28 September 2018

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

**Interim Results 2018**

## 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 2018. The full version of this report is available on the Company's website https://amurminerals.com/

**Timeline of Key Highlights:**

- In February, the Company entered into a convertible loan facility of up to US$10 million with the first US$4 million being drawn down.

- In March, RPMGlobal Asia ("RPM") completed a minerals resource update resulting in a resource of 155 million ore tonnes with a nickel equivalent grade of 1.02% containing over 1.5 million nickel equivalent tonnes.

- Additionally, in March and April the ice road resupply was undertaken comprising 11 convoys.

- In April the Company reported a Mining Potential update. Additionally, the Board and executive management entered into 12 months share purchase programme.

- In May the drill season commenced and by the end of August over 26,000 metres having completed drilling targeting three priority objectives for the 2018 season. Secondary targets are now being drilled.

**Mineral Resource Estimate Update**

RPM issued a project wide JORC Mineral Resource Estimate ("MRE") update in March. The newly derived MRE reported resource for each of the four deposits fully located within our Detailed Exploration and Production Licence. The new MRE also utilised a higher nickel cutoff grade of 0.4%. In total, 155.1 million tonnes of mineralisation is present and it averages 0.75% nickel and 0.21% copper, by-product cobalt, platinum and palladium were also estimated. The nickel equivalent grade at Kun-Manie is projected to be 1.02% nickel. The RPM update included all drill results completed through 2017 and expanded the total contained tonnes of nickel by 50%. More than 75% of the mineral resource is classified as Measured and Indicated which is suitable for use in the determination of Mining Ore Reserves.

Using March 2018 metal prices for all commodities, the Ni Eq grade is 1.02% (2017: 1.03%) containing a total in situ metal value estimated to be in the order of US$ 21.3 billion (2017: US$ 10.4 billion). The in-ground value increase of 105% is due to the addition of 50% more metal and the increase in nickel, copper and cobalt prices during the most recent 12 months. Metal price changes account for US$3.6 billion of the increase over the 2017 MRE with the remainder (US$ 7.3 billion) being attributable to the newly defined resource.

Based on a 0.4% cutoff grade ("COG"), Kun-Manie now ranks fourth in highest grade among the world's greenfield nickel sulphide deposits containing a minimum of one million tonnes of nickel whilst being located immediately adjacent to the three largest nickel consuming nations in the world.

## RPM Ordinary Kriging Mineral Resource Estimates
## March 2018
## 0.4% Nickel Cutoff Grade

| **Resource Classification** | **Ore Mt** | **Ni %** | **Cu %** | **Co %** | **Pt g/t** | **Pd g/t** | **Eq Ni (%)** | **Contained Metal (t)** | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | **Ni (1000's)** | **Cu (1000's)** | **Co (1000's)** | **Pt (t)** | **Pd (t)** | **Eq Ni (1000's)** |
| **MKF – Updated February 2017** | | | | | | | | | | | | | |
| Measured | | | | | | | | | | | | | |
| Indicated | 57.5 | 0.77 | 0.22 | 0.015 | 0.15 | 0.16 | 1.06 | 445 | 124 | 8.9 | 8.8 | 9.3 | 606.5 |
| M+I | **57.5** | **0.77** | **0.22** | **0.015** | **0.15** | **0.16** | **1.06** | **445** | **124** | **8.9** | **8.8** | **9.3** | **606.5** |
| Inferred | 3.4 | 0.80 | 0.22 | 0.017 | 0.16 | 0.15 | 1.06 | 27 | 7 | 0.6 | 0.5 | 0.5 | 36.1 |
| **MKF TOTAL** | **60.9** | **0.78** | **0.22** | **0.015** | **0.15** | **0.16** | **1.06** | **472** | **131** | **9.5** | **9.3** | **9.8** | **643.0** |
| **IKEN – Updated March 2018** | | | | | | | | | | | | | |
| Measured | 10.6 | 0.71 | 0.18 | 0.011 | 0.22 | 0.26 | 0.98 | 75 | 19 | 1.1 | 2.3 | 2.8 | 103.2 |
| Indicated | 13.6 | 0.66 | 0.17 | 0.012 | 0.18 | 0.20 | 0.91 | 89 | 24 | 1.7 | 2.4 | 2.8 | 123.7 |
| **M+I** | **24.2** | **0.68** | **0.18** | **0.012** | **0.19** | **0.23** | **0.94** | **164** | **43** | **2.8** | **4.7** | **5.6** | **226.9** |
| Inferred | 27.8 | 0.80 | 0.23 | 0.017 | 0.19 | 0.19 | 1.10 | 222 | 63 | 4.6 | 5.2 | 5.3 | 306.5 |
| **IKEN TOTAL** | **51.9** | **0.75** | **0.20** | **0.014** | **0.19** | **0.21** | **1.03** | **386** | **106** | **7.5** | **9.9** | **10.8** | **534.0** |
| **KUB – Updated March 2018** | | | | | | | | | | | | | |
| Measured | | | | | | | | | | | | | - |
| Indicated | 32.9 | 0.69 | 0.19 | 0.014 | 0.13 | 0.12 | 0.93 | 226 | 63 | 4.7 | 4.3 | 3.9 | 306.0 |
| **M+I** | **32.9** | **0.69** | **0.19** | **0.014** | **0.13** | **0.12** | **0.93** | **226** | **63** | **4.7** | **4.3** | **3.9** | **306.0** |
| Inferred | 4.7 | 0.7 | 0.19 | 0.014 | 0.12 | 0.12 | 0.94 | 33 | 9 | 0.7 | 0.6 | 0.6 | 44.5 |
| **KUB TOTAL** | **37.6** | **0.69** | **0.19** | **0.014** | **0.13** | **0.12** | **0.93** | **259** | **72** | **5.3** | **4.9** | **4.5** | **349.9** |
| **VOD – Updated February 2017** | | | | | | | | | | | | | |
| Measured | 0.6 | 0.74 | 0.22 | 0.012 | 0.29 | 0.32 | 1.24 | 5 | 1 | 0.1 | 0.2 | 0.2 | 7.6 |
| Indicated | 3.2 | 0.85 | 0.21 | 0.017 | 0.16 | 0.16 | 1.13 | 27 | 7 | 0.5 | 0.5 | 0.5 | 36.0 |
| **M+I** | **3.8** | **0.85** | **0.21** | **0.016** | **0.20** | **0.19** | **1.15** | **32** | **8** | **0.6** | **0.7** | **0.7** | **43.9** |
| Inferred | 1.0 | 0.81 | 0.22 | 0.016 | 0.17 | 0.16 | 1.06 | 8 | 2 | 0.2 | 0.2 | 0.2 | 11.0 |
| **VOD TOTAL** | **4.8** | **0.83** | **0.21** | **0.016** | **0.18** | **0.18** | **1.13** | **40** | **10** | **0.8** | **0.9** | **0.9** | **54.6** |
| **TOTAL** | | | | | | | | | | | | | |
| Measured | 11.2 | 0.71 | 0.18 | 0.011 | 0.23 | 0.26 | 0.99 | 80 | 20 | 1.3 | 2.5 | 3.0 | 110.8 |
| Indicated | 107.0 | 0.74 | 0.20 | 0.015 | 0.15 | 0.15 | 1.00 | 787 | 217 | 16.2 | 16.0 | 16.6 | 1,075.1 |
| **M+I** | **118.2** | **0.73** | **0.20** | **0.015** | **0.16** | **0.17** | **1.00** | **867** | **237** | **17.5** | **18.5** | **19.6** | **1,185.9** |
| Inferred | 37.0 | 0.79 | 0.22 | 0.017 | 0.17 | 0.18 | 1.08 | 290 | 81 | 6.0 | 6.4 | 6.6 | 398.2 |
| **TOTAL** | **155.1** | **0.75** | **0.21** | **0.015** | **0.16** | **0.17** | **1.02** | **1,157** | **319** | **23.5** | **24.9** | **26.0** | **1,581.6** |

Numbers may not be concise due to rounding.

**In Situ Value (US$ Billion) and Nickel Equivalent Calculation Data**
**March 2018 Metal Pricing**

| Pricing | Nickel | Copper | Cobalt | Platinum | Palladium | Total |
|---|---|---|---|---|---|---|
| **Imperial** | **$6.10** | **$3.10** | **$37.77** | **$950.00** | **$970.00** | **US$ b** |
| **Metric** | **$13,450** | **$6,835** | **$83,250** | **$30,544** | **$31,187** | **Value** |
| Measured | $1.08 | $0.14 | $0.11 | $0.08 | $0.09 | $1.49 |
| Indicated | $10.59 | $1.48 | $1.35 | $0.49 | $0.51 | $14.42 |
| **M+I** | **$11.66** | **$1.62** | **$1.46** | **$0.57** | **$0.61** | **$15.91** |
| Inferred | $3.90 | $0.55 | $0.50 | $0.20 | $0.20 | $5.36 |
| **TOTAL** | **$15.56** | **$2.17** | **$1.96** | **$0.76** | **$0.81** | **$21.27** |
| **2018 % Value Content** | **73.2%** | **10.2%** | **9.2%** | **3.6%** | **3.8%** | **100.0%** |
| **2017 % Value Content** | **73.6%** | **11.7%** | **5.3%** | **5.1%** | **4.2%** | **100.0%** |

Numbers may not be concise due to rounding.

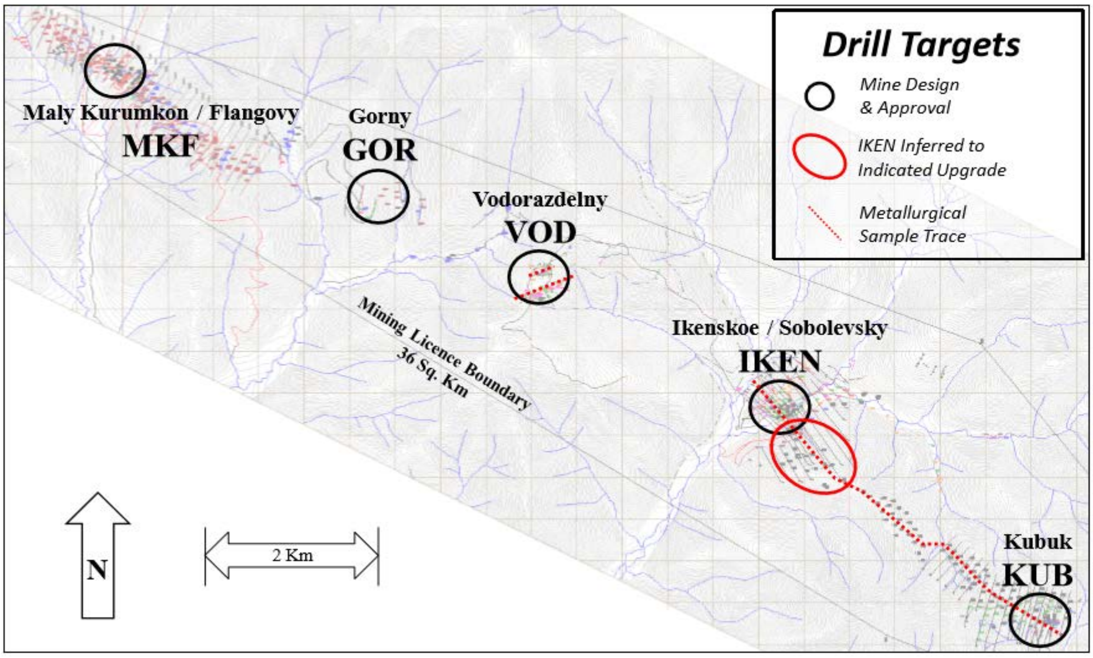
**Mining Potential Update**

In April 2018 the Company provided an update on its Mining Potential which consisted of open pit and underground extraction methods for the Maly Kurumkon / Flangovy ("MKF") deposit, and open pit only for the Vodorazdelny ("VOD"), Ikenskoe ("IKEN") and Kubuk ("KUB") deposits. The projected Earnings Before Income, Tax, Depreciation and Amortisation has increased by 78.75% to US$2.7 billion (October 2017: US$1.6 billion).

**2018 Field Season**

The 2018 field programme is focused on the completion of specific tasks related to advancing the development of the project into one of the world's largest nickel producers. The drilling objectives for this year's season are:

- to establish the final data set for allowance of reporting Russian reserves that will, in turn, allow the Company to obtain mining production approvals from the Russian Federation and local agencies;
- to convert a large high-grade block of Inferred resource for inclusion in the Mining Ore Reserve ("MOR") and move forward into an earlier period of the production schedules; and
- to acquire a large metallurgical sample to define the variability and content of the life of mine sulphide concentrate for either toll smelter and or Low-Grade Matte ("LGM") generation (an owner operated option).



At the end of August 2018, a total of 143 holes (26,235.4 metres) have been completed since initiation of the drill programme. All drilling has been completed using the Company owned Boart Longyear LF70 and LF90 drill rigs, with the two rigs drilling an average combined total of 222 metres per day. The Company has completed approximately 80% of the maximum 2018 planned programme.

The infill drilling is being completed to provide a dataset that the Company can use in obtaining final approvals of a Russian certified reserve and for the development of mine designs for approval by Russian authorities allowing mine production to be implemented. This regulatory related drill work has been completed at all four of the deposits from which mining is planned. Drill results have confirmed the continuity of the mineralisation with regard to both thickness and grade.

Drilling has been completed within the largest Inferred resource block remaining at Kun-Manie. Located at the southeast of the IKEN orebody, this priority drill target was indicated to contain 14.6 million Inferred ore tonnes averaging 0.87% nickel (127,000 nickel tonnes) and 0.25% copper (36,500 copper tonnes). Infill and step out drilling have expanded the size of the 2017 defined zone by 81% whilst being drilled at a spacing used to define Indicated resources. The zone was projected to have a thickness of 30.4 m over an aerial extent of 0.16 square kilometres. The newly expanded zone is projected to contain a 30.9 m thick orebody averaging 0.91% nickel and 0.25% copper. This newly expanded area could contain as much as four years of higher grade production available for produce earlier in the mine life significantly contributing to project economics.

Drilling of secondary targets was initiated in early August with the Company having successfully linked the ISK and KUB orebodies. With the expansion of the large IKEN Inferred block, a 2,800 metre long strike length zone has already been identified. This zone averages 35.6 metres in thickness with 0.83% nickel and 0.25% copper being present. This trend includes a record drill 98.6 metre intercept containing 0.89% nickel and 0.23% copper.

At this time, the 2018 drilling has provided the Company with expanded options for consideration in the economic assessment of Kun-Manie. New mineral and mineral drilled on a grid spacing used by RPM to define Indicated resources will materially impact the Open Pit mining evaluation issued in June 2018. Where previously three pits were defined to be present, it is anticipated a single larger pit will likely be defined. With an anticipated increase in the Mineral Resource Estimate (“MRE”) containing a significant increase in the Indicated category of resource, the determination of an increased Mining Ore Reserve (“MOR”) allow for increased flexibility in determination of further optimisation of the mine production schedule allowing for the treatment of higher grade ores earlier in the mine life, and thereby improving the projected Net Present Value (“NPV”) and Internal Rates of Return (“IRR”).

Drilling to collect a large scale representative metallurgical sample along strike length of IKEN through to KUB deposits continues. To date, all but 2,000 metres have been completed. Samples have been fully collected from KUB with holes planned for completion along ISK and the IKEN Orebody. The metallurgical sample collection in addition to an existing sample from MKF will be used to establish a final flowsheet, plant design and metallurgical recovery determination. Metallurgical test work results will be utilised to determine the content of the concentrate for setting smelter payability terms and/or, the design of an anticipated Company owned and operated LGM facility.

**Financial Overview**

As at 30 June 2018 the Company had cash reserves of US$3.4 million, up from US$2.6 million at the start of 2018.

In February 2018, the Company entered into a convertible loan facility of up to US$10 million, with an initial advance of US$4 million being drawn at the time the facility was entered into. As at 30 June 2018 17.5 million new ordinary shares have been issued by the Company in settlement of US$1 million of principal and accrued interest. As at reporting date the balance of the loan, net of issue costs, stood at US$2.4 million. No further funds have as yet been drawn from the facility as certain milestones attached to subsequent draw-downs have not been met. However, the Company maintains a good relationship with the loan note holders and discussions on future draw-downs are on-going but not finalised.

Additionally, the Company has been successful in conserving its cash reserves which allows it to continue to work closely with its financial advisors developing other near and long-term financing opportunities. The Directors are confident that they will be able to raise funds in the near future and plan to continue advancing the project in 2018-2019.

In total the Company has spent US$48,000 on capital equipment during the period (US$258,000 for the same period in 2017) and US$1.3 million on exploration costs (US$1.7 million in the same period in 2017).

Administration expenses for the period have increased compared to the same period last year due to a combination timing differences and additional expenditures related to corporate development.

**Outlook**

The Company has had another highly successful field season to date and the completion of the data set for the reporting of Russian reserves is an important undertaking as it leads to the obtaining of a Russian certified reserve which in turn are used in the development of mine designs which also require Russian regulatory approvals. The significant increase in high grade mineralisation adds not just to the overall total resource but will also positively impact the mining schedule and therefore the NPV of the project. The final analysis of this new material will not be available for some time but will not impact the release of the Pre-Feasibility Study ("PFS") which is in a very late stage of completion.

The Company believes that the 2018 field season represents the completion of mineral resource drilling and that we have sufficient minable resource at a grade and level of profitability over a 15 year plus life of mine to confidently present to potential long-term strategic partners and funding institutions. Although we are confident that further new mineralisation is still to be discovered any exploration drilling for this will most likely be a part of the early years of production.

With this in mind it is envisaged that once the 2018 field season has been completed, the Company's focus will turn predominantly to corporate development. Work on setting the foundations for this change in focus has been on-going throughout the period to date. An important consequence of this is that it will greatly lessen, but not eliminate, the Company's requirement for further funding while we develop and work through the corporate development programme in 2018/19.

Lastly, the Company extends its appreciation and thanks to long-term shareholders that have supported the Company to this point and into the future.

Mr. Robert W. Schafer
Non Executive Chairman
27 September 2018

## Independent Review Report
## To the shareholders of Amur Minerals Corporation

**Introduction**

We have been engaged by the Group to review the consolidated financial information in the interim financial report for the six months ended 30 June 2018 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 consolidated financial information.

**Directors' responsibilities**

The interim financial 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 Group's annual accounts having regard to the accounting standards applicable to such annual accounts.

**Our responsibility**

Our responsibility is to express to the Group 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 Group 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.

**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 consolidated financial information in the interim, in accordance with the rules of the London Stock Exchange for companies trading securities on AIM.

**Material Uncertainty related to going concern**

We draw attention to note 3 in the financial information which indicates that the Group requires additional funding raised and this is yet to agreed. As stated in note 3, these events or conditions, along with other matters as set out in note 3, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

*BDO LLP*
*Chartered Accountants and Registered Auditors*
*London,*
*United Kingdom*
*27 September 2018*
*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 2018**
*(Amounts in thousands of US Dollars)*

| | Note | Unaudited 30 June 2018 | Unaudited 30 June 2017 | Audited 31 December 2017 |
|---|---|---|---|---|
| **Non-current assets** | | | | |
| Exploration and evaluation assets | **5** | 22,971 | 19,896 | 22,376 |
| Property, plant and equipment | | 2,277 | 3,204 | 2,884 |
| | | **25,248** | **23,100** | **25,260** |
| **Current assets** | | | | |
| Inventories | | 1,013 | 830 | 769 |
| Other receivables | | 205 | 231 | 741 |
| Cash and cash equivalents | | 3,418 | 5,438 | 2,555 |
| | | **4,636** | **6,499** | **4,065** |
| **Total assets** | | **29,884** | **29,599** | **29,325** |
| **Current liabilities** | | | | |
| Trade and other payables | | 995 | 645 | 768 |
| Convertible loan | **6** | 2,401 | - | - |
| Derivative financial liability | **7** | 78 | 763 | - |
| | | **3,474** | **1,408** | **768** |
| **Net current assets** | | **1,162** | **5,091** | **3,297** |
| **Non-Current Liabilities** | | | | |
| Rehabilitation provision | | 162 | 172 | 176 |
| **Total non-current liabilities** | | **162** | **172** | **176** |
| **Net assets** | | **26,248** | **28,019** | **28,381** |
| **Equity** | | | | |
| Share capital | **8** | 63,983 | 60,548 | 62,879 |
| Share premium | | 4,904 | 4,904 | 4,904 |
| Foreign currency translation reserve | | (13,218) | (11,802) | (11,227) |
| Share options reserve | **9** | 2,034 | 3,480 | 3,366 |
| Warrant reserve | | 343 | - | - |
| Accumulated deficit | | (31,798) | (29,111) | (31,541) |
| **Total equity** | | **26,248** | **28,019** | **28,381** |

Approved on behalf of the Board on 27 September 2018

Robin Young

Brian C Savage

**AMUR MINERALS CORPORATION**
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**
**FOR THE SIX MONTHS ENDED 30 JUNE 2018**
*(Amounts in thousands of US Dollars)*

| | ***Note*** | *Unaudited 6 Months ended 30 June 2018* | *Unaudited 6 Months ended 30 June 2017* | *Audited Year ended 31 December 2017* |
|---|---|---|---|---|
| Administrative expenses | | (1,118) | (946) | (1,924) |
| **Operating loss** | | **(1,118)** | **(946)** | **(1,924)** |
| Finance income | | 1 | 2 | 3 |
| Finance expense | | (472) | - | - |
| Fair value movements on derivative financial instruments | | - | 2,334 | 767 |
| **(Loss) / profit before tax** | | **(1,589)** | **1,390** | **(1,154)** |
| Tax expense | | - | - | - |
| **(Loss) / profit for the period / year attributable to owners of the parent** | | **(1,589)** | **1,390** | **(1,154)** |
| **Other Comprehensive (loss) / income:** | | | | |
| **Items that could be reclassified to profit or loss** | | | | |
| Exchange differences on translation of foreign operations | | **(1,991)** | **625** | **1,200** |
| **Total comprehensive (loss) / income for the period / year attributable to owners of the parent** | | **(3,580)** | **2,015** | **46** |
| (Loss) / earnings per share: basic & diluted | **4** | US$ (0.003) | US$ 0.002 | US$ (0.002) |

**AMUR MINERALS CORPORATION**
**CONSOLIDATED STATEMENT OF CASH FLOWS**
**FOR THE SIX MONTHS ENDED 30 JUNE 2018**
*(Amounts in thousands of US Dollars)*

| | ***Note*** | *Unaudited 6 Months ended 30 June 2018* | *Unaudited 6 Months ended 30 June 2017* | *Audited Year ended 31 December 2017* |
|---|---|---|---|---|
| **Cash flows used in operating activities:** | | | | |
| Payments to suppliers and employees | | (1,207) | (835) | (2,703) |
| **Net cash outflow from operating activities** | | (1,207) | (835) | (2,703) |
| **Cash flow used in investing activities:** | | | | |
| Payments for exploration expenditure | | (1,294) | (1,773) | (3,234) |
| Payment for property, plant and equipment | | (48) | (258) | (470) |
| Interest received | | | - | 3 |
| **Net cash used in investing activities** | | (1,342) | (2,031) | (3,701) |
| **Cash flow from financing activities:** | | | | |
| Issue of convertible loan (net of issue costs) | **6** | 3,454 | 57 | 570 |
| **Net cash generated from financing activities** | | 3,454 | 57 | 570 |
| **Net increase/(decrease) in cash and cash equivalents** | | **905** | **(2,809)** | **(5,834)** |
| Cash and cash equivalents at beginning of period / year | | 2,555 | 8,199 | 8,199 |
| Effect of foreign exchange rates | | (42) | 48 | 190 |
| **Cash and cash equivalents at end of period / year** | | **3,418** | **5,438** | **2,555** |

**AMUR MINERALS CORPORATION**
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
**FOR THE SIX MONTHS ENDED 30 JUNE 2018**
*(Amounts in thousands of US Dollars)*

| | *Share capital* | *Share premium* | *Foreign currency translation reserve* | *Share options reserve* | *Warrant Reserve* | *Accumulated deficit* | *Total* |
|---|---|---|---|---|---|---|---|
| **At 1 January 2018** | **62,879** | **4,904** | **(11,227)** | **3,366** | **-** | **(31,541)** | **28,381** |
| Loss of the period | **-** | **-** | **-** | **-** | - | (1,589) | **(1,589)** |
| Other comprehensive loss for the period | **-** | **-** | (1,991) | **-** | **-** | **-** | **(1,991)** |
| Total comprehensive loss for the period | - | - | (1,991) | - | - | (1,589) | **(3,580)** |
| Issue of share capital | 1,104 | - | - | - | - | - | **1,104** |
| Issue of warrants | - | - | - | - | 343 | - | **343** |
| Options expired | - | - | - | (1,332) | - | 1,332 | **-** |
| **At 30 June 2018 (unaudited)** | **63,983** | **4,904** | **(13,218)** | **2,034** | **343** | **(31,798)** | **26,248** |
| | | | | | | | |
| **At 1 January 2017** | **60,293** | **4,904** | **(12,427)** | **3,575** | **-** | **(30,596)** | **25,749** |
| Profit of the period | **-** | **-** | **-** | **-** | - | 1,390 | **1,390** |
| Other comprehensive income for the period | **-** | **-** | 625 | **-** | **-** | **-** | **625** |
| Total comprehensive income for the period | - | - | 625 | - | - | 1,390 | **2,015** |
| Issue of share capital | - | **-** | **-** | - | - | - | **-** |
| Exercise of warrants | 255 | **-** | **-** | (57) | - | 57 | **255** |
| Options expired | - | - | **-** | (38) | - <br> **-** | 38 | **-** |
| **At 30 June 2017 (unaudited)** | **60,548** | **4,904** | **(11,802)** | **3,480** | **-** | **(29,111)** | **28,019** |
| | | | | | | | |
| **At 1 January 2017** | **60,293** | **4,904** | **(12,427)** | **3,575** | **-** | **(30,596)** | **25,749** |
| Loss for the year | **-** | **-** | **-** | **-** | - | (1,154) | **(1,154)** |
| Other comprehensive income for the year | **-** | **-** | 1,200 | **-** | **-** | **-** | **1,200** |
| Total comprehensive income for the period | - | - | 1,200 | - | - | (1,154) | **46** |
| Issue of share capital | 2,528 | - | - | - | - | - | **2,528** |
| Exercise of options | 58 | - | **-** | - | - | - | **58** |
| Options expired | - | - | **-** | (209) | - | 209 | **-** |
| **At 31 December 2017 (audited)** | **62,879** | **4,904** | **(11,227)** | **3,366** | **-** | **(31,541)** | **28,381** |

## 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 2018 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 2017 are available upon request from the Company's registered office at Kingston Chambers, P.O. Box 173, Road Town, Tortola, British Virgin Islands, from offices of RBC Europe Limited, Riverbank House, 2 Swan Lane London EC4R 3BF or at www.amurminerals.com.

## 2. BASIS OF PREPARATION

The financial information set out in this report is based on the consolidated financial information of Amur Minerals Corporation and its subsidiary companies. The financial information of the Group for the 6 months ended 30 June 2018 was approved and authorised for issue by the Board on 27 September 2018. 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 2018 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 2017 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 2017 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 2018. The corresponding amounts are for the year ended 31 December 2017 and for the 6 month period ended 30 June 2017.

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 2018, and will be adopted in the 2018 annual financial statements.

A number of new standards, amendments and interpretations became effective on 1 January 2018 and have been adopted by the Group. None of these standards have materially affected the Group, in particular:

- IFRS 9 has replaced IAS 39 Financial Instruments: Recognition and Measurement. All financial assets of the Group continue to be classified and measured at amortised cost. There are no material financial assets subject to the expected credit loss model defined within IFRS 9, except for cash. The level of credit risk that the Group is exposed to has not given rise to material allowances within the expected credit loss model. The adoption of the new standard has not had a material impact on the Group's financial liabilities.

*Accounting policy for convertible loan*
The Group has issued a hybrid financial instrument which comprises a convertible loan that can be converted to share capital at the option of the holder. The conversion component of this hybrid financial instrument does not meet the definition of equity and is accounted for as an embedded derivative on the basis that the number of shares to be issued on conversion of the loan varies in response to the changes in the Company's shares price and foreign exchange rates.

The proceeds received on issue of the Group's convertible loan are allocated into their non-derivative liability and embedded derivative components.

The non-derivative liability component is recognised initially at the fair value of a similar liability that does not have a conversion feature. It is subsequently measured at amortised cost using the effective interest rate method.

The derivative financial instrument is recognised initially at the difference between the fair value of the non-derivative host component and the fair value of the hybrid financial instrument as a whole. It is subsequently accounted at fair value with changes taken to profit or loss.

Directly attributable transactions costs are allocated to the non-derivative host component and are amortised over the term of the convertible loan.

## 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.

On 13 February 2018, the Group entered into a US$10 million convertible loan facility with Cuart Investments PCC and YA II PN Ltd ('the investors'). Under the agreement, the Group received a US$4 million advance which is fully repayable in 12 monthly instalments and the Group can elect to make monthly repayments of interest and principal in accordance with repayment schedule. Should the Group not make the repayments, the investors can elect to convert the amounts into shares or receive repayment of the outstanding amounts at the end of the 12 month period. The remaining US$6m has not been drawn down as the required milestones were not achieved.

The Directors have reviewed the Group's cash flow forecast for the period to 31 December 2019 and plan to continue advancing the project in 2018 - 2019. The cashflow indicates a need for additional funding to be raised in order to advance the project. The directors are in discussions with the convertible loan noteholders to agree on revised terms in order to draw down on the remaining US$6 million in the facility. The directors are also involved in discussions with other potential investors to provide further funding. At the date of this report no contracts have been signed.

These conditions indicate the existence of a material uncertainty, which may cast doubt over the Group's ability to continue as a going concern. Based on the on-going discussions with the potential investors, the Directors are confident that alternative funding will be secured and the revised terms of the convertible loan will be agreed.

Accordingly, the Directors continue to adopt the going concern basis for the preparation of this consolidated financial information.

The financial information does not include the adjustments that would result if the Group were unable to continue as a going concern.

## 4. (LOSS) / EARNINGS PER SHARE

Basic and diluted loss or earnings per share are calculated and set out below. The effects of convertible loan notes, 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 21.6 million of potential ordinary shares have therefore been excluded from the following calculations:

| | *Unaudited 6 Months ended 30 June 2018* | *Unaudited 6 Months ended 30 June 2017* | *Audited Year ended 31 December 2017* |
|---|---|---|---|
| Net (loss) / profit for the period / year | (1,589) | 1,390 | (1,154) |
| Weighted average number of shares for the period/year | 640,216,525 | 601,452,853 | 613,250,727 |
| **Basic (loss) / profit per share** | **US$ (0.003)** | **US$ 0.002** | **US$ (0.002)** |
| **Diluted (loss) / profit per share** | **US$ (0.003)** | **US$ 0.002** | **US$ (0.002)** |
| Basic weighted average number of ordinary shares | 640,216,525 | 601,452,853 | 613,250,727 |
| Dilutive effect of weighted average share options | - | 32,964,403 | - |
| **Diluted weighted average number of ordinary shares** | **640,216,525** | **634,417,256** | **613,250,727** |

## 5. EXPLORATION AND EVALUATION ASSETS

| | *Unaudited 6 Months ended 30 June 2018* | *Unaudited 6 Months ended 30 June 2017* | *Audited Year ended 31 December 2017* |
|---|---|---|---|
| **At start of the period / year** | **22,376** | **17,167** | **17,167** |
| Additions | 2,258 | 2,264 | 4,276 |
| Foreign exchange differences | (1,663) | 465 | 933 |
| **At end of the period / year** | **22,971** | **19,896** | **22,376** |

The Group did not recognise any impairment in respect of its exploration and evaluation assets during the period (1H 2017: nil) (2017: nil).

## 6. CONVERTIBLE LOAN

On 13 February 2018, the Group entered into a US$10 million convertible loan facility with Cuart Investments PCC and YA II PN Ltd (‘the investors’). Under the agreement, the Group received a US$4 million advance on 13 February 2018. The loan is unsecured, bears 8% annual compound interest and is repayable in 12 monthly instalments. The Group can elect to make monthly repayments of interest and principal in accordance with the repayment schedule. Should the Group not make the repayments, the investors can elect to receive full repayment at the end of the 12 months period or to periodically convert the amounts into shares at the lower of:

- The fixed conversion price, being 130% of the Amur’s daily volume average price over the period of 20 trading days immediately prior to the date on which the loan advance was paid to the Company; or
- The variable conversion price, being 90% of the Amur’s lowest daily volume average price over the 5 trading days immediately preceding the relevant conversion notice.

The movement in convertible loan is analysed as follows:

| | |
|---|---|
| **At 1 January 2018** | |
| Amount received | 4,000 |
| Issue costs - cash | (546) |
| Issue costs – shares (note 8) | (39) |
| Attaching warrants | (343) |
| Embedded derivative (note 7) | (143) |
| Effective interest accrued | 472 |
| Loan and interest converted (note 8) | (1,000) |
| **At 30 June 2018** | **2,401** |

*Equity warrants*

During 2018, the Company granted 9,290,323 new warrants to Cuart Investments PCC and YA II PN Ltd at a subscription price of 9.3 pence as part of the convertible loan facility entered into on 13 February 2018. The fair value of the warrants was estimated at the grant date using a Black-Scholes model, taking into account the terms and conditions on which the warrants were granted. The fair value was based on the following assumptions:

| | |
|---|---|
| Share price | 5.4p |
| Exercise price | 9.3p |
| Expected volatility | 95% |
| Option life | 3 years |
| Expected dividends | Nil |
| Risk free rate | 2.86% |

## 7. DERIVATIVE FINANCIAL LIABILITY

| | *Unaudited 6 Months ended 30 June 2018* | *Unaudited 6 Months ended 30 June 2017* | *Audited Year ended 31 December 2017* |
|---|---|---|---|
| Embedded derivative | 78 | - | - |
| Warrants | - | 763 | - |
| **At end of the period / year** | **78** | **-** | **-** |

*Embedded derivative*
The embedded derivative represents the conversion element of the convertible loan issued to Cuart Investments PCC and YA II PN Ltd on 13 February 2018 (note 6).

It is initially recognised at the difference between the fair value of the non-derivative host component and the fair value of the hybrid financial instrument as a whole, and subsequently accounted at fair value with changes taken to profit or loss. On conversion to Company's shares, the fair value of the embedded derivative is transferred to equity.

The movement in the fair values of the embedded derivative during the period has been as follows:

| | |
|---|---|
| **1 January 2018** | **-** |
| Additions in the period | 143 |
| Converted in the period | (65) |
| Fair value movement | - |
| **30 June 2018** | **78** |

*Warrants*
During 2016, the Company granted 72,586,729 new warrants to Crede CG III Limited at a subscription price between 9.945 pence and 5.07 pence as part of an equity subscription agreement entered into on 14 December 2015 and all outstanding warrants previously granted were exercised in full during the year ended 31 December 2017. Further details of movements in numbers and the fair value of these warrants can be obtained from the Group's 2017 Annual Report available on the Company's website.

## 8. SHARE CAPITAL

| | *Unaudited 30 June 2017* | *Unaudited 30 June 2017* | *Audited 31 December 2017* |
|---|---|---|---|
| Number of Shares (no par value): | | | |
| Authorised | 1,000,000,000 | 1,000,000,000 | 1,000,000,000 |
| Total issued | **652,592,519** | 611,552,748 | 634,429,789 |

The following issuances of new ordinary shares were made to Cuart Investments PPC Ltd and YA II PN Ltd in settlement of principal and accrued interest of the convertible loan agreement entered into on 13 February 2018.

| Date | No. of shares | Settlement US$ |
|---|---|---|
| 20 March 2018 | 1,722,264 | 100,745 |
| 9 April 2018 | 1,722,870 | 100,460 |
| 13 April 2018 | 1,820,108 | 100,066 |
| 19 April 2018 | 1,821,943 | 100,110 |
| 26 April 2018 | 3,608,257 | 200,263 |
| 16 May 2018 | 3,375,994 | 200,789 |
| 20 June 2018 | 3,480,369 | 197,753 |
| | **17,551,805** | **1,000,186** |

On 2 May 2018, the Company issued 610,925 new Ordinary Shares to the Company's financial advisors Medea Capital Partners Limited in settlement of GBP28,744 (US$39,121) fees outstanding to them at an issue price of 4.705 pence (US$0.064) per share.

## 9. SHARE-BASED PAYMENTS

During the period ended 30 June 2018 18,372,569 options expired (1H 2017: 233,000) which resulted in a transfer to the Options Reserve of US$1,332,000 (1H 2017: US$38,000).

No new options were granted to key management and personnel during this period (1H 2017: nil).

At 30 June 2018 the following options were outstanding at the beginning and end of the period:

| | |
|---|---|
| **Outstanding at 1 January 2018** | **30,746,569** |
| Exercised | - |
| Expired | (18,372,569) |
| **Outstanding at 30 June 2018** | **12,374,000** |

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 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 UK government issued Gilt Strips with a life similar to the expected term of the options at the date of measurement.

No share-based payment charge has arisen in the period from the existing outstanding options (H1 2017: nil).

## 10. EVENTS AFTER THE REPORTING DATE

The following issuances of new ordinary shares were made to Cuart Investments PPC Ltd and YA II PN Ltd in settlement of principal and accrued interest of the convertible loan agreement entered into on 13 February 2018.

| Date | No. of shares | Settlement US$ |
|---|---|---|
| 9 July 2018 | 3,543,960 | 163,589 |
| 24 July 2018 | 3,624,589 | 159,698 |
| 30 July 2018 | 3,448,963 | 151,841 |
| 22 August 2018 | 3,766,649 | 165,101 |
| 29 August 2018 | 4,693,712 | 203,835 |
| 7 September 2018 | 3,495,437 | 154,537 |
| 19 September 2018 | 3,491,171 | 155,184 |
| | **26,064,481** | **1,153,786** |

**11. INTERIM REPORT**

Copies of this interim report for the six months ended 30 June 2018 will be available from the Company's website www.amurminerals.com.

## 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.

**Enquiries:**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