Interim report
for the six months ended
30 June 2018

EURASIA MINING PLC

Chairman's Statement

Dear Shareholder,

The first six months of 2018 have been very busy for the company, with the full commissioning of the first washplant at the mine at West Kytlim and attaining the final stage of the mining licence application at Monchetundra.

In March 2018 a new contractor, Techstroy, was appointed and immediately started site preparation work. Actual mining of stockpiled ore at Malaya Sosnovka open pit commenced in April 2018 and the first platinum was produced in early May 2018. Production up to the end of the reporting period of end June 2018 was well ahead of management expectations with 76kg produced of our target for the first half of 2018 of 50kg. As already announced, production proceeded to Kluchiki open pit in August 2018 and at the time of writing, in late September, we have achieved circa 150% of our internal production targets for the entire 2018, with two months still remaining in the season. We believe this represents a major outperformance of our initial production targets. We recognise Techstroy's efficient operation that has served us well to date, and look to our continued partnership through 2019 and beyond.

At Monchetundra, the technical approvals were received in June 2018 and the documentation is now with the Prime Minister's office. We are hopeful that the permit will be signed shortly.

At the time of writing, in late September 2018, we are pleased to confirm that all our loans have been discharged and the Company is debt free. I would like to acknowledge the help of our advisers in this regard, particularly First Equity from the time of their appointment as our broker and subsequently Optiva Securities. The Company is now in a much stronger position, with robust plans in place for future development and steady annual production foreseeable each year at West Kytlim. Coupled with the planned development of a mine at Monchetundra, we can anticipate a significant step-up for Eurasia and its shareholders.

Christian Schaffalitzky
Executive Chairman

OPERATIONS UPDATE

West Kytlim Platinum and Gold mine, Ural Mountains, Russia.

At the time of writing (19 September 2018) the total amount of raw platinum produced from both areas mined at West Kytlim, Malaya Sosnovka and Kluchiki, was 141.5kg (4,549 ounces). Total average raw platinum grade for the period stands at circa 1g/m3.

Malaya Sosnovka Open Pit

The Company continues to break new ground at the West Kytlim Project which attained industrial scale production in May 2018 of this year at the Malaya Sosnovka open pit and had already attained full year production guidance by late July 2018. Mining has now proceeded to Kluchiki open pit where work has been ongoing since August.

West Kytlim is the world's second largest alluvial platinum and gold mine (after Konder in Russia) and is contracted to Techstroy, a qualified and experienced alluvial operator. Eurasia has developed the project from grass roots exploration, through successive feasibility studies and reserve approvals to the issue of a mining permit. Mining commenced at industrial scale in May of 2018 at Malaya Sosnovka open pit within the 21.4km2 license area.

The flow sheet for processing gravels, as redesigned in early 2018 utilises a trommel as the main tool for washing and disintegration to produce a sluice concentrate. This is then further upgraded to a raw platinum black sand concentrate at the on-site laboratory operated by staff from Eurasia's subsidiary Kosvinsky Kamen. Shipments of platinum concentrate to the Ekaterinburg precious metals refinery are ongoing, commensurate with payments from sale of Platinum, Palladium, Rhodium, Iridium and Gold.

Kluchiki open pit

Kluchiki open pit occurs within a few kilometres of the Malaya Sosnovka Area, downstream in the Tylai river system.

Reserves and resources of 319kg raw platinum were identified in the area and achieved state approvals as part of the feasibility study approved in early 2014 (see RNS dated 22 April 2014).

A full team of personnel continue to operate onsite including up to 22 people from Eurasia's contractor Techstroy and up to 8 people from Eurasia's subsidiary Kosvinsky Kamen. Appropriate standards of health and safety are observed on the mine site, no significant incidents involving personal injury have occurred at the site. The mine is in a remote area, 20km from the nearest settlement at Kytlim, a small village of several hundred people. Precautions are taken with regard to safety of mine product, though risk to mine security is considered very low. Corporate and social responsibilities are managed in line with the Company's newly adopted Quoted Company's Alliance Corporate Governance Code 2018. Appropriate environmental management policies are adhered to as prescribed by Russian Subsoil Regulations.

Monchetundra, Kola Peninsular, Russia.

Monchetundra is Eurasia's 80% owned ca. 2 million-ounce PGM (Reserve + Resource) project near the town of Monchegorsk on the Kola Peninsula. The project is in late stage feasibility and a mining license application has advanced to Ministerial level having already attained all necessary approvals through federal agents as prescribed under standard Russian subsoil permitting regulations.

In August 2018 the Company was notified that a recalculation of the one-time payment was to be undertaken by Rosnedra, as the mining license application was now more than 6 months old. This is considered a positive step towards a successful conclusion to the process. The one-time payment is a compensation paid to the state for the exploitation of a resource, calculated on a per deposit basis by Rosnedra, and payable over the initial years of the life of the project.

Further details and background to the Monchetundra Project:

Eurasia was issued a discovery certificate in July 2017. This certificate vouchsafes mining rights for the reserves and resources at two open pits, namely Loipishnune and West Nittis. A mining license application proceeded directly.
Currently, state approved reserves and resources within the Monchetundra Project comprise Russian standard C1 and C2 categories of 55.9 tonnes palladium equivalent (predominantly palladium) at two open-pittable locations, West Nittis and Loipishnune. These open pits also contain significant gold and base metal credits including 28,124 tonnes of copper and 30,410 tonnes of nickel.

Engineering Procurement Construction and Financing (EPCF) Contract

An EPCF contract to develop the mine at Monchetundra is already in place with Sinosteel, a state owned Chinese engineering group focused on mining, which was signed in October 2016 (see announcement dated 10 October 2016). The contract provides for Sinosteel to undertake the mine and processing plant construction and commissioning on a turnkey, commercial arms-length basis. 85 per cent (or US$149,600,000) of the contract value has been arranged as debt-based by Sinosteel - this element of plant construction costs will remain on the Sinosteel balance sheet until such time as the plant is operating at full capacity and to designed specification.
The EPCF also includes a sub contract to be awarded to Eurasia's subsidiary Terskaya Mining Company, to cover initial development work at the Loipishnune open pit. This sub-contract, in the amount of US$50m can be drawn down on award of the mining permit.

Other assets and interests.

Work continues at the Semenovsky Tailings Project, Republic of Bashkiria, where a bulk sample has recently been collected for testing at a nearby gold plant. The Company also maintains an active interest in development at the Kamushanovsky Uranium Project which has recently secured new investment. Further updates on these projects will follow when a commercial interest for Eurasia is secured.

Condensed consolidated statement of comprehensive income
for the six months ended 30 June 2018

	Note	6 months to 30 June 2018 (unaudited) £	12 months to 31 December 2017 (audited) £	6 months to 30 June 2017 (unaudited) £
Revenue		447,545	183,998	26,525
Cost of sales		(409,374)	(217,540)	(35,554)
Gross profit/(loss)		**38,171**	**(33,542)**	**(9,029)**
Administrative costs		(399,737)	(1,022,664)	(509,621)
Finance income		3,168	-	-
Finance costs		(438,506)	(1,113,318)	(503,610)
Other gains and losses	4	(175,339)	30,394	(84,252)
Loss before tax		**(972,243)**	**(2,139,130)**	**(1,106,512)**
Income tax expense		-	-	-
Loss for the period		**(972,243)**	**(2,139,130)**	**(1,106,512)**
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		59,230	(13,768)	(5,381)
Items that will be reclassified subsequently to profit and loss:				
Parents share of foreign exchange differences on translation of foreign operations		75,098	(79,996)	(67,836)
Other comprehensive income/(loss) for the period, net of tax		**134,328**	**(93,764)**	**(73,217)**
Total comprehensive loss for the period		**(837,915)**	**(2,232,894)**	**(1,179,729)**
Loss for the period attributable to:				
Equity holders of the parent		(820,852)	(2,119,657)	(1,117,078)
Non-controlling interest		(151,391)	(19,473)	10,566
		(972,243)	**(2,139,130)**	**(1,106,512)**
Total comprehensive loss for the period attributable to:				
Equity holders of the parent		(745,754)	(2,199,653)	(1,184,914)
Non-controlling interest		(92,161)	(33,241)	5,185
		(837,915)	**(2,232,894)**	**(1,179,729)**
Basic loss (pence per share)		(0.05)	(0.14)	(0.07)
Basic and diluted loss (pence per share)		(0.02)	(0.09)	(0.07)

Condensed consolidated statement of financial position
As at 30 June 2018

	Note	At 30 June 2018 (unaudited) £	At 31 December 2017 (audited) £	At 30 June 2017 (unaudited) £
ASSETS				
Non-current assets				
Property, plant and equipment	5	4,074,458	4,370,475	4,449,913
Assets in the course of construction		35,688	37,814	39,934
Intangible assets	6	801,026	840,793	859,335
Investments in joint operations		-	-	44,495
Other financial assets	7	456,061	445,596	463,077
Total non-current assets		**5,367,233**	**5,694,678**	**5,856,754**
Current assets				
Inventories		122,380	5,605	12,774
Trade and other receivables		81,326	93,387	157,104
Cash and bank balances		165,825	89,819	450,980
Total current assets		**369,531**	**188,811**	**620,858**
Total assets		**5,736,764**	**5,883,489**	**6,477,612**
EQUITY				
Capital and reserves				
Issued capital	8	27,145,879	26,623,034	25,755,493
Reserves	9	3,463,934	3,403,368	3,288,291
Accumulated losses		(25,231,286)	(24,484,719)	(23,661,978)
Equity attributable to equity holders of the parent		**5,378,527**	**5,541,683**	**5,381,806**
Non-controlling interest		(800,748)	(708,634)	(670,208)
Total equity		**4,577,779**	**4,833,049**	**4,711,598**
LIABILITIES				
Borrowings	10	-	-	389,802
Current liabilities				
Borrowings	10	558,094	588,810	1,091,633
Trade and other payables		330,891	236,630	284,579
Other financial liabilities		270,000	225,000	-
Total current liabilities		**1,158,985**	**1,050,440**	**1,376,212**
Total liabilities		**1,158,985**	**1,050,440**	**1,766,014**
Total equity and liabilities		**5,736,764**	**5,883,489**	**6,477,612**

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

		Attributable to owners of the parent								
	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** £
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**
Issue of ordinary share capital for cash		-	-	-	-	-	-	**-**	-	**-**
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 statement of changes in equity
For the six months ended 30 June 2018

	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 2018		1,847,847	17,749,704	7,025,483	3,744,216	(340,848)	(24,484,719)	**5,541,683**	(708,634)	**4,833,049**
Issue of ordinary share capital for cash		172,217	344,433	-	-	-	-	**516,650**	-	**516,650**
Shares issued under terms of financing arrangements		10,522	25,253	-	-	-	-	**35,775**	-	**35,775**
Share issue cost		-	(29,580)	-	-	-	-	**(29,580)**	-	**(29,580)**
De-recognition of equity element of convertible loan notes					(74,286)		74,286	**-**	-	**-**
Recognition of equity element of convertible loan notes		-	-	-	59,753	-	-	**59,753**	-	**59,753**
Non-controlling interests arising on sale of interest in subsidiary		-	-	-	-	-	-	-	47	**47**
Transaction with owners		**182,739**	**340,106**	**-**	**(14,533)**	**-**	**74,286**	**582,598**	**47**	**582,598**
Loss for the period		-	-	-	-	-	(820,852)	**(820,852)**	(151,391)	**(972,243)**
Other comprehensive loss										
Exchange differences on translation of foreign operations		-	-	-	-	75,098	-	**75,098**	59,230	**134,328**
Total comprehensive income		**-**	**-**	**-**	**-**	**75,098**	**(820,852)**	**(745,754)**	**(92,161)**	**(837,915)**
Balance at 30 June 2018		**2,030,586**	**18,089,810**	**7,025,483**	**3,729,683**	**(265,750)**	**(25,231,285)**	**5,378,527**	**(800,748)**	**4,577,779**

Condensed consolidated statement of cash flows
for the six months ended 30 June 2018

	6 months to 30 June 2018 (unaudited) £	12 months to 31 December 2017 (audited) £	6 months to 30 June 2017 (unaudited) £
Cash flows from operating activities			
Loss for the period	(972,243)	(2,139,130)	(1,106,512)
Adjustments for:			
Depreciation and amortisation of non-current assets:			
- Fixed assets	160,113	15,413	157
(Gain)/loss on disposal of investments	(246,826)		-
Net foreign exchange loss	377,165	169,062	84,252
Loss on disposal of investment in joint operations	-	44,495	-
Investment (profit)/loss	(3,168)	-	-
Finance costs	438,506	1,113,318	503,610
Gain on valuation of derivative financial instrument	45,000	(76,863)	-
Gain on loan settlement	-	(167,088)	-
	(201,453)	**(1,040,793)**	**(518,493)**
Movements in working capital			
Decrease/(increase) in inventories	8,464	17,387	(9,453)
(Increase)/decrease in trade and other receivables	(117,090)	52,567	10,671
Increase in trade and other payables	99,253	81,117	127,916
Cash used in operations	**(210,826)**	**(889,722)**	**(389,359)**
Net cash used in operating activities	**(210,826)**	**(889,722)**	**(389,359)**
Cash flows from investing activities			
Proceeds from sale of investment securities	246,873	-	-
Contributed to joint operations	-	(364)	(364)
Payments for property, plant and equipment	(75,612)	(179,873)	(146,883)
Invested into assets under construction		-	(1,375)
Payments for other intangible assets	(977)	(69,290)	(67,619)
Interest received	3,168	-	-
Net cash generated by/(used in) investing activities	**173,452**	**(249,527)**	**(216,241)**
Cash flows from financing activities			
Proceeds from issues of equity shares	487,070	389,422	-
Proceeds from borrowings	-	1,664,157	1,661,296
Repayment of borrowings	(370,902)	(960,550)	(750,000)
Net cash generated by financing activities	**116,168**	**1,093,029**	**911,296**
Net increase/(decrease) in cash and cash equivalents	78,794	(46,220)	305,696
Effects of exchange rate changes on the balance of cash held in foreign currencies	(2,788)	(18,635)	(9,390)
Cash and cash equivalents at the beginning of period	89,819	154,674	154,674
Cash and cash equivalents at the end of the period	**165,825**	**89,819**	**450,980**

Selected notes to the condensed consolidated financial statements
for the six months ended 30 June 2018

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 2017, 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 2018 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 2017.

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 2017.

Selected notes to the consolidated financial statements for the six months ended 30 June 2018 (continued)

4. Other gains and losses

	6 months to 30 June 2018	12 months to 31 December 2017	6 months to 30 June 2017
	£	£	£
Impairment loss recognised on trade and other receivables	-	(95,215)	-
Net foreign exchange gain/loss	(84,252)	1,959,358	(84,252)
	(84,252)	**1,864,143**	**(84,252)**

5. Property, plant and equipment

	30 June 2018	31 December 2017	30 June 2017
	£	£	£
Net book value at the beginning of period	4,370,475	4,402,272	4,402,272
Additions	75,612	179,873	146,883
Transferred from intangible assets	-	-	-
Depreciation	(160,113)	(15,413)	(157)
Exchange differences	(211,516)	(196,257)	(99,085)
Net book value at the end of period	**4,074,458**	**4,370,475**	**4,449,913**

6. Intangible assets

	30 June 2018	31 December 2017	30 June 2017
	£	£	£
Net book value at the beginning of period	840,793	813,135	813,135
Additions	977	69,290	67,619
Transferred to mining asset	-	-	-
Exchange differences	(40,744)	(41,632)	(21,419)
Net book value at the end of period	**801,026**	**840,793**	**859,335**

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

7. Other financial assets

	30 June 2018	31 December 2017	30 June 2017
Advances to acquire interest in uranium project	456,061	445,596	463,077
	456,061	**445,596**	**463,077**

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 2018 (continued)

8. Share capital

	30 June 2018	31 December 2017	30 June 2017
Issued ordinary shares with a nominal value of 0.1p:			
Number	2,030,585,874	1,847,847,150	1,404,954,237
Nominal value (£)	2,030,586	1,847,847	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 2018	1,847,847,150	1,847,847	17,749,704
Share placing for cash	172,216,666	172,217	344,433
Issue of ordinary share capital for professional services			
Shares issued under terms of financing arrangements	10,522,058	10,522	25,253
Cost of issue of shares	-		(29,580)
Balance at 30 June 2018	**2,030,585,874**	**2,030,586**	**18,089,810**

Deferred shares	Number of deferred shares	Deferred share capital £
Balance at 1 January and 30 June 2018	**143,377,203**	**7,025,483**

Selected notes to the consolidated financial statements
for the six months ended 30 June 2018 (continued)

9. Reserves

	30 June 2018	31 December 2017	30 June 2017
	£	£	£
Capital redemption reserve	3,539,906	3,539,906	3,539,906
Foreign currency translation reserve	(265,750)	(340,848)	(328,688)
Equity-based payment reserve	130,025	130,025	2,788
	3,463,934	**3,403,368**	**3,288,291**

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 2018 (continued)

10. Borrowings

	30 June 2018	31 December 2017	30 June 2017
	£	£	£
Non-current			
Convertible loan notes	-	-	389,802
	-	**-**	**389,802**
Current			
Unsecured loan	46,862	49,654	50,633
Convertible loan notes	511,232	539,156	1,041,000
	558,094	**588,810**	**1,091,633**
	558,094	**588,810**	**1,481,435**

Loan facilities in place in 2018

i) On 15 May 2017 the Company entered into a loan agreement with YA II PN Ltd to borrow US$1,250,000. An implementation fee of US$112,900 was deducted from the principal amount on transfer of funds. Interest applies on the loan at the rate of 14%.
The loan was repayable in 10 instalments with the final instalment due on 15 May 2018.
As per the agreement the lender could elect, at its discretion, to convert all or part of the loan, including accrued interest, into shares in the Company, at a price being the lower of 0.60p per share and 90% of the Company's lowest daily volume weighted average price (the “VWAP”) during the five days prior to conversion.
In addition, the agreement includes the issue of the 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 issued 80,749,333 warrants at an exercise price of 0.6p per warrant. The warrants issued had a subscription period of three years.

In December 2017 the repayment schedule for the then outstanding amount of the loan was revised and the final maturity date was changed to 15 September 2018.
Following the revision the lender could elect, at its discretion, to convert all or part of the loan, including accrued interest, into shares in the Company, at a price being the lower of 0.34p per share and 90% of the Company's lowest daily VWAP during the five days prior to conversion.
The company also incurred a restructure fee of $99,500 being 10% of the then outstanding principal, payable at maturity date.
In addition the previously issued warrants were cancelled and replaced with 109,196,618 warrants at a 20% premium to the VWAP in the 30 days preceding the agreement, which priced at 0.34p. The subscription period of new warrants remained unchanged.
The warrants were exercised by the lender in August 2018. The lender also opted to convert the outstanding loan into the Company's shares in September 2018.

ii)) On 3 February 2017 the Group entered into unsecured loan facility to borrow up to 57 million Russian Rubbles (RR) at 14% per annum, from Region Metal, the then subcontractor and West Kytlim mine operator. The Group had drawn RR 4.18 million and repaid RR0.3 million in 2017. As the subcontractor’s arrangements had been discontinued the Group has no intention to utilise any more funds from this facility.
The loan maturity date is 31 December 2019.