Interim report
for the six months ended
30 June 2017

EURASIA MINING PLC

Chairman's Statement

Dear Shareholder,

I am pleased to report to you as Executive Chairman of the board for the first time, for these, our 2017 interim accounts. On behalf of the Company, allow me to extend again a heartfelt thank you to Michael Martineau for his long years of service to the Company on his retirement as non-executive chairman earlier this year.

Over the last few months there has been continued progress in the development of our projects which I have outlined in the operational update below. Our operating mine at West Kytlim complements our Monchetundra asset, which is nearing the end of feasibility, and these, together, create an integrated pipeline of PGM assets. Our people both in Russia and in London, continue to focus their attention on the Company's core strategy of developing these two key assets, while also pursuing potential openings at other projects throughout Russia, such as the Semenovsky tailings project where our exclusivity was extended recently.

In addition, we greatly welcome the turnaround in the mining sector in the past twelve months, and the consequent upswing in commodity prices.

I would like to take this opportunity to thank all of our shareholders, stakeholders and employees for their continued support and look forward to updating the market with our progress over the coming months.

Christian Schaffalitzky
Executive Chairman

OPERATIONS UPDATE

Monchetundra

A 1.9 million ounce (reserve and resource) PGM (palladium and platinum) deposit with significant base metal credits in final stage of feasibility, in the Kola Peninsula, north west Russia

Progress through the permitting process at Monchetundra continues as planned. The Company, through our local Russian subsidiary, filed for a Discovery Certificate for the already state approved reserves and resources of 1.9 million ounces PGM at two open-pittable deposits six kilometres southwest of the town of Monchegorsk on the Kola Peninsula. The Discovery Certificate was issued in mid-July, marking another milestone for the project and the Company. The Discovery Certificate also attributes mining rights to other metals in the reserves approved, namely; gold - 2,139 kilogrammes, copper - 28,124 tonnes and nickel - 30,401 tonnes.

As well as advancing the permitting process towards the submission of a mining license application, the Company has been busy developing working relationships with key service contractors and working on potential business partnerships in metal streaming, and down-stream sales. In order to apply for a mining license Eurasia will be required to have contracts with service providers in place, to cover mine design, blasting, mine surveying, ecological monitoring and land rehabilitation. These contracts have now been assigned ahead of the official submission of the mining license application. In addition, discussions are ongoing with local and international companies seeking quality, low sulphide feed stocks for their PGM smelting facilities.

As the project gets closer to becoming a producing mine it is important to understand the market for PGM and base metal concentrates, and the companies that are capable of processing life of mine output into palladium, platinum, gold, nickel and copper products. Discussions are also ongoing with royalty companies. Most recently, a non- disclosure agreement has been signed with Silver Wheaton Inc, a Canadian based royalty streaming company, to discuss the potential of its commercial involvement. Interested parties also include Glencore and Sinosteel, with whom an Engineering, Procurement, Construction and Financing ("EPCF") contract was agreed in October of 2016 providing access to finance with which to build the plant at the Monchetundra mine. The EPCF contract includes financing of $150 million as a 10 year facility at 6m LIBOR plus 3.5 per cent. Further updates will be provided should any of these arrangements progress.

A total in-situ value calculation based on metal prices in September 2017, undertaken by Eurasia, amounts to more than $2.0 billion,-a significant increase on the $1.7 billion calculated in July of this year. As a result of the price gains made in the Monchetundra 'metals basket', but particularly in palladium, the Company is now considering a re-estimation of the reserves at Monchetundra; as the palladium and platinum prices approach parity, ore bodies contoured in terms of palladium equivalent (a basket of palladium and platinum) change, such that new parts of ore bodies become economic. At the time of writing, the year to date increase in palladium price was 32.5 per cent (source: Kitco.com)

The application for a mining permit for the Monchetundra License is expected to be made in the fourth quarter of this year, its exact timing is uncertain due to the further clearance that is required at various local and state commissions. The award of the mining license may occur six to 12 months after submission. For comparison, the mining right at the West Kytlim Mine was assigned within eight months of submission of the application.

West Kytlim

An operating alluvial platinum and gold mine in the Ural Mountains

Mining at West Kytlim, Eurasia's operating platinum, gold, iridium and rhodium mine in the Ural Mountains has progressed following a later than scheduled start up in mid-May 2017. An increase in reserves was calculated earlier in the Spring, owing to higher than expected mining grades and ore body extensions discovered in the 2016 mining season. These reserves were assimilated into the 2017 mining allotment.

Eurasia continues to work in partnership with Regionmetall, the mining contractor at the project, in developing the project reserves and resources, which currently stand at 2,283 kilogrammes of raw platinum in reserves and 1,400 kilogrammes of platinum in resources.

Capital expenditure, and the majority of operating costs, are being met by Regionmetall for a consideration of 70 per cent of top line sales. Various adaptations and improvements to the processing scheme used last year by Regionmetall were tested in the opening weeks of the 2017 season and modifications made to the series of vibrating screens. These were changes to how oversize material is managed before smaller particle sizes proceed to a five-track sluice.

In parallel with the mining operation, work continues in developing the resources and reserves ahead of mining. A total of 1,490 meters of resource upgrade drilling was completed earlier in the year, at the Bolshaya Sosnovka and Kluchiki areas. Samples were subsequently assayed and reserve estimation is being prepared which will allow conversion of C2 category reserves to C1 category reserves. This work, managed by Eurasia but funded by Regionmetall, ensures mineable reserves for the 2018 and 2019 mining seasons. A further 390 metres of large diameter infill sampling is planned for the autumn of this year.

As has previously been announced, the mining season commenced later than planned and therefore, Regionmetall failed to reach the production quota outlined in an agreement that was entered into in January 2017. Therefore, in accordance with the agreement, the exclusivity granted to Regionmetall as mining contractors was automatically rescinded. Owing to the distributed nature of the reserves and resources throughout the 36 square kilometre license, Eurasia have begun to look for further experienced mining contractors to work in tandem with Regionmetall thereby increasing mine output considerably and improving project economics through a shortened life of mine. Discussions are now ongoing with several groups.

Semenovsky Tailings Project

A feasibility stage project recovering gold and silver from old mine tailings

The Semenovsky Project, over which we have extended our exclusivity until the end of November 2017, remains of interest to Eurasia due to its simple processing scheme and short lead time to production. Tailings projects are a proven route to early cash flow for junior miners and explorers and we continue to seek a way to finance its development.

Condensed consolidated statement of comprehensive income
for the six months ended 30 June 2017

	Note	6 months to 30 June 2017 (unaudited) £	12 months to 31 December 2016 (audited) £	6 months to 30 June 2016 (unaudited) £
Revenue		26,525	139,862	-
Cost of sales		(35,554)	(130,688)	-
Gross (loss)/profit		**(9,029)**	**9,174**	**-**
Administrative costs		(509,621)	(654,263)	(245,679)
Finance costs		(503,610)	(224,814)	(95,000)
Other gains and losses	4	(84,252)	1,864,143	1,195,769
(Loss)/profit before tax		**(1,106,512)**	**994,240**	**855,090**
Income tax expense		-	-	-
(Loss)/profit for the period		**(1,106,512)**	**994,240**	**855,090**
Other comprehensive (loss)/income:				
Items that will not be reclassified subsequently to profit and loss:				
NCI share of foreign exchange differences on translation of foreign operations		(5,381)	(132,190)	(81,027)
Items that will be reclassified subsequently to profit and loss:				
Parents share of foreign exchange differences on translation of foreign operations		(67,836)	(248,650)	(178,733)
Other comprehensive loss for the period, net of tax		**(73,217)**	**(380,840)**	**(259,760)**
Total comprehensive (loss)/income for the period		**(1,179,729)**	**613,400**	**595,330**
(Loss)/profit for the period attributable to:				
Equity holders of the parent		(1,117,078)	740,265	660,512
Non-controlling interest		10,566	253,975	194,578
		(1,106,512)	**994,240**	**855,090**
Total comprehensive (loss)/income for the period attributable to:				
Equity holders of the parent		(1,184,914)	491,615	481,779
Non-controlling interest		5,185	121,785	113,551
		(1,179,729)	**613,400**	**595,330**
Basic (loss)/profit (pence per share)		(0.07)	0.05	(0.03)
Basic and diluted (loss)/profit (pence per share)		(0.07)	0.05	(0.03)

Condensed consolidated statement of financial position
As at 30 June 2017

	Note	At 30 June 2017 (unaudited) £	At 31 December 2016 (audited) £	At 30 June 2016 (unaudited) £
ASSETS				
Non-current assets				
Property, plant and equipment	5	4,449,913	4,402,272	25,947
Assets in the course of construction		39,934	39,216	-
Intangible assets	6	859,335	813,135	4,222,933
Investments in joint operations		44,495	44,131	-
Other financial assets	7	463,077	489,312	449,589
Total non-current assets		**5,856,754**	**5,788,066**	**4,698,469**
Current assets				
Inventories		12,774	23,844	628
Trade and other receivables		157,104	149,146	240,381
Cash and bank balances		450,980	154,674	183,591
Total current assets		**620,858**	**327,664**	**424,600**
Total assets		**6,477,612**	**6,115,730**	**5,123,069**
EQUITY				
Capital and reserves				
Issued capital	8	25,755,493	25,577,993	24,912,402
Reserves	9	3,288,291	3,281,842	3,351,759
Accumulated losses		(23,661,978)	(22,544,900)	(22,624,653)
Equity attributable to equity holders of the parent		**5,381,806**	**6,314,935**	**5,639,508**
Non-controlling interest		(670,208)	(675,393)	(683,627)
Total equity		**4,711,598**	**5,639,542**	**4,955,881**
LIABILITIES				
Non-current liabilities				
Borrowings	10	389,802	-	-
Total non-current liabilities		**389,802**	**-**	**-**
Current liabilities				
Borrowings	10	1,091,633	318,314	-
Trade and other payables		284,579	157,874	167,188
Total current liabilities		**1,376,212**	**476,188**	**167,188**
Total liabilities		**1,766,014**	**476,188**	**167,188**
Total equity and liabilities		**6,477,612**	**6,115,730**	**5,123,069**

Condensed statement of changes in equity
For the six months ended 30 June 2016

	Note	Share capital £	Share premium £	Deferred shares £	Other reserves £	Foreign currency translation reserve £	Accumulated losses £	**Total attributable to owners of parent** £	Non-controlling interest £	**Total equity** £
		Attributable to owners of the parent								
Balance at 1 January 2016		1,269,043	15,890,910	7,025,483	3,542,694	(12,202)	(23,285,165)	**4,430,763**	(797,178)	**3,633,585**
Issue of ordinary share capital for cash		115,456	549,010	-	-	-	-	**664,466**	-	**664,466**
Issue of shares in lieu of loan interest		15,910	71,590	-	-	-	-	**87,500**	-	**87,500**
Issue of ordinary share capital for professional services		4,545	20,455	-	-	-	-	**25,000**	-	**25,000**
Share issue cost		-	(50,000)	-	-	-	-	**(50,000)**	-	**(50,000)**
Transaction with owners		**135,911**	**591,055**	**-**	**-**	**-**	**-**	**726,966**	**-**	**726,966**
Profit for the period		-	-	-	-	-	660,512	**660,512**	194,578	**855,090**
Other comprehensive loss										
Exchange differences on translation of foreign operations		-	-	-	-	(178,733)	-	**(178,733)**	(81,027)	**(259,760)**
Total comprehensive income		**-**	**-**	**-**	**-**	**(178,733)**	**660,512**	**481,779**	**113,551**	**595,330**
Balance at 30 June 2016		**1,404,954**	**16,481,965**	**7,025,483**	**3,542,694**	**(190,935)**	**(22,624,653)**	**5,639,508**	**(683,627)**	**4,955,881**

Condensed statement of changes in equity
For the six months ended 30 June 2017

	Note	Share capital £	Share premium £	Deferred shares £	Other reserves £	Foreign currency translation reserve £	Accumulated losses £	**Total attributable to owners of parent** £	Non-controlling interest £	**Total equity** £
		Attributable to owners of the parent								
Balance at 1 January 2017		1,509,788	17,042,722	7,025,483	3,542,694	(260,852)	(22,544,900)	**6,314,935**	(675,393)	**5,639,542**
Shares issued under terms of financing arrangements		33,262	144,237	-	-	-	-	**177,499**	-	**177,499**
Recognition of equity element of convertible loan notes		-	-	-	74,286	-	-	**74,286**	-	**74,286**
Transaction with owners		**33,262**	**144,237**	**-**	**74,286**	**-**	**-**	**251,785**	**-**	**251,785**
Loss for the period		-	-	-	-	-	(1,117,078)	**(1,117,078)**	10,566	**(1,106,512)**
Other comprehensive loss										
Exchange differences on translation of foreign operations		-	-	-	-	(67,836)	-	**(67,836)**	(5,381)	**(73,217)**
Total comprehensive income		**-**	**-**	**-**	**-**	**(67,836)**	**(1,117,078)**	**(1,184,914)**	**5,185**	**(1,179,729)**
Balance at 30 June 2017		**1,543,050**	**17,186,959**	**7,025,483**	**3,616,980**	**(328,688)**	**(23,661,978)**	**5,381,806**	**(670,208)**	**4,711,598**

Condensed consolidated statement of cash flows
for the six months ended 30 June 2017

	6 months to 30 June 2017 (unaudited) £	12 months to 31 December 2016 (audited) £	6 months to 30 June 2016 (unaudited) £
Cash flows from operating activities			
(Loss)/profit for the period	(1,106,512)	994,240	855,090
Adjustments for:			
Depreciation and amortisation of non-current assets:			
- Fixed assets	157	17,635	937
Net foreign exchange loss/(profit)	84,252	(1,959,358)	(1,195,769)
Finance costs	503,610	224,814	95,000
Costs recognised in income statement in respect of equity-settled share-based payments	-	25,000	25,000
Impairment loss recognised on trade and other receivables	-	95,215	-
	(518,493)	**(602,454)**	**(219,742)**
Movements in working capital			
Increase in inventories	(9,453)	(23,530)	(352)
Decrease in trade and other receivables	10,671	46,371	18,622
Increase/(decrease) in trade and other payables	127,916	(203,036)	(175,000)
Cash used in operations	**(389,359)**	**(782,649)**	**(376,472)**
Net cash used in operating activities	**(389,359)**	**(782,649)**	**(376,472)**
Cash flows from investing activities			
Contributed to joint operations	(364)	(44,131)	-
Payments for property, plant and equipment	(146,883)	(3,578)	(606)
Invested into assets under construction	(1,375)	(39,216)	
Payments for other intangible assets	(67,619)	(620,416)	(197,141)
Net cash used in investing activities	**(216,241)**	**(707,341)**	**(197,747)**
Cash flows from financing activities			
Proceeds from issues of equity shares	-	818,557	664,466
Payment for share issue costs	-		(50,000)
Proceeds from borrowings	1,661,296	892,500	242,500
Repayment of borrowings	(750,000)	(250,000)	(250,000)
Net cash generated by financing activities	**911,296**	**1,461,057**	**606,966**
Net increase/(decrease) in cash and cash equivalents	305,696	(28,933)	32,747
Effects of exchange rate changes on the balance of cash held in foreign currencies	(9,390)	78,682	45,919
Cash and cash equivalents at the beginning of period	154,674	104,925	104,925
Cash and cash equivalents at the end of the period	**450,980**	**154,674**	**183,591**

Selected notes to the condensed consolidated financial statements
for the six months ended 30 June 2017

1. General information

Eurasia Mining plc (the “Company”) is a public limited company incorporated and domiciled in Great Britain with its registered office and principal place of business at 2nd Floor, 85-87 Borough High Street, London SE1 1NH. The Company’s shares are listed on AIM, a market of the London Stock Exchange. The principal activities of the Company and its subsidiaries (the “Group”) are related to the exploration for and development of platinum group metals, gold and other minerals in Russia.

The financial information set out in these condensed interim consolidated financial statements (the "Interim Financial Statements") do not constitute statutory accounts as defined in Section 435 of the Companies Act 2006. The Group's statutory financial statements for the year ended 31 December 2015, prepared under International Financial Reporting Standards (the “IFRS”), have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified. The report did not contain a statement under Section 498(2) of the Companies Act 2006.

2. Basis of preparation

The Group prepares consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) ,as endorsed by the European Union (EU). These condensed consolidated interim financial statements for the period ended 30 June 2017 have been prepared by applying the recognition and measurement provisions of IFRS and the accounting policies adopted in the audited accounts for the year ended 31 December 2016.

These Interim Financial Statements have been prepared under the historical cost convention.

The accounting policies have been applied consistently throughout the Group for the purposes of preparation of these condensed consolidated interim financial statements.

The Interim Financial Statements are presented in Pounds Sterling (£), which is also the functional currency of the parent company.

3. Accounting policies

The Interim Financial Statements have been prepared in accordance with the accounting policies adopted in the Group's last annual financial statements for the year ended 31 December 2016.

Selected notes to the consolidated financial statements for the six months ended 30 June 2017 (continued)

4. Other gains and losses

	6 months to 30 June 2017	12 months to 31 December 2016	6 months to 30 June 2016
	£	£	£
Impairment loss recognised on trade and other receivables	-	(95,215)	-
Net foreign exchange gain/loss	(84,252)	1,959,358	1,195,769
	(84,252)	**1,864,143**	**1,195,769**

5. Property, plant and equipment

	30 June 2017	31 December 2016	30 June 2016
	£	£	£
Net book value at the beginning of period	4,402,272	24,375	24,375
Additions	146,883	3,578	606
Transferred from intangible assets	-	4,388,797	-
Depreciation	(157)	(17,635)	(937)
Exchange differences	(99,085)	3,157	1,903
Net book value at the end of period	**4,449,913**	**4,402,272**	**25,947**

6. Intangible assets

	30 June 2017	31 December 2016	30 June 2016
	£	£	£
Net book value at the beginning of period	813,135	3,200,726	3,200,726
Additions	67,619	620,416	197,141
Transferred to mining asset	-	(4,388,797)	-
Exchange differences	(21,419)	1,380,790	825,066
Net book value at the end of period	**859,335**	**813,135**	**4,222,933**

Intangible assets represent capitalised costs associated with Group's exploration, evaluation and development of mineral resources.

7. Other financial assets

	30 June 2017	31 December 2016	30 June 2016
Advances to acquire interest in uranium project	463,077	489,312	449,589
	463,077	**489,312**	**449,589**

Advances to acquire interest in uranium project represent payment of $602,000 made in 2011 towards acquisition of 55% interest in the Kamushanovsky uranium project in Kyrgyzstan translated using the prevailing rate of exchange at the end of reporting period.

Selected notes to the consolidated financial statements
for the six months ended 30 June 2017 (continued)

8. Share capital

	30 June 2017	31 December 2016	30 June 2016
Issued ordinary shares with a nominal value of 0.1p:			
Number	1,404,954,237	1,509,787,583	1,404,954,237
Nominal value (£)	1,404,954	1,509,788	1,404,954

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

Issued deferred shares with a nominal value of 4.9 p:			
Number	143,377,203	143,377,203	143,377,203
Nominal value (£)	7,025,483	7,025,483	7,025,483

Deferred shares have the following rights and restrictions attached to them:
- they do not entitle the holders to receive any dividends and distributions;
- they do not entitle the holders to receive notice or to attend or vote at General Meetings of the Company;
- on return of capital on a winding up the holders of the deferred shares are only entitled to receive the amount paid up on such shares after the holders of the ordinary shares have received the sum of 0.1p for each ordinary share held by them and do not have any other right to participate in the assets of the Company.

The increase in the Company's issued share capital during the reporting period occurred as follows:

Ordinary shares	Number of shares	Share capital £	Share premium £
Balance at 1 January 2017	1,509,787,583	1,509,788	17,042,722
Share placing for cash			
Issue of ordinary share capital for professional services			
Shares issued under terms of financing arrangements	33,262,906	33,262	144,237
Cost of issue of shares	-		
Balance at 30 June 2017	**1,543,050,489**	**1,543,050.0**	**17,186,959**

Deferred shares	Number of deferred shares	Deferred share capital £
Balance at 1 January and 30 June 2017	**143,377,203**	**7,025,483**

Selected notes to the consolidated financial statements for the six months ended 30 June 2017 (continued)

9. Reserves

	30 June 2017	31 December 2016	30 June 2016
	£	£	£
Capital redemption reserve	3,539,906	3,539,906	3,539,906
Foreign currency translation reserve	(328,688)	(260,852)	(190,935)
Equity-based payment reserve	2,788	2,788	2,788
	3,288,291	**3,281,842**	**3,351,759**

The capital redemption reserve was created as a result of a share capital restructuring in earlier years. There is no policy of regular transactions affecting the capital redemption reserve.

The foreign currency translation reserve represents exchange differences relating to the translation from the functional currencies of the Group's foreign subsidiaries into GBP.

The equity-based payments reserve represents a reserve arisen on (i) the grant of share options to employees under the employee share option plan and (ii) on issue of warrants under terms of professional service agreements.

Selected notes to the consolidated financial statements
for the six months ended 30 June 2017 (continued)

10. Borrowings

	30 June 2017	31 December 2016	30 June 2016
	£	£	£
Non-current			
Convertible loan notes	389,802	-	-
	389,802	**-**	**-**
Current			
Unsecured loan	50,633	318,314	
Convertible loan notes	1,041,000		
	1,091,633	**318,314**	**-**
	1,481,435	**318,314**	**-**

Loan facilities entered into in 2017

i) On 17 May 2017 the Company repaid £750,000 of the £1,000,000 loan entered into with Sanderson Capital Partners Limited in December 2016. The balance of £250,000 was transferred to a new loan facility entered into with Sanderson Capital Partners Limited on 10 May 2017. Under the terms the total fees of 20% of the principle amount is payable to the lender in advance at the inception. No interest to be accrued on the principle.

ii) On 15 May 2017 the Company entered into a loan agreement with YA II PN Limited for US$1,250,000, with a repayment date of 15 May 2018 although this can be extended, by mutual agreement, for a further 6 months for a fee of 6% of the then outstanding principal.

Interest applies on the loan at a rate of 14% although with a three-month repayment holiday on both interest and principal. An implementation fee of US$100,000 is immediately deductible from the principal amount on transfer of funds.

The lender may elect, at its discretion, to convert all or part of the loan repayments (interest and principal) into shares in the Company, at, the lower of a share price of 0.6p and, 90% of the Company's lowest daily volume weighted average price('VWAP') during the five days prior to conversion.

In addition, the agreement includes the issue of Warrants to the lender at 50% cover of the principal amount, and at a 20% premium to the VWAP in the 30 days preceding the agreement. Consequently the Company today issued 80,749,333 warrants at an exercise price of 0.6p per warrant. The warrants issued shall have a subscription period of three years.

iii) On 24 May 2017 the Company entered into a loan agreement with Deloan Investments Limited, a company controlled by Dmitry Suschov, a non-executive director of the Company for a convertible loan of up to US$500,000. The loan is convertible at any time into Ordinary Shares in the Company, at a price of 0.475p per Ordinary Share.

Under the terms of the agreement interest accrues on the loan at a rate of 15% which is to be satisfied by either cash payments or shares in the Company at a price of 0.475p per ordinary share.

In addition, the lender will be issued with a warrant to subscribe for 10,000,000 Ordinary Shares in the Company at any time for the next three years at an exercise price of 1p.

The purpose of the loans from i to iii above is to refinance existing loan and to use for general working capital purposes.