

16 February 2021

AMUR MINERALS CORPORATION
(AIM: AMC)

Kun-Manie Production Licence Amendments and Activity Update

Amur Minerals Corporation (“Amur” or the “Company”), the nickel copper exploration and development company focused on the Kun-Manie project (the “Project”) located in the Far East of Russia, is pleased to report that the terms and conditions for the Company’s Kun-Manie “Detailed Exploration and Mine Production Licence” (“DEMP”), have been amended and registered with Rosnedra, the State Licencing Agency. The certified modification to the DEMP was received 4 February 2021 from Amurnedra and is dated effective 30 November 2020.

The amendments are related to the delivery dates for two terms and conditions specific to the registered 36 square kilometre (“km²”) licence (БЖГ 15883 ТЭ). During processing of the amendment to the DEMP, work on the Permanent Conditions TEO (“TEO”) has progressed, identifying further optimisation opportunities and continues toward completion. To further evaluate the quality of the TEO results (compiled by Oreall), the Company engaged an external consultant to independently verify Oreall’s work.

In addition, RPM Global (“RPM”) has been engaged to update the 20 March 2018 JORC resource estimates to include the 32,526.5 meters of drilling completed in 2018. The 169 holes are distributed throughout the Maly Kurumkon / Flangovy (“MKF”), Vodorazdelny (“VOD”) and the now largest and continuous Ikenskoe / Sobolevsky / Kubuk (“ISK”) deposits. The combination of RPM’s and Oreall’s enables the Company to evaluate and compare the Project potential based on both Russian (required by mandatory regulatory considerations) and western funding opportunities for joint venture alternatives, various and combined off take agreements and / or merger and acquisition considerations.

The Company submitted the application to amend the delivery date of the 1 December 2020 TEO which has now been successfully extended to 1 December 2021 for its delivery.

Highlights:

- Necessitated by delays induced by the Covid-19 pandemic where the impact of working remotely, the need to maintain social distancing and timely availability of key contract personnel, the Company submitted the application to amend the delivery date of the 1 December 2020 TEO. The amended delivery date for the TEO has been extended to 1 December 2021.
- In addition, the delivery date of the ensuing Mine Plan design (including detailed comprehensive Project engineering) has been extended. This work can only be implemented post-delivery of the TEO and its subsequent approval allowing for Russian reserve registration in accordance to the State Committee on Reserves (“GKZ”) regulatory requirements. The Mine Plan is now due 1 June 2023.

- During the DEMP modification process, ongoing work has continued toward completion of the TEO. As reported in a RNS dated 25 November 2020, the remainder of the work necessary for completion of the TEO included the compilation of capital and operating costs and the subsequent evaluation of economic potential of the Project per Russian Federation standards and requirements.
- Open pit designs generated by Oreall are also being independently evaluated. An independent evaluation by an external consultant will provide additional pit designs for a greater number of cutoff grades than the Oreall scope of work which is linked to Russian regulatory criteria which evaluates fewer designs at specific cutoff grades.
- Previous western study work on the MKF deposit by RPM (RNS dated 9 April 2018) confirmed a combination of open pit and underground operation would generate an enhanced revenue flow on this Project.
- Ongoing Company audits and reviews of the Oreall TEO results have identified the need to include Russian based open pit versus underground trade off studies allowing for the identification of a preferred life of mine production scenario(s) for the deposits of MKF and ISK. VOD is an open pit only target as the depth of the mineralisation is at and near the surface. For MKF and ISK, results presently indicate a staged operation may be best for the development and life of mine production plans. This work is under evaluation.
- RPM is presently compiling an update to the JORC resource estimates for MKF, VOD and ISK. These results will provide the ability for the Company to directly compare the Russian and western resource / reserve generated results.
- RPM's and Oreall's work will also provide the Company with the ability to evaluate and compare the Project potential based on both Russian (required by mandatory regulatory considerations) and western funding opportunities that may be considered from Russian versus western joint venture alternatives, various off take companies and / or merger and acquisition potential.

Robin Young, CEO of Amur Minerals Corporation, commented:

“As a result of the impact of the Covid-19 pandemic and having extended the delivery dates for the Permanent Conditions TEO and the subsequent ensuing Mine Plan wherein detailed engineering for a full year for each, we are now fully assured on maintaining the integrity of the Detailed Exploration and Mine Production licence for Kun-Manie.

“Ongoing work continues on the compilation of the TEO and we have further identified that underground production may be a viable and better financial option as previously defined by RPM in previous study work. Simultaneously to the TEO work, we are awaiting JORC resource estimates allowing for the verification of the Russian reserves. The availability of Russian and western resource / reserve estimates provides Amur with the ability to simultaneously assess and contrast the funding potential of Russian, western or a combination for joint venture consideration, alternative or combined off take agreements and the assessment of any merger / acquisition opportunities.”

For completeness and to provide a more detailed understanding of the licence amendment procedure, TEO considerations and constraints and geographical financial setting, additional information is provided below.

Licence Amendment

Russian state, regional and federal mineral resource licencing organisations have been responsive to changes in the terms and conditions denoted in the contained terms and conditions of Russian wide mineral licences as necessitated by the Covid- 19 pandemic. Various amendment alternatives have been and are available to companies. The Company's amendment programme was based on a full amendment to the licence itself. Other lesser regulated amendment options are available, however, the Company undertook the full amendment process as it is considered to be the most conservative and most solidly based amendment in the Rosnedra regulatory system.

TEO

The Permanent Conditions TEO provides the operating design for a mining operation. The GKZ reserve estimate presented within and registered by the GKZ subsequent approval (with negotiated modifications) is a benchmark for the operation. It is this reserve from which production must be derived.

Finance – Russia versus the West

Kun-Manie is located within the Russian Federation and therefore must be engineered, designed, constructed and operated in accordance with Russia Federation regulatory constraints. The successful completion of the work allows for financing within Russia and other similar economies that recognise the Russian system.

For large scale investments, often a consortium of financial institutions is required to fund the Project. Assuming Kun-Manie is such a project, the documentation to obtain a funding structure external Russia can and will likely vary substantially. This is especially key to the area of resource and reserve reporting as the Russian and western (typically JORC) substantially differ in the calculation methodology and reporting of reserves.

The Company's use of RPM to calculate a JORC estimate based on the same information used to compile the Russian reserve estimate provides Amur with the ability to directly compare results based on two apparently divergent approaches to project evaluation. By working two parallel assessment methods, Amur can better evaluate financing of the Project from more than one financial system.

Competent Person's Statement

The information contained in this announcement has been reviewed and approved by the CEO of Amur, Mr. Robin Young. Mr. Young is a Geological Engineer (cum laude), a Professional Geologist licensed by the Utah Division of Occupational and Professional Licensing, and is a Qualified Professional Geologist, as defined by the Toronto and Vancouver Stock Exchanges and a qualified person as defined by the AIM Rules for Companies. An employee of Amur for 17 years, previously Mr. Young was employed as an independent consultant with Fluor Engineers, Fluor Australia and Western Services Engineering, Inc. during which time his responsibilities included the independent compilation of resources and reserves in accordance with JORC standards. In addition, he was the lead engineer and participant of numerous studies and projects requiring the compilation of independent Bankable Studies utilised to finance small to large scale projects located worldwide. Mr. Young is responsible for the content of this announcement.

Market Abuse Regulation (MAR) Disclosure

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.

For further information, see the Company website at www.amurminerals.com and its twitter account of [amur_minerals](#).

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Description of Kun-Manie Licences (Strategic Law) and Land Allotments

Through its wholly owned subsidiary ZAO Kun-Manie, Amur possesses 100% production rights for the 36.2 km² DEMP. It is from within this area that mining will be implemented. Additional licence and land allotments will be necessary to bring the Project into production. A licence is attributable to use of resources (including water usage) and land allotments can be considered to be land use areas, as well as all non-mine specific extraction areas, including site based facilities to fully treat the mined material, the access road right away and the rail station on the BAM rail line (possible site of electric furnace / flash smelter). More specifically:

- The DEMP is the area from which Amur can mine the mineralisation. Mine specific facilities such as underground portals, ventilation shafts, open pits and waste dumps, road, necessary near mine shops and fuel stations, etc. are to be fully located within the boundary limits of the DEMP. An additional water licence from which to source water for ore treatment and staff usage is required and the location of the licence has been identified.
- Land allotments to support the operation are also required. Three distinct allotments will be needed. These are designated external to the DEMP area boundary where all other mine site support facilities (considered to be an Industrial Site) will be located, the right of way for the access road (considered to be a Linear Object) and the rail station (possible Furnace / Flash Furnace facility) adjacent the Baikal Amur rail line (another Industrial Site).

Licence Chronology

The Company originally obtained a reconnaissance licence over an area of 950 km². During exploration, a 36.2 km² mining potential area within the reconnaissance licence was identified for which Amur applied for the production rights. The Company holds 100% production rights within the DEMP and the area located external to the DEMP has been returned to the Russian Federation.

Reconnaissance Licence

In 2004, a five year reconnaissance licence (БЛГ 01497 ТП) was granted allowing for the exploration of nickel and copper within an area of 950 km². Selection of the highly prospective area had been made based on the area containing:

- Russian Federation state sponsored reconnaissance results of the Stanovoy Mountain system where several anomalous areas of nickel and cobalt had been identified during stream sediment and grab sampling programmes. Airborne geophysical surveys also covered the region.
- Falconbridge Limited Canada (“FLC”) had previously drilled ten diamond core holes (completed in 2000) near and within two mineralised outcrops of exposed sulphide mineralisation (the VOD and IKEN deposits). Economic grades of mineralisation were identified at both deposits. FLC relinquished the licence in 2000 due to weakening metal prices, labour problems at one of its external Russia facilities, dampening profits and the decision to cut back production (including exploration).

The terms and conditions of the licence required that sufficient exploration and drilling be completed allowing for the compilation of a certified reserve approved by the Russian Federation State Committee on Reserves (“GKZ”). Upon acquisition of the reconnaissance licence, the Company undertook a two phased exploration approach. These included:

- Licence wide, airborne geophysics (helicopter) being flown and exploration personnel completing geological mapping and sampling reconnaissance. Mapping and sampling along all ridge crests and ravines throughout the licence area was completed with a total of 1,548 kilometres (“km”) being traversed. The objective was to identify the source of the geochemical anomalies and identify and specific additional drill targets.
- Drilling and trenching were implemented to confirm FLC drill results and expand the aerial limits of drilling to more fully define the extent of the mineralisation. By the end of 2008, the Company had drilled the limits of the VOD deposit, expanded IKEN and drill discovered a new deposit, MKF.

By the end of 2009, the reconnaissance exploration work had identified the Kurumkon Trend as the primary exploration target within which to focus future drilling. The GKZ had also approved the reserve estimate compiled by Sibsvetmetniiproject and granted a “Certificate of Discovery” for the deposits of VOD, IKEN and MKF. The certificate and the certified reserve provided the Company with the right to obtain an extension of the licence and apply for a “Detailed Exploration and Mine Production” (the DEMP) licence.

Over the next six years, the Company continued exploration drilling focused on the Kurumkon Trend and the immediate area of the yet to be awarded DEMP. Having been awarded three consecutive two year extensions to the exploration licence (the final extension expired 31 December 2014), drilling had expanded the known limits of the deposits and the KUB deposit was also discovered.

In late 2014, the Company compiled the mandatory closure report enabling it to return unwanted property located external to the DEMP boundary limits to the Russian Federation. The closure report is a key document as it specifically confirms that there are no encumbrances related to the returned ground and that all necessary work obligations per the terms and conditions of the licence had been completed.

DEMP

After award of the Certificate of Discovery and in June 2010, the Company applied for the DEMP which was focused on an area of 36.2 km² aligned along the Kurumkon Trend and fully contained within the explored limits of the exploration area. The boundary limits for the DEMP included the MKF, VOD and

IKEN deposits as well as highly prospective ground located along the Trend including the then undrilled (but trenched) area of KUB.

In May 2015, Russian Prime Minister Dmitry Medvedev approved the Company's DEMP application (which had been modified to include consideration of exploration results acquired during the approval process) for Kun-Manie. This enabled the Ministry of Natural Resources ("MNR") and Rosnedra to issue the licence, subject to Amur's one-time payment of RUB 23.6 million (c US\$ 429,000 at the time of the payment) within 30 days of the registration of the final document, which was duly done.

The licence (БЛП 15883 ТЭ) grants Amur the right to recover all value from the minerals defined to be present at Kun-Manie. As the Certificate of Discovery only specifically stated nickel and copper, it was amended to state recoverable metals to include nickel, copper, cobalt, platinum, palladium, gold, and silver. All drilled mineralisation (through 2018) lies within the limits of the production licence and The Company's responsibilities under the terms of the DEMP licence are:

- That the results of a pre-production evaluation are to be presented in a Permanent Conditions TEO (Russian Feasibility Study) and the final Reserves Estimate Report to the State Reserves Committee ("GKZ") 1 December 2020 (Extended one year to 1 December 2021). Reserves are to be certified by the GKZ.
- A mining plan based on the GKZ stated reserves to be approved by June 2022 (Extended one year to June 2023).
- A re-cultivation / site remediation plan is to be submitted to the government one year before decommissioning.
- Annual activity reports to be submitted to Rosnedra and Amurnedra (local branch of Rosnedra), which have been completed since the award of the DEMP.

Strategic Investments Law Impact

Approval and award of the DEMP required more than five years. The primary reason for the extensive delay was the introduction of a new law. In mid-2008, the Russian Federation enacted Federal Law No. 57-FZ related to foreign investment into assets or companies considered to be strategic to the nation. This law is entitled, "On the Procedure for Making Foreign Investments in Business Entities of Strategic Importance to National Defense and State Security" (the "Strategic Investments Law" or the "Law No. 57-FZ").

The issuance of a DEMP markedly changed with the introduction of the law by adding in additional agencies to the review process when a strategic asset is to be awarded to a foreign entity. Administration of the law included the four additional agencies being the Federal Antimonopoly Service ("FAS"), Ministry of Defense ("MOD"), the Federal Security Service ("FSB"), and the Ministry of Economic Development ("MED").

Within the mining sector and as a part of the then newly implemented 57-FZ, the newly defined concept of Strategic Projects was adopted. Based on the metal contained and also the amount of metal, many projects immediately became Strategic and entered onto a Strategic List, no matter who controls the mineral rights. In the case of Kun-Manie, the presence of a GKZ certified reserve placed the Project on the Strategic List as it contained nickel, cobalt, platinum and palladium (all considered to be Strategic Metals). Copper could

also be considered Strategic if its reserve exceeds 250,000 tonnes. As a foreign controlled Strategic project, it was mandatory Amur proceed through the newly implemented Strategic system to obtain its DEMP.

The process is managed by Rosnedra and is conducted on a highly linear basis. After application for the DEMP with Rosnedra, it submits the necessary information sequentially to each of the four agencies. Once an agency has approved the submission, Rosnedra submits it to the next agency. This process continues through the four agencies. With all four approvals, Rosnedra then reviews and submits a package to the MNR for its final review, approval and submission to the Russian Government for final authorisation. At the time of submission, the Russian Government's representative was the Russian Prime Minister (Mr. Dmitry Medvedev) who officially stamps the approval.

As the application moved through the newly created system and changes to 57-FZ were made during the approval process, delays were encountered for various reasons. It is noted that Amur was the first mining company to enter the strategic review process. General milestones and actions follow:

- Submission of the application to Rosnedra / MNR in June 2010.
- FAS, MOD and FSB approvals were successively and rapidly completed with submission to MED in December 2010. A key part of MED's remit was to calculate the one-time payment due on registration of the DEMP.
- In March 2013, the one-time calculation procedure was reassigned to Rosnedra who immediately assigned the task to Rostat.
- Rostat completed the calculation in May 2013. As the FAS, MOD and FSB approvals had expired due to the delay by MED, Rosnedra obtained updated materials from the Company and immediately filed the new materials with each of the agencies in turn.
- In September 2013, MED reviewed the documentation and noted that in light of the new definition of Strategic deposits and that Kun-Manie was one such deposit, the Company may wish to amend its Certificate of Discovery. The 2009 Certificate of Discovery stated the Company had the right to mine "nickel, copper and associated minerals". By specifically adding the metals to be recovered, confusion would be avoided. This was immediately implemented by the Company with the assistance of Rosnedra.
- In July 2014, the updated Certificate of Discovery was issued and specifically states that the Company has the right to mine "nickel, copper, cobalt, platinum, palladium, gold, silver and sulphur". Rosnedra immediately actioned a recalculation of the one-time payment using the most recent GKZ reserve statement.
- As all documents and approvals had once again expired, amended documents were again provided to Rosnedra for submission to the four agencies resulting in all four approving the application for the DEMP with MED completing its work in November 2014.
- In November 2014, Rosnedra provided MNR with all necessary approvals from its review and those rendered during the strategic review process. The MNR approved the package and forwarded it to the Russian Government for signoff, the final step in the process.
- In May 2015, final authorisation was obtained when Mr. Dmitry Medvedev approved issuance of the licence.

- In June 2015, the MNR and Rosnedra registered the licence which triggered a 30 day period for the Company to submit its one-time payment (23.6 million RUR). This was duly completed and verified by the MNR and Rosnedra well in advance of the deadline.

The Company now holds 100% of the production rights to Kun-Manie. Law 57-FZ also states no foreign entity shall hold more than 25% of a strategic asset. As the Company had begun its work well in advance of the implementation of the law in 2008 and considering that it was in good standing and compliant with government procedures, Amur was allocated 100% control of the production rights.

Hydrological Licence

In 2015, the Company acquired water licence БЛГ 02708 БП which expired December 2019. This five year licence allowed the Company to conduct subsurface exploration for identification of sources of technical and potable water in the area of the currently selected mill site. The necessary first phase of water exploration has been completed and has allowed for the selection of a more limited area from within which water can be extracted for the operation of Kun-Manie. This licence is easily acquired and it is planned to acquire in the future.

Land Use Allotments

Land use allotments will need to be acquired. An allotment allows for use of the land for non-mining specific (excavation) activities but are required to host the facilities to process the mill feed, fully support the operation and store tailings from the plant. In addition, two additional but separate allotments will be required. The longest is the 338 km long access road and the rail station to be located immediately adjacent the BAM rail line. Schematics of the proposed allotment areas can be viewed through the link below.

https://amurminerals.com/content/wp-content/uploads/20210215_RNS.pdf

Mine Area Industrial Allotment

Located to the south of the DEMP, the mine support operational industrial complex is planned for construction. This includes all mine area roads between the mine areas and mill site, the tailings storage facility, the stockpile(s), processing plant, power station, boiler house, all mine offices, personnel support facilities, maintenance and repair shops, consumable and spare storage, explosives magazine, water well field and landfill facilities.

Schematics of the currently identified configurations are provided in the link above presenting a potential land allotment configuration a more detailed operations layout for the ore processing facilities area. The allotment will be applied for and assigned once final designs of the full area footprint are established.

Access Road Allotment

Upon completion of the final road design and approval by the Russian Federation, an allotment will be needed for construction and exploitation of the road. A right of way width of up to 50 m will be obtained along the length of the 338 km long road. The current location of the planned access road shown in red on the link below. For convenience and orientation purposes, the winter ice road is depicted in yellow.

Rail Station Allotment

A minimum allotment of approximately one km² is required for the rail station. This will enable full operational support of the annual six million tonne mill capacity operation with regard to resupply of the operation and shipment of concentrate to a purchaser.

Inclusion of the Furnace / Flash Smelter option requires expansion of the allotment to two km² allowing for the addition of the furnace and the associated furnace waste that will be generated. Additional storage is also required for coal and limestone needed to “smelt” the concentrate in generation of a LGM. A preliminary lay out of the footprint allotment including consideration of building the furnace.