

**AMUR MINERALS CORPORATION  
INTERIM REPORT 2020**

**Interim Financial Report  
for the 6 months ended 30 June 2020**

## Chairman's Statement

Dear Shareholder,

It is with pleasure that I take this opportunity to update shareholders of Amur Minerals Corporation (the "Company") on the Company's successful performance during the first six months of 2020.

Firstly, I would like to thank Lou Naumovski who stepped down from the Board in May for his time and effort, and secondly I would like to welcome Adam Habib who has been working with the Amur Board and management team since February and has now joined the Board in an executive role as President of the Company.

### Operational Review

The main focus of the Company has been and continues to be the Kun-Manie nickel copper sulphide project ("Kun-Manie" or "the Project") in the far east of Russia. Despite the disruptive outbreak of Covid-19, work on the Permanent Conditions TEO ("TEO") has continued throughout the year to date. The TEO is an independently compiled Russian feasibility study which enables the Company to proceed to the next stage of development at Kun-Manie. Work on the TEO commenced in 2019, and as a summary of the areas completed so far:

- Completion of an independent Hydrological assessment which established that a more than sufficient water supply is available to support the project
- Completion of the Rock Mechanics study which confirmed that open pit and/or underground operations can be successfully implemented
- Completion of the Base Line Environmental Assessment which defines the base line preproduction environmental setting and conditions
- Completion of metallurgical test work confirming that individual copper and nickel sulphide concentrates can be generated using standard industry sulphide floatation methods

During this time there has also been considerable amount of work undertaken on metallurgical recoveries, process flow sheets and operating costs, as well as reserves and cut-off grade estimation. These areas are all interconnected, and in June 2020 the Company was able to announce that it had received non-binding indicative offtake terms for both the nickel and copper concentrates, thereby providing indicative revenue terms. This information has been fed back into the metallurgical and reserve work programmes which are the last major input elements of the TEO and are very close to completion.

### NRR Investment

On 25 August 2020, the Company completed an equity placing of £6.1 million and an investment of US\$4.67 million in a Convertible Loan Note ("CLN") on Nathan River Resources Pte Limited ("NRR") which owns the Roper Bar Iron Ore Project ("Roper Bar"). Roper Bar is a large established iron ore deposit in the Northern Territories of Australia with 446 million tonnes at 39.9% Fe JORC resource defined and 4.76 million tonnes at 60.1% Fe JORC reserve. Pit to port infrastructure is in place, an offtake agreement with Glencore and 194,000 tonnes of stockpile available to ship.

In keeping with the Company's strategy of investing in income producing assets, the Company will have 14% coupon on the CLN and are convertible into 19% of the current issued share capital of NRR. The Company also believe that there is substantial upside potential in Roper Bar that will provide long term value and serve as a potential revenue stream.

### Financial Overview

As at 30 June 2020 the Company had cash reserves of US\$831,000, up from US\$398,000 at the start of 2020 and remains debt free.

The Company has undertaken a number of funding initiatives during the year to date providing total funds from equity placings of US\$1,460,000 net of issue costs. On 12 March 2020, the Company entered into a £1.5 million fixed term loan with Plena Global securities LLC ("Plena") with an immediate initial advance of £0.5 million. As part of this loan facility, the Company also granted Plena 52,447,552 warrants with an exercise price of 1.43 pence per ordinary share.

On 16 April 2020, the Company completed an equity placing of 75,000,000 new ordinary shares at a price of 1p per share to raise gross proceeds of £750,000. Funds raised from this placing were used to repay in full the initial advance of the Plena loan facility on 4 May 2020.

On 27 May 2020, the Company completed an equity placing of 47,619,048 new ordinary shares at a price of 1.05 pence per share to raise gross proceeds of £0.5 million.

Since 30 June 2020, Plena has exercised 47,723,776 warrants providing £682,450 of additional funding for the Company. As at time of writing this report, Plena have 4,723,776 warrants outstanding.

On 19 June 2020, the Company held an Extraordinary General Meeting in which a resolution was passed to increase the number of shares which the Company is authorised to issue to 2,000,000,000.

On the 13 February 2020, the Company appointed Mr. Adam Habib as Advisor to the Board. As part of his appointment, Mr. Habib was granted 12,809,630 options with an exercise price of 1.95 pence per share, with a further 12,809,630 options subject to the successful completion by the Company of an off-take agreement, or the completion of a producing asset investment.. On the 3 April 2020, the Company made a grant of 30,000,000 options with an exercise price of 1.75 pence per ordinary share to Directors, executives and employees. As at 30 June 2020, the Company has 62,531,260 options outstanding of which 6,912,000 expire in July 2020.

Administration expenses for the first half of 2020 totalled US\$1.3 million (H1 2019: US\$1.2 million). There was a translation loss of US\$3.0 million (H1 2019: translation gain of US\$2.2 million) was due to the weakening of the Russian rouble to the US dollar. Expenditure on exploration was US\$210,000 (H1 2019: US\$161,000) as the Company remained focused on the completion of the TEO. The exploration asset saw an exchange loss of US\$2.9 million (H1 2019: exchange gain US\$2.0 million) also due to the weakening of the Russian rouble to the US dollar.

## **Covid-19**

Since the start of January 2020, Covid-19 has created significant disruption to the global markets and economies, including Russia. In order to keep safe its personnel, the Company has put in place special measures to protect its workforce while at the same time ensuring business continuity. Prior to the outbreak, the Company had the facilities in place to allow remote working for most members of staff. This capability has been enhanced to ensure that the Company can now operate effectively over an extended period of time without requiring regular access to physical offices. The Company maintains close contact with its contractors working on the Permanent Conditions TEO as they also put in place procedures to work effectively over the coming months in order to ensure that these projects are delivered within their original schedules. As an additional assurance to shareholders, the Russian Federation subsoil law does allow for extensions to filing dates.

As of the date of this report, Covid-19 has created a lot of uncertainty and disruption in the financial markets. The Company has not seen any negative impact of Covid-19 on its ability raise funds, having completed equity placements in April 2020 of £750,000, May 2020 of £500,000 and £6.1 million in August 2020. However, the Directors are cognizant that conditions in the financing market are changeable and will continue to monitor developments.

## **Outlook**

The Company is fully focused on the completion of the TEO with the remaining technical studies very nearly completed. As previously stated, the technical studies generated for the TEO will feed into the next stage of the Kun-Manie project development, which is the Bankable Feasibility Study (“BFS”). The BFS provides the necessary technical, environmental and economic detail for institutional investors to advance funding for construction and into production. The BFS is itself a considerable undertaking and the Amur team has been working on the detailed planning and costing of the BFS programme. This has required considerable interaction with both Russian and international organisations qualified in conducting BFS level work.

In conjunction with the development of the BFS work programme, the Company has also been keeping discussions open with potential offtake partners. It is the Company’s belief that the successful completion of a binding offtake agreement will provide access to the types of institutional investors who provide financing for BFS programmes. We envisage that this funding will be principally through debt and would be sufficient to fund the BFS programme and sustain the Company’s activity through to the completion of the BFS.

Lastly, we look forward to keeping shareholders updated on the activities of NRR, whose management team we have got to know well over the last few months and have impressed us with their knowledge, experience and attention to detail. As stated in the 25 August 2020 RNS, NRR look on track to make their first shipment in October.

On behalf of the Board of Directors, I would like to thank all the staff for their dedication and hard work throughout this period in getting the TEO programme organised and underway.

Mr. Robert W. Schafer  
Non Executive Chairman  
29 September 2020

# **Independent Review Report To Amur Minerals Corporation**

## **Introduction**

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2020 which comprises the Consolidated Statement of Financial Position, the Consolidated Statement of Comprehensive Income, The Consolidated Statement of Cashflows, the Consolidated Statement of Changes in Equity and the related notes.

We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

## **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 AIM which require that the half-yearly 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 condensed set of financial statements in the half-yearly financial report based on our review.

## **Scope of review**

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Financial Reporting Council for use in the United Kingdom. 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 (UK) 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 condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2020 is not prepared, in all material respects, in accordance with the rules of the London Stock Exchange for companies trading securities on AIM.

## **Use of our report**

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 AIM 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.

*BDO LLP  
Chartered Accountants and Registered Auditors  
London,  
United Kingdom  
29 September 2020*

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

**AMUR MINERALS CORPORATION**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2020**

*(Amounts in thousands of US Dollars)*

	<i>Note</i>	<i>Unaudited 30 June 2020</i>	<i>Unaudited 30 June 2019</i>	<i>Audited 31 December 2019</i>
<b>Non-current assets</b>				
Exploration and evaluation assets	5	24,413	25,561	26,713
Property, plant and equipment		734	1,457	1,154
		<u>25,147</u>	<u>27,018</u>	<u>27,867</u>
<b>Current assets</b>				
Inventories		238	303	276
Other receivables		146	121	211
Cash and cash equivalents		831	688	398
		<u>1,215</u>	<u>1,112</u>	<u>885</u>
<b>Total assets</b>		<u>26,362</u>	<u>28,130</u>	<u>28,752</u>
<b>Current liabilities</b>				
Trade and other payables		1,191	969	965
Convertible loan		-	1,403	-
Derivative financial liability		-	259	-
		<u>1,191</u>	<u>2,631</u>	<u>965</u>
<b>Net current assets</b>		<u>24</u>	<u>(1,519)</u>	<u>(80)</u>
<b>Non-Current Liabilities</b>				
Rehabilitation provision		144	161	164
		<u>144</u>	<u>161</u>	<u>164</u>
<b>Total non-current liabilities</b>		<u>144</u>	<u>161</u>	<u>164</u>
<b>Net assets</b>		<u>25,027</u>	<u>25,338</u>	<u>27,623</u>
<b>Equity</b>				
Share capital	7	71,012	66,506	69,510
Share premium		4,748	4,867	4,790
Foreign currency translation reserve		(15,902)	(13,244)	(12,865)
Share options reserve		1,534	2,034	1,136
Warrant Reserve		93	-	-
Accumulated deficit		(36,458)	(34,825)	(34,948)
<b>Total equity</b>		<u>25,027</u>	<u>25,338</u>	<u>27,623</u>

Approved on behalf of the Board on 29 September 2020

Robin Young

Brian C Savage

The accompanying notes on pages 10 to 14 form an integral part of the financial information

**AMUR MINERALS CORPORATION**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2020**

*(Amounts in thousands of US Dollars)*

	<i>Unaudited</i>	<i>Unaudited</i>	<i>Audited</i>
	<i>6 Months ended</i>	<i>6 Months ended</i>	<i>Year ended</i>
<i>Note</i>	<i>30 June 2020</i>	<i>30 June 2019</i>	<i>31 December 2019</i>
Administrative expenses	(1,297)	(1,169)	(1,984)
<b>Operating loss</b>	<b>(1,297)</b>	<b>(1,169)</b>	<b>(1,984)</b>
Finance income	-	-	1
Finance expense	(104)	(445)	(803)
Fair value movements on derivative financial instruments and loans	(109)	191	342
Gain on loan	-	115	115
<b>(Loss) before tax</b>	<b>(1,510)</b>	<b>(1,308)</b>	<b>(2,329)</b>
Tax expense	-	-	-
<b>(Loss) for the period / year attributable to owners of the parent</b>	<b>(1,510)</b>	<b>(1,308)</b>	<b>(2,329)</b>
<b>Other Comprehensive (loss) / income:</b>			
<b>Items that could be reclassified to profit or loss</b>			
Exchange differences on translation of foreign operations	(3,037)	2,232	2,611
<b>Total comprehensive (loss) / income for the period / year attributable to owners of the parent</b>	<b>(4,547)</b>	<b>924</b>	<b>282</b>
(Loss) per share: basic & diluted (expressed in cents)	4	US\$ (0.17)	US\$ (0.19)
		US\$ (0.19)	US\$ (0.32)

The accompanying notes on pages 10 to 14 form an integral part of the financial information.

**AMUR MINERALS CORPORATION**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2020**

*(Amounts in thousands of US Dollars)*

	<i>Unaudited</i>	<i>Unaudited</i>	<i>Audited</i>
	<i>6 Months</i>	<i>6 Months</i>	<i>Year ended</i>
<i>Note</i>	<i>ended</i>	<i>ended</i>	<i>31 December</i>
	<i>30 June 2020</i>	<i>30 June 2019</i>	<i>2019</i>
<b>Cash flows used in operating activities:</b>			
Payments to suppliers and employees	(655)	(908)	(1,884)
Interest paid	-	-	(18)
<b>Net cash outflow from operating activities</b>	<u>(655)</u>	<u>(908)</u>	<u>(1,902)</u>
<b>Cash flow used in investing activities:</b>			
Payments for exploration expenditure	(210)	(161)	(501)
Payment for property, plant and equipment	-	-	-
Interest received	-	-	1
<b>Net cash used in investing activities</b>	<u>(210)</u>	<u>(161)</u>	<u>(500)</u>
<b>Cash flow from financing activities:</b>			
Cash received on issue of shares, net of issue costs	1,460	-	1,845
Issue of convertible loan (net of issue costs)	-	492	492
Loans received	595	-	-
Loans repaid	(720)	-	-
Repayment of convertible loan	-	-	(835)
<b>Net cash generated from financing activities</b>	<u>1,335</u>	<u>492</u>	<u>1,502</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>470</b>	<b>(577)</b>	<b>(900)</b>
Cash and cash equivalents at beginning of period / year	398	1,257	1,257
Effect of foreign exchange rates	(37)	8	41
<b>Cash and cash equivalents at end of period / year</b>	<u><b>831</b></u>	<u><b>688</b></u>	<u><b>398</b></u>

The accompanying notes on pages 10 to 14 form an integral part of the financial information.

**AMUR MINERALS CORPORATION**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2020**

*(Amounts in thousands of US Dollars)*

	<i>Share capital</i>	<i>Share premium</i>	<i>Foreign currency translation reserve</i>	<i>Share options reserve</i>	<i>Warrant Reserve</i>	<i>Accumulated deficit</i>	<i>Total</i>
<b>At 1 January 2020</b>	<b>69,510</b>	<b>4,790</b>	<b>(12,865)</b>	<b>1,136</b>	-	<b>(34,948)</b>	<b>27,623</b>
Loss of the period	-	-	-	-	-	(1,510)	(1,510)
Other comprehensive income for the period	-	-	(3,037)	-	-	-	(3,037)
Total comprehensive income for the period	-	-	(3,037)	-	-	(1,510)	(4,547)
Issue of share capital	1,502	-	-	-	-	-	1,502
Costs of issue	-	(42)	-	-	-	-	(42)
Options granted	-	-	-	398	-	-	398
Warrants granted	-	-	-	-	93	-	93
<b>At 30 June 2020 (unaudited)</b>	<b>71,012</b>	<b>4,748</b>	<b>(15,902)</b>	<b>1,534</b>	<b>93</b>	<b>(36,458)</b>	<b>25,027</b>
<b>At 1 January 2019</b>	<b>65,674</b>	<b>4,904</b>	<b>(15,476)</b>	<b>2,034</b>	-	<b>(33,517)</b>	<b>23,619</b>
Loss of the period	-	-	-	-	-	(1,308)	(1,308)
Other comprehensive loss for the period	-	-	2,232	-	-	-	2,232
Total comprehensive loss for the period	-	-	2,232	-	-	(1,308)	924
Conversion of loan notes	832	-	-	-	-	-	832
Costs of issue	-	(37)	-	-	-	-	(37)
<b>At 30 June 2019 (unaudited)</b>	<b>66,506</b>	<b>4,867</b>	<b>(13,244)</b>	<b>2,034</b>	-	<b>(34,825)</b>	<b>25,338</b>
<b>At 1 January 2019</b>	<b>65,674</b>	<b>4,904</b>	<b>(15,476)</b>	<b>2,034</b>	-	<b>(33,517)</b>	<b>23,619</b>
Loss for the year	-	-	-	-	-	(2,329)	(2,329)
Other comprehensive loss for the year	-	-	2,611	-	-	-	2,611
Total comprehensive loss for the period	-	-	2,611	-	-	(2,329)	282
Issue of share capital	1,988	(114)	-	-	-	-	1,874
Conversion of loan notes	1,848	-	-	-	-	-	1,848
Options expired	-	-	-	(898)	-	898	-
<b>At 31 December 2019 (audited)</b>	<b>69,510</b>	<b>4,790</b>	<b>(12,865)</b>	<b>1,136</b>	-	<b>(34,948)</b>	<b>27,623</b>

The accompanying notes on pages 10 to 14 form an integral part of the financial information.

**AMUR MINERALS CORPORATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2020**

*(Amounts in thousands of US Dollars)*

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**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 2020 comprise the results of 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 2019 are available upon request from the Company's registered office at Kingston Chambers, P.O. Box 173, Road Town, Tortola, British Virgin Islands 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 2020 was approved and authorised for issue by the Board on 29 September 2020. 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 2019 and are consistent with the recognition and measurement requirements of IFRS as adopted by the European Union. The auditor's report on the Group accounts to 31 December 2019 whilst unqualified raised a material uncertainty relating to going concern due to the lack of certainty over future funding. The comparative information for the full year ended 31 December 2019 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 2020. The corresponding amounts are for the year ended 31 December 2019 and for the 6 month period ended 30 June 2019.

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

The same accounting policies, presentation and methods of computation are followed in the interim consolidated financial information as were applied in the Group's latest annual audited financial statements except for those that relate to new standards and interpretations effective for the first time for periods beginning on (or after) 1 January 2020, and will be adopted in the 2020 annual financial statements.

A number of new standards, amendments and became effective on 1 January 2020 and have been adopted by the Group. None of these standards have materially affected the Group, in particular IFRS 16 Leases, which requires lessees to use a single on-balance sheet model and recognise all lease assets and associated liabilities on the balance sheet. The adoption of IFRS 16 has not had a significant impact on the Group's financial information as the operating leases held by the Group are of low value and the majority of the existing contracts either relate to service agreements or contain performance obligations based on variable terms and thus do not result in right of use assets or lease liabilities.

*Accounting policy for convertible loan*

On issue of a convertible loan, the fair value of the liability component is determined by discounting the contractual future cash flows using a market rate for a non-convertible instrument with similar terms. This value is carried as a liability on the amortised cost basis unless is designated as a Fair Value Through Profit and Loss ("FVTPL") at inception.

Financial instruments designated as FVTPL are classified in this category irrevocably at inception and are derecognised when extinguished. They are initially measured at fair value and transaction costs directly attributable to their acquisition are recognised immediately in profit or loss. Subsequent changes in fair values are recognised in the income statement with profit or loss.

**AMUR MINERALS CORPORATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2020**

*(Amounts in thousands of US Dollars)*

Equity instruments are instruments that evidence a residual interest in the assets of an entity after deducting all of its liabilities. Therefore, when the initial carrying amount of a compound financial instrument is allocated to its equity and liability components, the equity component is assigned the residual amount after deducting from the fair value of the instrument as a whole the amount separately determined for the liability component. The value of any derivative features (such as a call option) embedded in the compound financial instrument other than the equity component (such as an equity conversion option) is included in the liability component.

Management have designated the convertible loan note with Plena Global Opportunities as a FVTPL financial instrument. In arriving to its fair value, management used the best available market data and have applied judgement in arriving to the present value of future cash flows. After determining the fair value at inception, management have allocated the residual value to the equity component. Upon early settlement, the financial liability has caused a fair value loss which was recognised as a “Fair value movements on derivative financial instruments and loans” in the statement of comprehensive income.

**3. GOING CONCERN**

The Group operates as a natural resources exploration and development group. To date, the Group has not earned significant revenues and is considered to be in the exploration stage.

The Directors have reviewed the Group’s cash flow forecast for the period to 31 December 2021 and plan to continue advancing the project in 2020 - 2021. Post 30 June 2020, the Company completed an equity raising of £6.1 million on which US\$4.7 million has been investment convertible loan notes of Nathen River Resources Pte Ltd. The Company will receive a 14% coupon, paid quarterly, from the investment.

The ability of the Company to secure additional funding is not guaranteed and significant uncertainty has been created by the ongoing COVID-19 pandemic which could impact market conditions for longer than the Directors’ currently expect. The Company is looking closely at its funding requirements and the Directors are currently in negotiations with a number of parties in respect of raising further funds. Whilst progress is being made on a number of potential transactions which would provide additional funding to the Group, there are no binding agreements in place. However should such funds not be raised the Directors consider that they would be able to reduce expenditure through cutting exploration expenditure, other discretionary costs and reducing key management salaries that would allow the present cash resources to cover its financial liabilities and commitments for the period up to 31 December 2021. As such, the financial information has been prepared on a going concern basis.

**4. LOSS PER SHARE**

Basic and diluted loss per share is calculated and set out below. The effects of warrants and share options outstanding at the period end are anti-dilutive as they will serve to reduce the loss per share. A total of 148.1 million of potential ordinary shares have therefore been excluded from the following calculations:

	<i>Unaudited</i> <i>6 Months ended</i> <i>30 June 2020</i>	<i>Unaudited</i> <i>6 Months ended</i> <i>30 June 2019</i>	<i>Audited</i> <i>Year ended</i> <i>31 December 2019</i>
Net loss for the period / year	(1,510)	(1,308)	(2,329)
Weighted average number of shares for the period/year	878,022,210	704,016,060	735,839,463
<b>Basic loss per share (expressed in cents)</b>	<b>US\$ (0.17)</b>	<b>US\$ (0.19)</b>	<b>US\$ (0.32)</b>

**AMUR MINERALS CORPORATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2020**

*(Amounts in thousands of US Dollars)*

**5. EXPLORATION AND EVALUATION ASSETS**

	<i>Unaudited</i> <i>6 Months ended</i> <i>30 June 2020</i>	<i>Unaudited</i> <i>6 Months ended</i> <i>30 June 2019</i>	<i>Audited</i> <i>Year ended</i> <i>31 December 2019</i>
<b>At start of the period / year</b>	<b>26,713</b>	<b>23,010</b>	<b>22,010</b>
Additions	557	598	1,310
Foreign exchange differences	(2,857)	1,953	2,393
<b>At end of the period / year</b>	<b><u>24,413</u></b>	<b><u>25,561</u></b>	<b><u>26,713</u></b>

The Group did not recognise any impairment in respect of its exploration and evaluation assets during the period (1H 2019: nil) (2019: nil).

**6. SHARE BASED PAYMENTS**

**Options:**

During the period ended 30 June 2020, 30,000,000 new options were granted to Directors, management and Russian employees (1H 2019: nil). In addition, 25,619,260 new options were granted to Mr. Adam Habib as part of his consultancy agreement of which 12,809,630 vested immediately and the remaining 12,809,630 is performance based.

At 30 June 2020 the following options were outstanding at the beginning and end of the period:

<b>Outstanding at 1 January 2020</b>	<b>6,912,000</b>
Granted	55,619,260
Exercised	-
Expired	-
<b>Outstanding at 30 June 2020</b>	<b><u>62,531,260</u></b>

The fair value of the 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. This uses inputs for share price, exercise price, expected volatility, option life, expected dividends and risk-free rate.

The 30 million options granted to Directors, management and Russian employees vest 12 months from the grant date. Of the 25,619,260 options granted to Mr. Adam Habib, 12,809,630 vested immediately on grant and the remaining 12,809,630 is performance based and will vest upon the successful completion by the Company of an off-take agreement or completion of a producing asset investment.

The share 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 US Treasury Bills with a life similar to the expected term of the options at the date of measurement.

The total charge arising from outstanding options for the period was US\$398,000 (H1 2019: nil; December 2019: nil).

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**NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2020**

*(Amounts in thousands of US Dollars)*

**Warrants:**

During the period ended 30 June 2020, 13,000,000 new warrants were granted to participants of the equity placing completed on 4 November 2019. In conjunction with the Loan Note Instrument entered into by the Company on 13 March 2020, 52,447,552 new warrants were granted and are treated as equity instruments. The loan was fully repaid on 4 May 2020.

At 30 June 2020 the following warrants were outstanding at the beginning and end of the period:

<b>Outstanding at 1 January 2020</b>	<b>20,193,279</b>
Granted	65,447,552
Exercised	-
Expired	-
<b>Outstanding at 30 June 2020</b>	<b><u>85,640,831</u></b>

There was no charge arising from outstanding warrants for the period (H1 2019: nil; December 2019: nil).

After the period ended 30 June 2020, 47.7m warrants have been exercised providing the Company with £682,000.

**7. SHARE CAPITAL**

	<i>Unaudited</i> <u>30 June 2020</u>	<i>Unaudited</i> <u>30 June 2019</u>	<i>Audited</i> <u>31 December 2019</u>
Number of Shares (no par value):			
Authorised	<u>2,000,000,000</u>	<u>1,000,000,000</u>	<u>1,000,000,000</u>
Total issued	<u><b>968,060,149</b></u>	<u>713,158,035</u>	<u>845,441,101</u>

On 19 June 2020 at an Extraordinary General Meeting, the number of shares which the Company is authorised to issue was increased to 2,000,000,000 shares of no par value by the creation of 1,000,000,000 new shares of no par value.

On 24 April 2020, the Company raised US\$870,000 (£750,000) before expenses through the subscription of 75,000,000 new Ordinary Shares subscription price of 1 pence per share. The funds raised were used to repay in full the convertible loan.

On 27 May 2020, the Company raised US\$633,000 (£500,000) before expenses through the subscription of 47,619,048 new Ordinary Shares subscription price of 1.05 pence per share.

**8. RELATED PARTIES**

For the purposes of these financial statements, entities are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions as defined by IAS 24 "Related Party Disclosures". In addition, other parties are considered to be related if they are under common control. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

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*(Amounts in thousands of US Dollars)*

Details of transactions between the Group and related parties are disclosed below.

**Compensation of Key Management Personnel**

Key management personnel are considered to be the Directors and senior management of the Group

	<i>Unaudited</i> <i>6 Months ended</i> <i>30 June 2020</i>	<i>Unaudited</i> <i>6 Months ended</i> <i>30 June 2019</i>	<i>Audited</i> <i>Year ended</i> <i>31 December 2019</i>
Salaries and fees	469	435	948
Share-based payments	398	-	-
	<u><b>867</b></u>	<u><b>435</b></u>	<u><b>948</b></u>

**9. EVENTS AFTER THE REPORTING DATE**

On 15 July 2020, Plena Global Opportunities LLC elected to convert 26,223,776 warrants at the warrant exercise price of 1.43 pence per share providing the Company with £375,000.

On 4 August 2020, Plena Global Opportunities LLC elected to convert 15,000,000 warrants at the warrant exercise price of 1.43 pence per share providing the Company with £214,500.

On 25 August 2020, the Company completed an equity placing of £6.1 million before expenses through the placing of 348,571,421 new ordinary shares at a price of 1.75 pence per share. On this day the Company acquired Carlo Holdings Limited (“CHL”) for £1. CHL is a shell company with fair value net assets of £1, with the purpose of investing in income producing mining assets. Proceeds of the placing were used in part to subscribe for US\$4.7 million in secured convertible loan notes through CHL in Nathan River Resources Pts Limited which owns the Roper Bar Iron Ore Project.

On 2 September 2020, Adam Habib was appointed as President and Executive Board Member to the Company.

On 3 September 2020, Plena Global Opportunities LLC elected to convert 6,500,000 warrants at the warrant exercise price of 1.43 pence per share providing the Company with £92,500.

**10. INTERIM REPORT**

Copies of this interim report for the six months ended 30 June 2020 will be available from the Company’s website [www.amurminerals.com](http://www.amurminerals.com).