred block and the area is now considered to be Indicated by resource category. Step out drilling confirmed that mineralisation continues for another 500 metres to the east and this has also been drilled at a spacing allowing for its likely classification as Indicated.

The Company is presently in the final stage of drilling which is planned for completion in early October 2016. Since the start of drilling in May 2016, the following has been accomplished:

- A total of more than 19,400 metres of drilling has been completed through 24 September 2016 and the drill season is now very near completion. A total of 80 holes have been completed of which 59 were drilled to define resources. The remaining 21 holes have allowed the Company to generate a large scale bulk metallurgical sample approaching 7.5 tonnes for use flowsheet determination and process plant design. The bulk metallurgical sample has already been transported to our Khabarovsk core storage facility for future metallurgical treatment;
- Drilling at MKF has successfully converted the May 2016 Inferred resource in Area's A and C to that of Indicated allowing for use in reserve definition;
- Resources have also been expanded by 300 metres to the west of Area A and by 500 metres to the east of Area C and has been drilled at a spacing which will allow for the mineralisation to be classified as Indicated allowing for its consideration in the definition of reserves. An additional 400 metre resource expansion area remains to be drilled at the eastern limits of MKF. Beyond this area is the Gorny deposit which may be a continuation of the MKF deposit;
- The continuous mineralised length of MFK deposit has been increased to nearly 3,000 metres. All drilled MKF mineralisation is now drilled at a spacing used to determine Indicated resource. Previously, the total length of the Indicated resource was defined to be approximately 1,400 metres in length;

- Using an open pit cutoff grade of 0.20% nickel, the average grade of this field season's drilling is 0.76% for nickel and 0.21% for copper. The average mineralised thickness of discrete mineralised zones is 13.5 metres with the average thickness intersected per hole being 23.6 metres; and
- Underground production potential using a 0.50% nickel cutoff grade is estimated to contain 0.90% nickel and 0.25% copper. Average thicknesses by interval and per hole are 10.5 metres and 19.7 metres, respectively. Based on the cutoff grade of 0.50% nickel, the high grade mineralised structure is present along the entire 3,000 metre long area of the MKF deposit and contains 85% of the total drill defined nickel.

## Maly Kurumkon / Flangovy 2016 Drill Location Map



### Additional Field Study Work

Field investigation work was completed on two areas, the selection of the access road route and identification of industrial and potable water supplies to support the operation. It is noted that the field work has been completed and that reports are now being compiled for submission to management and further consideration. More specifically, the work included:

- Completion of a field survey of three routes available to access the project (averaging 320 kilometres) and selection of the final route for further engineering and design work.
- The first phase of a hydrological study has been completed and is under review. This will allow the Company to establish the source of water for industrial use to process the ores of Kun-Manie and to also establish sources for potable water to support the planned operation.

## JORC Resource Estimate

During April and May this year, SRK Consulting (UK) Ltd (“SRK”) completed their independent resource estimate updates on the MKF, Ikenskoe / Sobolevsky and Kubuk deposits. Based on a zero cutoff grade including internal waste, dilution and sub-economic mineralisation, the updated resource is presently reported as follows:

### **Global JORC Resource Estimate (May 2016)**

Resource Class	Tonnage	Ni	Ni	Cu	Cu	Pt	Pt	Pd	Pd
	Mt	%	t	%	t	g/t	kg	g/t	kg
<b>Maly Kurumkon / Flangovy</b>									
Measured	-	-	-	-	-	-	-	-	-
Indicated	68.4	0.42	285,200	0.12	84,200	0.10	6,600	0.10	6,900
<b>Sub-total</b>	<b>68.4</b>	<b>0.42</b>	<b>285,200</b>	<b>0.12</b>	<b>84,200</b>	<b>0.10</b>	<b>6,600</b>	<b>0.10</b>	<b>6,900</b>
Inferred	22.2	0.37	81,400	0.12	25,70	0.09	1,900	0.09	2,000
<b>Total</b>	<b>90.6</b>	<b>0.40</b>	<b>366,600</b>	<b>0.12</b>	<b>109,900</b>	<b>0.09</b>	<b>8,500</b>	<b>0.10</b>	<b>8,900</b>
<b>Ikenskoe / Sobolevsky</b>									
Measured	17.5	0.50	88,600	0.14	24,200	0.18	3,200	0.20	3,500
Indicated	11.8	0.39	46,000	0.10	11,400	0.14	1,700	0.17	2,000
<b>Sub-total</b>	<b>29.4</b>	<b>0.46</b>	<b>134,600</b>	<b>0.12</b>	<b>35,600</b>	<b>0.16</b>	<b>4,900</b>	<b>0.19</b>	<b>5,500</b>
Inferred	5.9	0.78	46,100	0.19	11,400	0.17	1,100	0.21	1,200
<b>Total</b>	<b>35.2</b>	<b>0.51</b>	<b>180,700</b>	<b>0.13</b>	<b>47,000</b>	<b>0.17</b>	<b>5,900</b>	<b>0.19</b>	<b>6,700</b>
<b>Kubuk</b>									
Measured	-	-	-	-	-	-	-	-	-
Indicated	3.7	0.76	28,500	0.17	7,300	0.17	700	0.18	700
<b>Sub-total</b>	<b>3.7</b>	<b>0.76</b>	<b>28,500</b>	<b>0.17</b>	<b>7,300</b>	<b>0.17</b>	<b>700</b>	<b>0.18</b>	<b>700</b>
Inferred	22.0	0.47	104,500	0.15	32,100	0.14	3,100	0.12	2,700
<b>Total</b>	<b>25.7</b>	<b>0.52</b>	<b>133,000</b>	<b>0.15</b>	<b>39,400</b>	<b>0.15</b>	<b>3,800</b>	<b>0.13</b>	<b>3,400</b>
<b>Vodorazdelny</b>									
Measured	0.8	0.57	4,700	0.17	1,400	0.25	200	0.25	200
Indicated	4.8	0.66	31,200	0.17	8,200	0.13	600	0.13	600
<b>Sub-total</b>	<b>5.6</b>	<b>0.64</b>	<b>35,900</b>	<b>0.17</b>	<b>9,600</b>	<b>0.14</b>	<b>800</b>	<b>0.14</b>	<b>800</b>
Inferred	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>5.6</b>	<b>0.64</b>	<b>35,900</b>	<b>0.17</b>	<b>9,600</b>	<b>0.14</b>	<b>800</b>	<b>0.14</b>	<b>800</b>
<b>Gorny</b>									
Measured	-	-	-	-	-	-	-	-	-
Indicated	-	-	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Inferred	7.6	0.31	23,900	0.09	7,000	0.21	1,600	0.25	1,900
<b>Total</b>	<b>7.6</b>	<b>0.31</b>	<b>23,900</b>	<b>0.09</b>	<b>7,000</b>	<b>0.21</b>	<b>1,600</b>	<b>0.25</b>	<b>1,900</b>
<b>Total Resource</b>									
<b>Total Measured</b>	<b>18.3</b>	<b>0.51</b>	<b>93,300</b>	<b>0.14</b>	<b>25,600</b>	<b>0.19</b>	<b>3,400</b>	<b>0.20</b>	<b>3,700</b>
<b>Total Indicated</b>	<b>88.7</b>	<b>0.44</b>	<b>390,900</b>	<b>0.12</b>	<b>111,100</b>	<b>0.11</b>	<b>9,600</b>	<b>0.11</b>	<b>10,200</b>
<b>Sub-total</b>	<b>107.0</b>	<b>0.45</b>	<b>484,100</b>	<b>0.13</b>	<b>136,600</b>	<b>0.12</b>	<b>13,000</b>	<b>0.13</b>	<b>13,900</b>
<b>Total Inferred</b>	<b>57.7</b>	<b>0.44</b>	<b>255,900</b>	<b>0.13</b>	<b>76,200</b>	<b>0.13</b>	<b>7,700</b>	<b>0.14</b>	<b>7,800</b>
<b>Grand Total</b>	<b>164.7</b>	<b>0.45</b>	<b>740,100</b>	<b>0.13</b>	<b>212,900</b>	<b>0.12</b>	<b>20,600</b>	<b>0.13</b>	<b>21,700</b>

The total resource estimate does not include results from the 2016 field season. The Board anticipates being able to provide an updated JORC resource estimate in early 2017 once all assays have been independently tested and the results incorporated into the resource models and reviewed.

An analysis of the resource based on the application of potential economic cutoff grades of 0.20% nickel and 0.50% nickel provides a basis for evaluation of the open pit and underground potential of the Kun-Manie resource inventory. At a 0.20% cutoff grade, nearly 89% of the nickel (660,500 tonnes) and 87% (184,600 tonnes) of the copper resource is available to open pit production consideration. At an assumed underground cutoff grade of 0.50% nickel, the underground mineralisation potential includes 74% (546,800 tonnes) of the drill identified nickel mineralisation and 56% (119,500 tonnes) of the identified copper mineralisation. The average nickel grade ranges from 0.60% to .081% with copper ranging from 0.17% to 0.18%.

**Global Resource (Measured Plus Indicated Plus Inferred)**  
**Cutoff Grade Analysis**

Orebody	Tonnage Mt	Ni %	Ni t	Cu %	Cu t
<b>MalyKrumkon/Flangovy</b>					
<b>0.20% Nickel Cutoff Grade</b>	50.8	0.63	320,040	0.18	91,440
<b>0.50% Nickel Cutoff Grade</b>	32.6	0.84	273,840	0.16	52,160
<b>Ikensko/Sobolevsky</b>					
<b>0.20% Nickel Cutoff Grade</b>	29.5	0.58	171,100	0.15	44,250
<b>0.50% Nickel Cutoff Grade</b>	17.1	0.82	140,220	0.19	32,490
<b>Kubuk</b>					
<b>0.20% Nickel Cutoff Grade</b>	24.5	0.54	132,300	0.16	39,200
<b>0.50% Nickel Cutoff Grade</b>	13.3	0.76	101,080	0.2	26,600
<b>Vodorazdelny</b>					
<b>0.20% Nickel Cutoff Grade</b>	5.7	0.65	37,050	0.17	9,690
<b>0.50% Nickel Cutoff Grade</b>	4.1	0.77	31,570	0.2	8,200
<b>Total Resource</b>					
<b>0.20% Nickel Cutoff Grade</b>	110.5	0.60	660,490	0.17	184,580
<b>0.50% Nickel Cutoff Grade</b>	67.1	0.81	546,710	0.18	119,450

**Metallurgical Grade Recovery Curve Determination**

Study work relevant to the DFS was initiated by SGS Minerals (“SGS”) with regard to the determination of metallurgical recovery curves for each of four deposits. Results have been obtained and reported in a post 30 June 2016 RNS allowing the Company to specifically determine the percentage of recovery of all metals at various mill feed grades. This provides the Company with the ability to determine specific cutoff grades for reserve determination and the determination of the composition of the concentrate with regard to total metal content and the slag forming contents for design of a furnace intended to smelt the concentrate.

**The Definitive Feasibility Study**

The function of the DFS is to evaluate, assess and establish the detailed engineering for the Kun-Manie project, which ultimately leads to the production decisions, financing requirements and the overall economic potential of the project. It represents a considerable undertaking in its own right and will require a lot of management time in both planning and on-going management to ensure we achieve the timely delivery of the various studies and reports.

Of note, the DFS also includes the Russian required studies called the Permanent Conditions TEO (Technical Economic Explanation), which involves the compilation of detailed drawings, construction permits and operational design parameters. Although much of the DFS work is mutually supportive of the TEO, from a planning and operating perspective we treat the TEO as a separate stream of work in its own right as it does represent a separate deliverable to the DFS and is just as important as this document is required to obtain various mine production applications for production.

Comprehensively, the Company has developed a plan for the DFS in the following work streams:

- Geology – exploration procedures such as mapping, geophysics, sampling and drilling to be independently reviewed.
- Resources – development of the 3D models of each deposit showing geology, mineralisation characteristics and continuity to JORC standards.
- Mining and Reserves – the development of the JORC standard Reserves Statement and the detailed final mining methods (surface and underground).

- Process Engineering – this includes test work on representative samples for the development of the flow sheet (processing of ores).
- Concentrate Handling – this is a critical study that looks at the four concentrate handling options available to the project of Toll Smelting, Low Grade Matt, High Grade Matt and Refined Metal. Presently, we anticipate that the Low Grade Matt option will be implemented.
- Infrastructure – as well as the road this stream pertains to all operational sites, looking at power requirements and generation, utilities, fuel storage / handling, site design and facilities.
- Marketing and Commodity Pricing – studies that define the nature of the market looking at future product prices, potential production rates, potential for substitution, potential competitors, likely buyers and terms of sale.
- Environmental and Social Management – studies that examine the environmental controls required at the mine and furnace site, and along the road connecting the two sites.
- Economic Analysis – analysis using conventional techniques including cashflow models and trade off studies using various parameters for sensitivity analysis.
- Permanent Conditions TEO.

The major focus for the first half of this year has been preparing for the updated Reserve Statement and acquiring the bulk metallurgical sample. These two functions represent the key starting points for work streams in the DFS work and having these completed means other studies can be initiated and utilise the most accurate available information.

In May, a resource update was completed for four deposits likely to produce ore grade mineralisation. The update included the identification of two mineral grade domains (from 0.2% nickel to 0.5% nickel and in excess of 0.5% nickel) which will allow for the Company to identify an optimised mining reserve and production schedule. Production will be derived from a combination of open pit and underground mining methods.

Metallurgical grade recovery curves have been independently generated for each of the four deposits likely to provide ore for processing. Based on bench scale test work, the composition of the concentrate has also been established which will allow for additional input into the design of a Company owned furnace capable of generating a Low Grade Matte for sale into the international market.

## **Financial Overview**

The Company remained debt free throughout the period with cash reserves of US\$11.5 million as at 30 June 2016, up from US\$9.6 million at the start of 2016.

In March 2016 and June 2016, the Company completed tranches 2 and 3 of the financing agreement entered into with Crede CG III Ltd (“Crede”) in 14 December 2015 providing a further £5 million of funding. This is in addition to the £2.5 million provided in December 2015.

As part of the Crede financing agreement the Company issued 17m warrants in December 2015 and a further 24.5 million warrants for tranche 2 in March 2016 and 48 million warrants for tranche 3 in June 2016. During the period all 17 million warrants of tranche 1 and 10m warrants of tranche 2 were exercised leaving 62.5 million warrants still outstanding as at 30 June 2016. The fair valuation of these remaining warrants as at 30 June 2016 is US\$1.2 million which is shown as a financial liability at fair value through the profit and loss on the statement of financial position.

In total the Company has spent US\$1.4 million of capital equipment during the period (US\$0.3 million for the same period in 2015) and US\$1.3 million on exploration costs (US\$1.0 million in the same period in 2015).

Although the administration expenses for the period have more than doubled compared to the same period last year, the difference is mostly non-cash items. The Statement of Cash Flows shows that the Company actually incurred lower administrative expenses compared to last year which is due to the fact that Amur started ordering for the current field season in late 2015, rather than the start of the current year as would be usual.



## **Outlook**

The Crede financing has put the Company in a strong financial position and has allowed Amur to advance the DFS. Once the field season has come to an end and all assay results have been available, the Board shall finalise the Reserve Statement and the mining plan for the DFS. The Company will commence the bulk metallurgical test work allowing us to establish a final flow sheet and plant design. Other aspects of the DFS study will be commenced and the Board will keep the market abreast of these details accordingly.

The Board would like to welcome Mr. Paul Gazzard who recently joined Amur as a non-executive director. Paul brings a considerable amount of experience in working with the capital markets in London and internationally. The Company also recently signed a Letter of Intent with IG Copper to determine if potential synergies in the processing each Company's concentrates. Although Amur's DFS program is only focused on Kun-Manie, assessing the potential for mutual participation with other projects is an important part of longer term strategic planning.

Once again, the Board would like to extend its thanks and gratitude to the staff in Khaborvsk for a fantastic field season which was planned and conducted with the utmost skill and professionalism.

Mr. Robert W. Schafer  
Non Executive Chairman  
29 September 2016

**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 2016, 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 for 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 2016 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.

*BDO LLP  
Chartered Accountants  
London,  
United Kingdom  
29 September 2016*

*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 2016**

*(Amounts in thousands of US Dollars)*

	<i>Unaudited</i> 30 June 2016	<i>Unaudited</i> 30 June 2015	<i>Audited</i> 31 December 2015
<b>NON-CURRENT ASSETS</b>			
Capitalised exploration costs	14,049	12,854	11,513
Property, plant and equipment	<u>3,108</u>	<u>455</u>	<u>649</u>
<b>Total non-current assets</b>	<b><u>17,157</u></b>	<b><u>13,309</u></b>	<b><u>12,162</u></b>
<b>CURRENT ASSETS</b>			
Other receivables	483	131	1,230
Inventories	874	512	512
Derivative financial asset	-	2,388	-
Cash and cash equivalents	<u>11,495</u>	<u>8,326</u>	<u>9,613</u>
<b>Total current assets</b>	<b><u>12,852</u></b>	<b><u>11,357</u></b>	<b><u>11,355</u></b>
<b>Total assets</b>	<b><u>30,009</u></b>	<b><u>24,666</u></b>	<b><u>23,517</u></b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	243	165	539
Derivative financial liability	1,200	-	370
<b>Total current liabilities</b>	<b><u>1,443</u></b>	<b><u>165</u></b>	<b><u>909</u></b>
<b>NON-CURRENT LIABILITIES</b>			
Rehabilitation provision	159	-	139
	<u>159</u>	<u>-</u>	<u>139</u>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	60,278	49,419	54,093
Share premium	4,904	6,473	5,648
Share options reserve	3,538	2,306	3,907
Retained deficit	(27,087)	(22,177)	(25,869)
Foreign exchange translation reserve	<u>(13,226)</u>	<u>(11,520)</u>	<u>(15,310)</u>
<b>Total shareholders' equity</b>	<b><u>28,407</u></b>	<b><u>24,501</u></b>	<b><u>22,469</u></b>
<b>Total liabilities and shareholders' equity</b>	<b><u>30,009</u></b>	<b><u>24,666</u></b>	<b><u>23,517</u></b>

**AMUR MINERALS CORPORATION AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2016**

*(Amounts in thousands of US Dollars)*

	<i>Unaudited 6 Months ended 30 June 2016</i>	<i>Unaudited 6 Months ended 30 June 2015</i>	<i>Audited Year ended 31 December 2015</i>
Administrative expenses	(2,336)	(1,074)	(4,114)
<b>Loss from operations</b>	<b>(2,336)</b>	<b>(1,074)</b>	<b>(4,114)</b>
Finance expense	-	-	-
Finance income	-	2,828	2,224
Fair value gain on derivative financial assets	-	1,232	1,184
Fair value gain on derivative financial liability	88	-	-
<b>(Loss) / profit before tax</b>	<b>(2,248)</b>	<b>2,986</b>	<b>(706)</b>
Taxation	-	-	-
<b>(Loss) / profit for the period attributable to owners of the parent</b>	<b>(2,248)</b>	<b>2,986</b>	<b>(706)</b>
<b>Other Comprehensive income:</b>			
Exchange differences on translation of foreign operations which could subsequently be reclassified to profit or loss	<b>2,084</b>	<b>327</b>	<b>(3,463)</b>
<b>Total comprehensive (loss)/income for the period attributable to owners of the parent</b>	<b>(164)</b>	<b>3,313</b>	<b>(4,169)</b>
(Loss) / earnings per share: basic & diluted	US\$ (0.004)	US\$ 0.007	US\$ (0.002)

**AMUR MINERALS CORPORATION AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2016**  
*(Amounts in thousands of US Dollars)*

	<i>Unaudited 6 Months ended 30 June 2016</i>	<i>Unaudited 6 Months ended 30 June 2015</i>	<i>Audited Year ended 31 December 2015</i>
<b>Cash flow from operating activities:</b>			
Payments to suppliers and employees	(1,083)	(1,440)	(3,090)
Net cash used in operating activities	<u>(1,083)</u>	<u>(1,440)</u>	<u>(3,090)</u>
<b>Cash flow from investing activities:</b>			
Payment for property, plant and equipment	(1,427)	(308)	(610)
Payments for capitalised exploration expenditure	(1,320)	(983)	(2,141)
Net cash used in investing activities	<u>(2,747)</u>	<u>(1,291)</u>	<u>(2,751)</u>
<b>Cash flow from financing activities:</b>			
Proceeds from issue of equity shares (net of issue costs)	6,574	470	3,618
Cash received from derivative financial asset	-	9,053	10,789
Net cash from financing activities	<u>6,574</u>	<u>9,523</u>	<u>14,407</u>
<b>Net change in cash and cash equivalents</b>	<b>2,744</b>	<b>6,792</b>	<b>8,566</b>
Cash and cash equivalents brought forward	9,613	1,389	1,389
Foreign exchange effects	(862)	146	(342)
<b>Cash and cash equivalents carried forward</b>	<b><u>11,495</u></b>	<b><u>8,326</u></b>	<b><u>9,613</u></b>

**AMUR MINERALS CORPORATION AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2016**

*(Amounts in thousands of US Dollars)*

	<i>Share capital</i>	<i>Share premium</i>	<i>Share options reserve</i>	<i>Retained deficit</i>	<i>Foreign exchange translation reserve</i>	<i>Total</i>
<b>At 1 January 2016</b>	<b>54,093</b>	<b>5,648</b>	<b>3,907</b>	<b>(25,869)</b>	<b>(15,310)</b>	<b>22,469</b>
Profit of the period	-	-	-	(2,248)	-	(2,465)
Other comprehensive income for the period	-	-	-	-	2,084	2,084
Shares issued	6,185	-	-	-	-	7,814
Equity settled share based payments	-	-	661	-	-	661
Expire of options	-	-	(1,030)	1,030	-	-
Costs associated with issue of share capital	-	(744)	-	-	-	(2,156)
<b>At 30 June 2016 (unaudited)</b>	<b>60,278</b>	<b>4,904</b>	<b>3,538</b>	<b>(27,087)</b>	<b>(13,226)</b>	<b>28,407</b>
<b>At 1 January 2015</b>	<b>48,949</b>	<b>6,473</b>	<b>2,306</b>	<b>(25,163)</b>	<b>(11,847)</b>	<b>20,718</b>
Profit of the period	-	-	-	2,986	-	2,986
Other comprehensive income for the period	-	-	-	-	327	327
Shares issued	470	-	-	-	-	470
<b>At 30 June 2015 (unaudited)</b>	<b>49,419</b>	<b>6,473</b>	<b>2,306</b>	<b>(22,177)</b>	<b>(11,520)</b>	<b>24,501</b>
<b>At 1 January 2015</b>	<b>48,949</b>	<b>6,473</b>	<b>2,306</b>	<b>(25,163)</b>	<b>(11,847)</b>	<b>20,718</b>
Loss for the year	-	-	-	(706)	-	(706)
Other comprehensive income for the year	-	-	-	-	(3,463)	(3,463)
Shares issued	4,887	-	-	-	-	4,887
Equity settled share based payments	-	-	1,691	-	-	1,691
Exercise of options	257	-	(90)	-	-	167
Costs associated with issue of share capital	-	(825)	-	-	-	(825)
<b>At 31 December 2015 (audited)</b>	<b>54,093</b>	<b>5,648</b>	<b>3,907</b>	<b>(25,869)</b>	<b>(15,310)</b>	<b>22,469</b>

**AMUR MINERALS CORPORATION AND ITS SUBSIDIARIES  
NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION  
FOR THE SIX MONTHS ENDED 30 JUNE 2016**

(Amounts in thousands of US Dollars)

**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 2016 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 2015 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](http://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 2016 was approved and authorised for issue by the Board on 29 September 2016. 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 2016 and are consistent with the recognition and measurement requirements of IFRS as adopted by the European Union. The auditors' report on the group accounts to 31 December 2015 was unqualified. The comparative information for the full year ended 31 December 2014 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 2016. The corresponding amounts are for the year ended 31 December 2015 and for the 6 month period ended 30 June 2015.

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 stage. In May 2015 the 20 year 'Detailed Exploration and Production Licence' was issued to the Company's wholly owned subsidiary, ZAO Kun-Manie. The production licence expires on 1 July 2035.

The Directors have prepared a cash flow projection for the next 12 months which indicate that the Group is sufficiently funded by its current cash resources to meet its ongoing obligations and capital commitments. Accordingly the financial information has been prepared on a going concern basis.

#### 4. (LOSS) / EARNINGS PER SHARE

Basic and diluted profit or loss per share are calculated and set out below.

	<b>Unaudited 6 Months ended 30 June 2016</b>	<b>Unaudited 6 Months ended 30 June 2015</b>	<b>Audited Year ended 31 December 2015</b>
Net (loss)/profit for the period	(2,248)	2,986	(706)
Average number of shares for the period	501,389,574	434,069,876	436,576,344
<b>Basic and diluted (loss)/earnings per share</b>	<b>US\$ (0.004)</b>	<b>US\$ 0.007</b>	<b>US\$ (0.002)</b>

The effect of the warrants and share options outstanding at the period end are anti-dilutive and the total of 92 million (December 2015 56.6 million) of potential ordinary shares have therefore been excluded from the above calculations.

#### 5. CAPITALISED EXPENDITURES

During the six months ended 30 June 2016, the Group capitalised exploration and development related expenditures of US\$1,320,000 (1H 2015: US\$983,000). The Group did not recognise any impairment of capitalised expenditure during the period (1H 2015: nil).

#### 6. RELATED PARTIES

Key management personnel and directors were paid a total compensation of US\$477,000 for the six months ended 30 June 2016 (1H 2015: US\$378,000). No new options were granted to directors in the six months ended 30 June 2016 (1H 2015: nil).

#### 7. EVENTS AFTER THE BALANCE SHEET DATE

On 5 September 2016 the Company entered into a non-binding Letter of Intent with IG Copper LLC to investigate the potential synergies in processing the companies' respective sulphide concentrates.

On 9 September 2016 at the Company's AGM, resolutions 4 and 5 required to give the Company authority to issue shares to meet the requirements of the Crede CG III Ltd financing were not carried.

On 19 September 2016 the Company appointed Mr Paul Gazzard as a Non-Executive Director.

#### 8. INTERIM REPORT

Copies of this interim report for the six months ended 30 June 2016 will be available from the Company's website [www.amurminerals.com](http://www.amurminerals.com).

#### Enquiries:

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