


Annual Report and Accounts 2018

An established and producing mining company

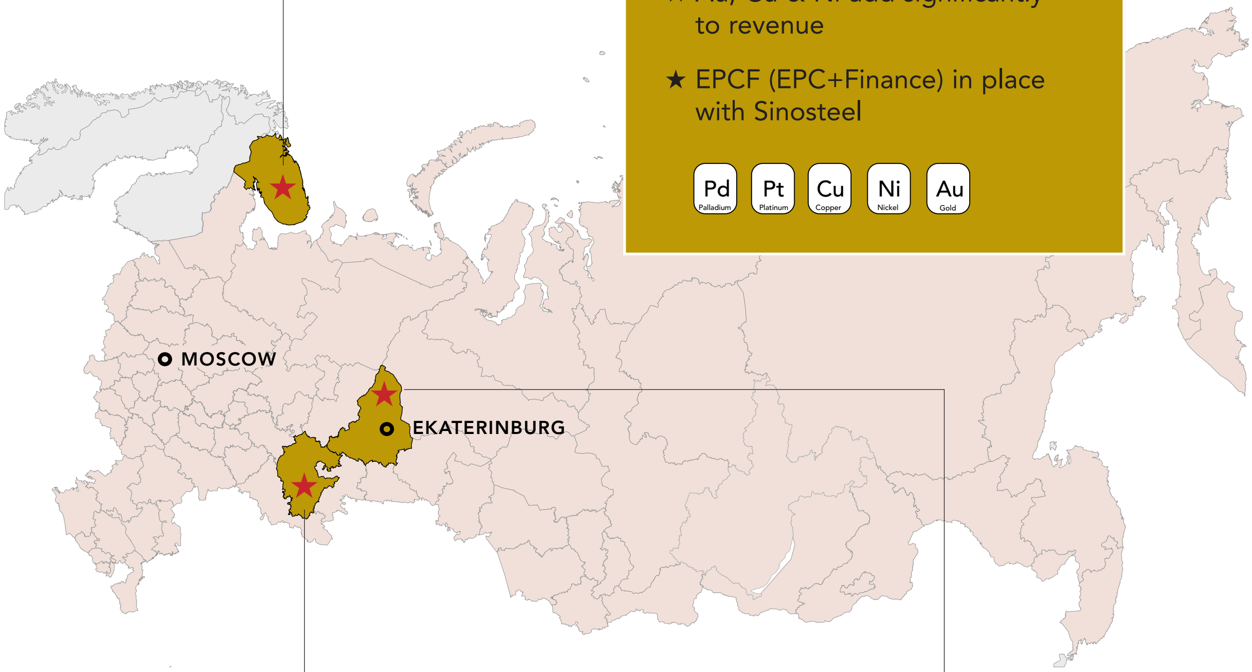
EURASIA MINING PLC

2018 Highlights

Monchetundra

- ★ Mining permit issued in November 2018
- ★ 1.9 million ounce, 80% owned, state-approved reserves + resources (Palladium + Platinum)
- ★ Au, Cu & Ni add significantly to revenue
- ★ EPCF (EPC+Finance) in place with Sinosteel

Pd Palladium | Pt Platinum | Cu Copper | Ni Nickel | Au Gold



Semenovsky

- ★ Gold and silver tailings project in pre-production stage with feasibility approved.

Ag Silver | Au Gold

West Kytlim

- ★ Total mine revenue for 2018 was £2.57 million.
- ★ Second largest, 68% owned, global alluvial PGM mine in production in Ural Mountains
- ★ Capacity expected in 2019

Pd Palladium | Pt Platinum | Rh Rhodium | Ir Iridium | Au Gold

The market for Platinum Group Minerals ('PGM')

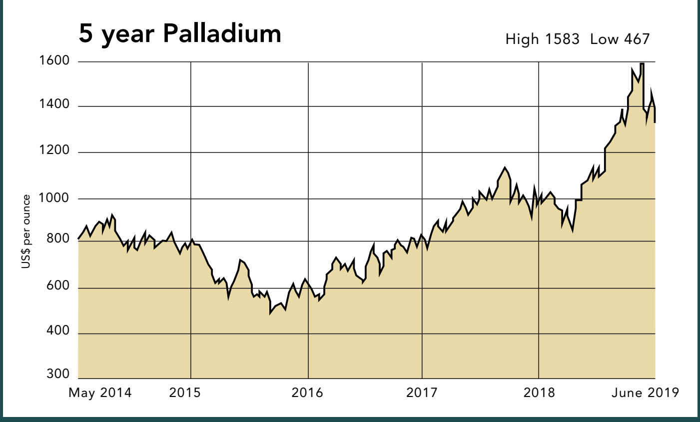
Eurasia's main metal revenues are currently from the sale of platinum at the West Kytlim mine (see the operational summary), and are strengthened with marginal sales of Palladium, Rhodium, Iridium and Gold. The now fully permitted flag ship Monchetundra project is being developed towards mining as a palladium led PGM project with major credits in nickel and copper.

Platinum has long traded at a premium to palladium owing to the former's favour in the jewelry industry and its better catalytic, thermophilic and other physical properties which make it more widely applicable in the auto-industry, in fuel refining and indeed the pharmaceuticals industry. Both metals' markets are small compared to base metals or gold, and palladium has historically been slightly larger[1] – total Platinum supply of 6.1M oz in 2018 versus total palladium supply of 6.8Moz[1].

Despite platinum's wider applications, the platinum to palladium price ratio has been in steady decline since late 2009. The long-established premium paid for platinum was eroded in late 2017 and early 2018, as the palladium price finally overtook platinum, in part spurred by the Volkswagen Emissions scandal[2]. In mid-2018 palladium began a remarkable rally from around $900/oz to top out at $1,600 in March 2019.

For many industrial uses the two metals can be substituted, however a cost is incurred at original equipment manufacturers for retooling and recalibration. This, amongst other reasons, suggests the two metals' prices are likely to remain locked in a symbiotic cycle.

PGM continue to find new industrial applications and with a continuing role in transportation technology, backed up by jewelry and investment demand, long term price forecasts[3] contribute to a strong investment case for a PGM focused mining Company.



1 Johnson Matthey PGM Market report February 2019 – https://matthey.com/-/media/files/pgm-market-report-february-2019.pdf
2 https://en.wikipedia.org/wiki/Volkswagen_emissions_scandal
3 CIBC Global Mining Group Consensus Commodity Price Forecast March 2019.
Platinum (long term) $1,026/ oz; Palladium, $1,077/oz; Rhodium, $1,941

2018 was a key year for the Company's development. Eurasia recorded a maiden gross profit and obtained a mining licence on its flagship Monchetundra Project. At the time of writing, production is ramping up for the year to full scale at West Kytlim and the Directors now regard Eurasia as an established mining company.

The Company's strategy, as outlined since 2015/16 was to develop the West Kytlim Mine to production, and to generate sufficient revenues to allow the Company to pursue development of its further interests, while minimising possible dilution of the shareholder base.

As a standalone unit, the mine at West Kytlim demonstrated excellent profit margins during 2018 and contributed to the gross profit at group level. The economics of this style of operation – with limited overheads and capital expenditure are assured, however expanding the mine at West Kytlim to multiple operating sites is now a key objective for the Company. The Directors' look forward to continued successful production at West Kytlim and believe the Company can grow its West Kytlim operation to become the largest alluvial platinum mine globally. The Directors' believe West Kytlim mine cash flows, from a single operating and contracted washplant, notwithstanding considerable final settlements of loans through 2018 (which made the Company debt free) are now sufficient to make significant contributions to the running of the Company at Group level.

The issue of the mining license at the Company's flagship Monchetundra Project in December 2018 was a further welcome addition to an already successful year. The reserves comprise palladium plus platinum, gold and base metals. The Company's plans for the project's development with Eurasia's working partners at Sinosteel (one of the largest corporations in China) and the Central Kola Expedition, the key contractor in the region for both Russian and international companies, can now be progressed. The project is a more considerable undertaking than West Kytlim and could be transformational for the Company. The Company continues to keep all options for this major project's development on the table and are further encouraged by the potential to add further to the reserve and resource base directly adjacent the project.

Finally, the Directors would like to thank Eurasia's shareholders, old and new, for their continued support -and look forward to delivering further tangible shareholder value in the coming years. Also, the Directors would like to thank all management and staff for delivering on the Company's goals in recent years but particularly through the transformational year that was 2018. With the mine at West Kytlim now well established and the Monchetundra Project fully permitted, the Director's believe they have established a firm base on which to build a strong and diversified exploration and development Company

ChristianSchaffalitzky
Executive Chairman

WEST KYTLIM

★ **Total production for the season – 165 kg raw platinum**

★ **Total mine revenue – £2.57 million**

2018 Summary

2018 saw the first full season of mining at the West Kytlim PGM and gold mine – production at this alluvial mining operation commenced in May 2018 and ran through to November. The contract to operate the mine was assigned in March, just ahead of the mining season. The gross mine revenues were initially split 65%/35% in favour of Eurasia's contractor, Techstroy. These were changed in the course of the year to 70%/30% in favor of Eurasia's contractor, Techstroy, with Eurasia managing the metal sales contract and revenue distribution. Techstroy brought the necessary alluvial mining experience to the project, as well as a new fleet of machinery including excavators and haulage trucks which were in place by late April 2018.

Mining commenced at the Malaya Sosnovka work site within the West Kytlim Mine and progressed in September 2018 to the larger Kluchiki work site. In both cases, the method employed was an industry standard trommel and scrubber washing system with collection of platinum concentrates on a sluice for later upgrade in an onsite laboratory. Platinum occurs as fine and coarser isoferroplatinum nuggets ("raw platinum") which contain on average 70% chemically pure Platinum in addition to a total of 5% in other recoverable PGM (iridium, palladium and rhodium), and Gold (base on recovered metal grades).

Total production for the season reached 165 kg raw platinum, with average daily production of 1.146 kg raw platinum per production day, and an amount of 6.9kg standing as a record total produced in a single day of washing. The mine is currently the second largest alluvial platinum mine globally (Kondyor operated by Russian Platinum in Russia Far East produced 275kg raw platinum in 2018[1]). Grades at West Kytlim ran 3-5 times the grade expected from resource calculations, a situation which is not unexpected for this style of deposit and the alluvial mining industry generally.

The mine product is sold under contract to the Ekaterinburg Non-ferrous Metal Refinery (the 'Refinery') with both refining costs and metal price paid, expressed in the contract as a percentage of London Metals Exchange (the 'LME') prices. These are reviewed and agreed for every batch of mine product shipped.

In summary the total mine revenue for 2018, was £2.57 million which is composed of the following revenues:

	Grams Chemically Pure	£
Platinum	112,597	2,294,267
Iridium	5,416	30,101
Palladium	418	12,798
Rhodium	654	40,055
Gold	994	196,108
		£2,573,329

No accidents or corporate social responsibility issues occurred during the 2018 mining season.

[1] http://russian-platinum.ru/press/news

★ **Reserves upgrade drilling commenced at Bolshaya Sosnovka**

★ **Final approval expected for Kluchiki revised reserve by Q3**

2019 Summary to date

In January 2019 a further contract for mine development was agreed with the directors and operational staff at Techstroy, who for reasons of VAT efficiency underwent a name change to Uralmetmash. The terms of the contract were ostensibly unchanged from the previous year and will represent 35%/65% top line sales split with 65% paid to the contractor for covering production costs. A further contract was also agreed at the Refinery, with a substantially improved sales margin (refining cost) for platinum which was reduced from 3% of LME to 1.5%.

Forest clearance on ore blocks at the Kluchiki work site was undertaken in February 2019 and lasted two weeks. Machinery was moved to site in several convoys in late March and early April ahead of gravel washing, which is due to commence in the middle of May 2019.

Improvements to the washing circuit, aimed at improving washing efficiency and metal recovery were implemented for the 2019 mining season. A jig (a fluid-based gravity separation device) has been added to the overflow of the sluice to attempt to capture the finest portion of platinum bearing nuggets which during 2018 were lost to mine tailings. The expected improvements to the circuit are difficult to measure currently and will be more accurate over longer time scales. Should the increased recovery prove significant, the 2018 mine tailings will then become a target for a simple jig based reprocessing circuit.

Reporting and Reserve/Resource base

A reserve upgrade drilling program at the Kluchiki area was undertaken in 2017 and 2018 and was submitted to Uralnedra. As per due process, further clarifications were sought by Uralnedra and were answered by the Company in March 2019. A final approval is therefore expected within Q2 or Q3 of 2019.

Reserves upgrade drilling commenced at the Bolshaya Sosnovka Area in April 2019. 350m of standard diameter (198mm reducing at depth to 172mm) drilling is scheduled for the 2019 season. These results will be compiled to produce a reserve statement for submission to Uralnedra aimed at bringing all of the ore at this location to mineable reserves status in line with the Company's objective to operate multiple washplants concurrently.

Work is also ongoing on defining an exploration strategy for the considerable 'Flanks area' surrounding the West Kytlim deposit. This single 71km^2 exploration license surrounding the approved resources and reserves at West Kytlim was approved in December 2018 and was applied for under exclusive rights granted for new applications adjacent to a company's own existing mining rights. The additional area has the potential for considerable further discovery of PGM bearing gravels known to be continuous beyond the contours of the current mining license. It is the Company's intention to submit a plan for the new area's development for approval at Uralnedra before the end of the year.

MONCHETUNDRA

★ **Mining license received in November 2018**

★ **Contract agreed with Sinosteel for the development of the mine**

2018 Summary

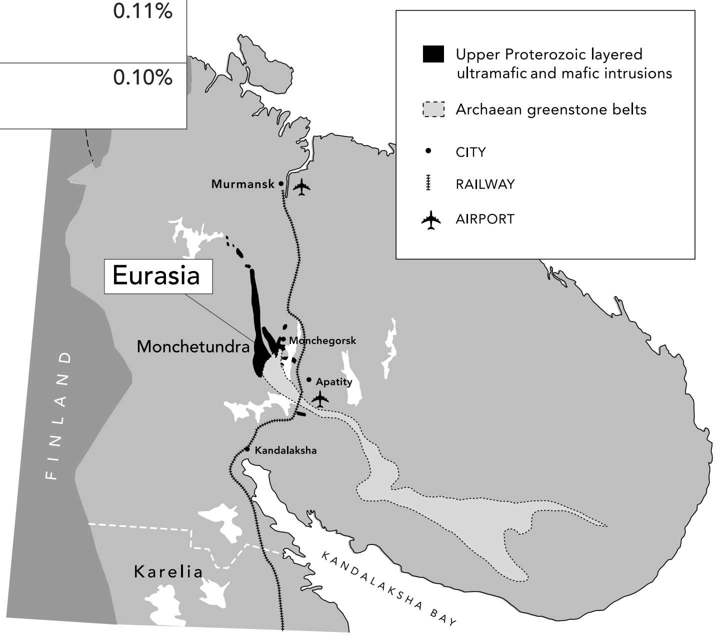
Final approvals for the Monchetundra mining permit were received in November 2018, thus successfully concluding the process of converting Eurasia’s other major discovery credit to a mining license. The Monchetundra Project is Eurasia’s future flagship project and comprises 1.9 million ounces of palladium-led reserves and resources with platinum, gold, copper and nickel credits in two open pittable deposits near the town of Monchegorsk on Kola Peninsula, Northwest Russia.

A contract for engineering, procurement construction (‘EPC’) and financing is in place with Chinese group Sinosteel for the development of the mine. Sinosteel are a diversified industrial metals enterprise and a major importer of iron ore to China and have built chrome and nickel operations in South Africa, China, Indonesia and Australia. The Sinosteel EPC financing covers 85% (or US$149.6M) of a total contract value of US$176M. A US$50M sub-contract is specified within the contract and is assigned to Eurasia's 80% subsidiary ZAO Terskaya Mining Company, or a sub-contractor of its choosing, for engineering and pit development works in advance of mining.

A one-off royalty payment was calculated by the Federal Reserves Commission on award of the mining license. 20% of this payment was due immediately and was subsequently paid in December of 2018, with the remaining 80%, or Rub16.68 mln (approximately £200,000) to be paid by November 2023.

Reserve and Resource for West Nittis and Loipishune
at 0.8g/t Pd equivalent cut off grade

Palladium equivalent 2 PGM + gold	1.9m oz	>2g/t
Nickel	28,124 t 62m lb	0.11%
Copper	30,410t 67m lb	0.10%



★ **Contract awarded to Central Kola Expedition for a Detailed Project Report**

★ **Applications for further adjacent exploration licenses in progress**

2019 Summary

Following site visits and meetings in Monchegorsk in January of 2019, a contract was awarded to the Central Kola Expedition, Eurasia's exploration programme co-ordinator, who has also worked with B2Gold, Norilsk Nickel and Barrick, for the design of a Detailed Project Report; a statutory reporting requirement to be submitted within a year of the issue of the mining license. Land surveying to mineable detail is planned for later in the year – this is an essential item necessary for mine site planning. Provisional tailings storage and waste rock dump locations have been identified at the project which benefits from near ideal infrastructure, being located within 10km of the major mining town of Monchegorsk, host to a host to a smelting facility owned by Norilsk Nickel.

Flanks areas applications

As is the case with Eurasia's operating mine at West Kytlim in the Ural Mountains, the holder of a mining license has, under Russian legislation, the right to apply for further ground adjacent to an identified deposit, and within 5km of an approved reserve. Work is now ongoing compiling the considerable database of information available for potential exploration license applications on this ground. A complete set of the internationally recognised deposit types found in basic and ultra-basic layered massifs occur adjacent the Monchetundra license including potential targets in nickel, cobalt, chromite as well as in additional palladium led PGM projects.

Some of these targets show potential for development in the context of a PGM-base metal operation with toll treatment over distances of 2 to 8km. These potential applications are now being reviewed in detail by Eurasia, TGK and CKE, with applications to be made within three years of the issue of the mining permit.

Christian Schaffalitzky
Executive Chairman

Eurasia Mining Plc ("Eurasia" or the "Company") is a public limited company incorporated and domiciled in Great Britain with its registered office at International House, 142 Cromwell Road, London, SW7 4EF, United Kingdom and principal place of business at Clubhouse Bank, 1 Angel Court, EC2R 7HJ, United Kingdom. The Company's shares are quoted on AIM, a market operated by the London Stock Exchange Group plc.

The principal activities of the Company and its subsidiaries (the "Group") are related to production of platinum group metals (the "PGM"), gold and other minerals.

The purpose of the Strategic Report is to inform members of the Company and help them to assess how the directors have performed their duties under section 172 of the Companies Act 2006 (duty to promote the success of the Company).

The Group currently has two key operations in Russia – (1) West Kytlim, which is an operating platinum group metals and gold mine in the Central Urals and (2) the Monchetundra Project on the Kola Peninsula in Russia, for which a mining licence was granted in 2018. At the same time the Group continues to assess the potential of resource projects in various commodities in other regions in Russia and other countries of the former Soviet Union.

At West Kytlim, the Group made several PGM discoveries of resources and reserves suitable for commercial mining and secured a mining licence in 2015. The Group carried out a pilot mining operation in 2016 and had been running a commercial operation from 2017.

West Kytlim mine is directly owned by a subsidiary ZAO Kosvinsky Kamen, the Group now controls 68% of this subsidiary after selling a 7% stake in January 2018 (75% controlled at 31 December 2017) (note 13).

On the Kola Peninsula the Group discovered PGM mineralisation in the Monchetundra area and following the exploration work completed in 2016 the Group initiated the procedure of obtaining a mining licence, which was granted in 2018.

Monchetundra project is owned by a subsidiary ZAO Terskaya Mining Company, the Group controls 80% of the subsidiary (80% at 31 December 2017) (note 13).

More details on both projects are contained in the Operations update.

The Group also maintains an active interest in non-core, innovative mining solutions including the Kamushanovsky Uranium Project in Kyrgyzstan and the Semenovsky Tailings Project in the Republic of Bashkiria, Russia. Due to uncertainties surrounding the ultimate recovery of these interests, these have been written off in 2018 and 2017 respectively.

The Company's aim is to deliver value to its shareholders by leveraging the significant experience of its directors and management team to advance our licences and to acquire new projects.

Key performance indicators

At this stage of the Group's business activities the directors believe it appropriate to limit the Key Performance Indicators (KPIs) used to monitor progress in the delivery of the Group's strategic objectives, to assess actual performance against targets and to aid management of the business, other than the monitoring of licences and stages of exploration and development.

The Board monitors relevant KPIs which it considers appropriate for a company at Eurasia's stage of development. The KPIs for the Group are as follows:

Financial KPIs
Results for the year – the Group has made a loss of £3,241,941 for the year ended 31 December 2018 (2017: a loss of £2,139,130). The main drivers for the higher loss in 2018 compared to 2017 are substantially higher foreign exchange losses on the revaluation of intercompany loans at subsidiaries level due to writing off Kamushanovsky project (notes 13, 14) high volatility of the Russian Rouble and recognition of share options awarded to the management, employees and consultants, which was valued using Black Scholes valuation model.

The Groups operating mine at West Kytlim outperformed expectations, due to better than anticipated production volumes and metal grades in reserves. Total production revenue reached £2.57mln against a total of £0.18mln in 2017.

Shareholder return – the performance of the share price. The Company's shares are quoted on AIM and the shares have traded at 0.225-0.815p (2017: 0.2-0.738p) during the year under review.

Exploration expenditure – funding and development costs.
The group has incurred £83,069 (2017: £175,737) of development costs at West Kytlim, which were required to carry out additional drilling works under the programme of upgrading resources to reserves.

In 2018 the Group raised gross funds of £500,000 from the equity markets. £370,269 was raised through the exercise of the warrants attached to the convertible loan facility entered into with YA II PN Ltd. Significant cash was conserved by conversion of the convertible loans (i) in the amount of £400,918 by YA II PN Ltd and (ii) in the amount of £250,000 by Sanderson Capital Partners.

During the course of 2018 the directors contributed to the preservation of cash reserves by converting fees owed to them into the Company's shares.

At 31 December 2018 the Group had a cash balance of £452,676 (2017: £89,819) which allowed it to continue its Monchetundra project development, and to prepare for the 2019 Mining season at West Kytlim.

At 31 December 2018 the Company was debt free. On the Group level there was a small outstanding loan provided by the contractor doing mining work at West Kytlim in 2017 to carry out additional exploration work.

The Group was maintained by 2018 West Kytlim mine revenues through the latter half of 2018. A further £500,000 was raised through equity markets in April of 2019, to ensure sufficient capital was available to realise the 2019 mining season at West Kytlim, and to part fund the development program at Monchetundra. Directors do not anticipate further equity raises in the near term.

The Company is assessing other means of increasing cash reserves, including increasing West Kytlim mine revenues. This was demonstrated in the appointment of a new contractor to the mining operation in early 2018, whose services the Group will again be utilising in the 2019 mining season. For more details see the operations update herewith. Substantial increases to mine revenue at West Kytlim may be achieved by increasing the mines output by the addition of additional wash-plants – the Group continues to assess options in this regard.

Non-financial KPIs
Environment management – the Group has environmental policies in place. Performance against environmental policies is continuously monitored. The Company had done no fieldwork in 2018 in the Monchetundra area, due to the then ongoing production licence application process. At West Kytlim commitment for the technical re-cultivation of disturbed areas is assumed by the mining contractor, who has power and necessary equipment to bring the work site back to the required ecological condition thus minimising any environmental impact. The Groups commitment is limited to biological re-cultivation, which represent a minor part of overall environmental recultivation. The directors consider that this has served to minimise any negative impact of current exploration and operational activities on the environment.

Health and Safety – the Group has occupational health and safety policies and procedures in place ensuring that all efforts are made to minimise adverse personal and corporate outcomes, through best practice training, implementation and monitoring.

Operational - The Group has had exploration success with additional exploration and production licences granted. An exploration license surrounding the West Kytlim Mine was granted during 2018. Physical exploration activity on the ground during the year has been limited as management concentrated its efforts on obtaining a production permit for the PGM and base metals mine at Monchetundra in the Kola Peninsula in Russia, which culminated in the granting of the licence by Russian authorities in November 2018.

At West Kytlim, the Group started 2018 with a newly appointed contractor, who brought new equipment and alluvial mining experience, and was able to plan work and utilise the limited mining season to develop full scale mining activity and achieve results, which exceeded management expectations, hitting the record of 6.9kg (221 oz) per 1 day. Details are in the operations update section above.

Key personnel continue to assess opportunities in a range of commodities in Russia and globally, as potential exploration and development projects.

Principal risks and uncertainties

The risks inherent in an exploration and development business are kept under constant review by the Board and the Executive Committee. The risks affecting the Group and the Company are set out respectively in the directors' report and Notes 2 and 27 to the financial statements and the principal operating risks affecting the Group are detailed below:

Exploration and project development risks
Inherent risks associated with the failure to discover or develop an economically recoverable ore reserve, to conclude a definitive feasibility study, and to obtain the necessary consents and approvals for the conduct of exploration and mining.

The Group engaged in close discussion with respective government departments to have a better understanding of the requirements and to make sure all requirements are implemented and duly reported to boost the prospects of the grant of permits and licences. The Group made significant progress, culminating in the grant of the Monchetundra mining permit.

Run of mine risks
The Group relies on a contractor to perform mining operations for a share of revenue. Contractor performance including noncompliance with agreed mining and production schedules, machinery break down and others risks have significant impact on the Group's performance. The directors believe these risks have been considerably mitigated by the appointment of a contractor to the West Kytlim Mine in January 2018 operating brand-new Komatsu equipment and a new processing plant. These risks are also mitigated by the Contractors direct commercial interest in the projects effective and efficient management.

Political risk
The Group's assets are located in Russia, in view of sanctions imposed to certain individuals and companies in Russia from 2014 until present time, legal and economic inconsistencies may arise. There has been no impact on the Group's activity, but the Group closely monitors all regulatory requirements and changes to the laws, rules and regulation taking steps whenever necessary to comply with regulation.

Environmental issues
The Group's operations are subject to environmental regulation, including environmental impact assessments and permitting. Russian environmental legislation comprises numerous federal and regional regulations, which are not fully harmonised and may not be consistently interpreted. The Group makes an assessment of the environmental impact at the time it applies for permits and licences, which are subject to such assessment.

There is no immediate risk to the Group's operation arising from environmental issues, but the Group monitors environmental regulation, to assess potential impact.

The regulatory environment
The Group's activities are subject to extensive federal and regional laws and regulations governing various matters, including licensing, production, taxes, mine safety, labour standards, occupational health and safety and environmental protections. Amendments to current laws and regulations governing operations and activities of mining companies or more stringent implementation or interpretation of these laws and regulations can have a material adverse impact on the Group and/or delay or prevent the development or expansion of the Group's properties in Russia. The Group closely monitors all regulatory requirements and changes to the laws, rules and regulation taking steps whenever necessary to comply with regulation.

The Group recognises positive steps taken at state level through 2018 to energise the exploration sector and resource sector, for example by promoting the exploration potential of Russia at such industry events as PDAC where VIMS, the largest state-owned Russian exploration research institute has established a permanent presence. A forum for discussion for all industry stakeholders has also been established as the Subsurface, Exploration and Mining Conference, sponsored by Rosnedra (State subsoil licensing agency). The Group was represented at this conference held at the Moscow Geological Research institute in Moscow, April 1st and 2nd 2019.

Commodity risk
A potential fall in commodity prices could lead to it becoming uneconomic for the Group to mine its assets. The Group closely monitors the markets for platinum group metals, changes in their demand and supply, and the effect they have on metal prices with a view to taking necessary measures in response to such changes. This may include stockpiling when prices are low, price hedging when prices rise above expectation, and commodity diversification. Also, it is important to note the Group's cost of production is at the lower end of the global cost curve as opposed to South Africa that produces approximately 70% of global platinum production.

Demand for platinum-group metals from their No.1 use – autocatalysts, which reduce harmful engine emissions – looks robust for the next 15 years even as sales of electric vehicles grow. More than 85% of new passenger cars sold in 2030 "are expected to have internal combustion engines with [catalytic] converters," because all-electric cars won't sell as strongly as hybrid vehicles using both technologies.

(source https://www.bullionvault.com/gold-news/platinum-supply-demand-111420183)

Loss of key personnel risk
The loss of key personnel consists of the departure (voluntary or otherwise) of an important employee, which will, in all likelihood, result in a financial loss or increased expense to a small business. The expenses may be of a temporary or a permanent nature. These increased expenses relate to the search for and hiring of a new employee, training costs for the new hire, possible "signing" bonus and higher remuneration packages. These types of risks cannot be avoided. While the Group can take measures to motivate and retain existing employees, it has limited powers in dealing with departures by natural or legislative reasons. However, the Group is using outsourcing to professional contractors to mitigate this risk.

Financing risk
This is the risk of running out of working and investment capital. The Group has historically relied primarily on the issue of share capital and other financial arrangements, which due to the risk factor require high returns to the creditors at the Group's expense. Mine Revenue from the operating West Kytlim Mine is now a significant contributor to the Group's working capital, and directors are confident of this source of capital continuing in 2019 and increasing in subsequent years due to increased capacity at the mine site. The Group maintains tight financial and budgetary control to keep its operations cost effective. Forward planning helps ensure it is adequately funded to reach its objectives. Launch of full-scale platinum and gold production from 2018 also helped to mitigate financing risk.

The Board considers risk assessment to be important in achieving its strategic objectives. Further details of the Group's financial risk management policies can be found in note 27.

Research and future development
The Group's activities during the year continued to be concentrated principally on mine development and mineral exploration programmes and the improvement of mining techniques and metallurgical processes. While developing its core projects disclosed in the Operations update the Group will continue studying and searching for new "near production" projects in the geographical areas it gained its experience in.

By order of the Board

Keith Byrne
Company Secretary
14 May 2019

Directors' Biographies

CHRISTIAN SCHAFFALITZKY

Christian Schaffalitzky, BA(Mod), FIMMM, PGeo, CEng, age 65, is Managing Director. With over 40 years experience in minerals exploration, Christian Schaffalitzky was a founder of Ivernia West PLC, where he led the exploration, discovery and development of the Lisheen world class zinc deposit in Ireland. More recently, he was Managing Director of Ennex International PLC, an Irish quoted mineral exploration company, focused on zinc development projects. He has also been engaged in precious and base metals minerals exploration and development in Russia and the former Soviet Union. He is Chairman of Kibo Mining plc and on the board of two other listed companies.

GARY FITZGERALD

Gary Fitzgerald, age 65, is a Non-Executive Director. He was previously a Director of Framlington Investment Management Limited and has over 30 years experience in investment management. He has diverse experience of emerging markets including the launch of the first fund for investing in Russia in the early 1990's.

DMITRY SUSCHOV

Dmitry Suschov, age 41, is a Non-Executive Director and also a major shareholder of Eurasia. Dmitry is a commodities trading veteran (primarily various grades of metallurgical and thermal coals) and has successfully built a major Pulverized Coal Injection (PCI) franchise throughout Asia, Europe and America with an annual turnover of up to $100 million, thus accumulating around 2.5% of the global PCI market share. He is also an investment banker with extensive experience in the Russian resources industry and has previously worked with IG Capital, MDM Bank, PricewaterhouseCoopers and Ernst&Young as mining & metals leader in corporate finance for Russia and CIS.

Directors

The directors who served during the period were:

Christian Schaffalitzky *Executive Chairman*
Gary FitzGerald *Non-Executive Director*
Dmitry Suschov *Non-Executive Director*

Company Secretary

Keith Byrne

Directors' interests

Share interests

The active Directors of the Company held the following beneficial interests (including interests held by spouses and minor children) in the ordinary shares of the Company:

	31 Dec 2018 No. of shares	31 Dec 2017 No. of shares
C. Schaffalitzky	81,069,517	68,475,270
D. Suschov	455,727,496	435,357,129
G. FitzGerald	23,378,445	20,394,101
Total	560,175,458	524,226,500

Share options and warrants

Options	31 Dec 2018 No. of shares	31 Dec 2017 No. of shares
C. Schaffalitzky	20,000000	-
D. Suschov	20,000000	-
G. FitzGerald	5,000,000	-
	45,000,000	-
Warrants		
D. Suschov	30,000,000	30,000,000
Total	75,000,000	30,000,000

30,000,000 options out of 45,000,000 granted to the directors vested by 31 December 2018.

No share options were exercised by the directors during 2018 (2017 – nil).

Dividends and profit retention

No dividend is proposed in respect of the year (2017: £nil) and the retained loss for the year attributable to the equity holders of the parent of £ 2,190,937 (2017: loss of £2,119,657) has been taken to reserves.

Share capital

Issued capital of the Company as at 31 December 2018 was:

	Number of shares	Nominal value	Share premium account
Fully paid ordinary shares at 0.1 pence	2,371,569,430	2,371,569	19,407,761
Deferred shares 4.9 pence	143,377,203	7,025,483	-
		9,397,052	19,407,761

Section 561 of the Companies Act 2006 (the "Act") provides that any shares being issued for cash must in general be issued to all existing shareholders pro-rata to their holding. However, where Directors had a general authority to allot shares, they may be authorised by the Articles or by a special resolution to allot shares pursuant to the authority as if the statutory pre-emption rights did not exist.

At the General Meeting, held on 24 July 2018, the Board was given authority for the purposes of section 551 of the Act to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £1,000,000, such authority to expire on the date of the next Annual General Meeting.

The Board has utilised authority to allot shares and issue warrants as follows:

Date	Transaction	No of shares issued/ warrants granted	Nominal value £
Shares issued:			
01-Aug-2018	Issue of ordinary shares under terms of a loan conversion	52,631,579	52,632
14-Aug-2018	Issue of ordinary shares on exercise of warrants	109,196,618	109,197
17-Sep-2018	Issue of warrants subscribe for ordinary shares	11,098,289	11,098
19-Sep-2018	Issue of ordinary shares under terms of a loan conversion	117,917,182	117,917
02-Nov-2018	Issue of ordinary shares by way of placing	25,146,609	25,147
02-Nov-2018	Issue of options to subscribe for ordinary shares (net of options exercised by reporting date)	192,257,748	192,257
18-Dec-2018	Issue of ordinary shares on exercise of options	1,742,252	1,742
18-Apr-2019	Issue of ordinary shares by way of placing	90,909,091	90,909
Total		600,899,368	600,899

The Board has not utilised authority to purchase the Company's own shares.

Risk Management

The directors consider that assessing and monitoring the inherent risks in the exploration business, as well as other financial risks, is crucial for the success of the Group. Risk assessment is essential in the Group's planning processes. The Board regularly reviews the performance of projects against plans and forecasts. Further detail on management of financial risks, which includes foreign currency, interest rate, credit, liquidity and capital risks are set out in note 27.

Going Concern

As outlined above, the Group was successful in raising proceeds of £0.5 million in May 2018. At 31 December 2018 the Group's net current assets amounted to £196,413 (2018: Net current liability of £861,629). At the same time the Group had a cash balance of £452,676 (2017: £89,819). The Group had settled all expensive loan facilities by a mixture of cash repayments and the issue of shares following conversion of debt at lenders discretion. The Group had a stand by facility arranged by a director D. Suschov in 2018, which the directors decided not to utilise applying careful cash flow planning and an ability to bring excess funds generated from the West Kytlim operations.

Since going into production at West Kytlim, the Group has received considerable industry interest, especially locally. However, the Board believes this asset should continue to be developed by the Company while the excellent relationship between the contractor and local management team demonstrates much higher rates of return than anticipated. A more thorough reassessment of the project's value will be undertaken in due course in light of actual production information and grades in ore. Furthermore, a discussion on potential capital expansion including the addition of a second wash-plant funded by our partner Uralmetmash, or alternatively by the Group is ongoing.

The Group has implemented tighter controls to minimise its cash outflows by reducing its fixed costs and overheads and by subletting part of the office premises. The directors took personal steps in conserving the Group's cash by taking Company shares in lieu of payment for their remuneration and costs.

In April 2019 the Group has raised £0.5 million from the equity market by way of placing shares for cash.

The directors have concluded that the combination of these circumstances represents a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the annual report and accounts.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report and the directors' report.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors must prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company and Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IFRS, as adopted by the European Union, have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that so far as each Director is aware:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Corporate Governance

Eurasia Mining has adopted the QCA Code as a Corporate Governance framework to ensure adequate corporate governance standards as befits the nature of the Company's business and the stage attained in the continuing evolution of the Company, and in-line with its corporate strategy and business goals. The QCA Code sets out ten principles by which the code may be applied to any company. These principles are outlined below as a demonstration of how the Company meets these requirements.

Delivering Growth

Eurasia has established a strategy designed to promote long term value and a return on investment for its shareholders, a strategy which also aims to build the Company to an increasingly profitable enterprise while maintaining good corporate governance and social and environmental responsibility standards. The Company's aim is to achieve these goals through self-funded exploration for marketable resource projects in various commodities, by developing these projects to operating mines, or by joint venturing or straightforward sale of these assets to realise a return on investment.

Principle 1

The Company is currently focused on developing two key assets; The West Kytlim mine produces Platinum group minerals ('PGM') and gold in the Ural Mountains, Russia, while the Monchetundra Project is being developed towards production of PGM, gold and base metals near the town of Monchegorsk, on the Kola Peninsula, Russia. Further non-core assets are also being progressed and the Company remains active in identifying further opportunities across a range of commodities and jurisdictions. The Company intends to achieve these goals while maintaining corporate governance principles in line with those outlined in the QCA Code. The key challenges in achieving this are set out below.

Principle 2
Eurasia seek to maintain open, direct and two-way communication with its shareholders through various channels including the Company website, twitter feed, company presentations, investor events, video blogs filmed on site at the Company's projects, live and recorded video and audio interviews, and lastly direct communication by phone and email through the Company's contact information. The Company employs sub-contracted public relations professionals and maintains several third-party contracts to better disseminate Company newsflow. Through shareholder feedback the Company ensures that it remains in touch with the information requirements of our shareholders, their expectations regarding their investment, and the motivation behind their voting decisions. Director's consider shareholder's motivations and expectations to be broadly correlated with that of the Company and the Company's strategy. Shareholders information requirements can therefore be summarised as either operational in nature, or commercial. The Company aims to update on key events within these categories frequently, and in a timely manner as events materialise. Directors recognise that shareholders require complete and timely information as a necessary input to their investment decisions. Shareholders make regular contact through the Company's main office contact details where their calls or emails are dealt with in a timely manner by a member of staff sufficiently senior to comment on technical and commercial matters.

Principle 3
Experienced and knowledgeable long-standing employees are a recognised key asset within the Company and our Corporate Governance principles seek to cultivate a productive and fulfilling working environment within the Company.

The Company's mining operation is a further key asset and attention is paid to its impact on society and the various stakeholders important to the project's continuous success. These include sub-contractors to the Company, and officials within the Russian sub-soil licensing and other agencies. The mining operation is in a remote area and where possible employs local persons but does not otherwise impact on a local population. The Company is devoted to maintaining the strictest environmental policies as required by the Russian sub-soil licensing agencies.

Key personnel from the Company's subsidiary maintain communication with representatives from the nearest village to the mining operation, the town of Kytlim in order to ensure feedback on potential issues. The mining community in this area of the Urals is relatively small and there is general communication between companies operating nearby mines, and with all suppliers to the industry generally. Communication with officials from sub-soil licensing agencies and their sub-contractors is generally more formal, and within the reporting structures designed by those agencies to protect the environment, the country's natural resources and the rights of local populations. Any issue arising from any stakeholder will immediately be dealt with or communicated to the required level to allow for action to be taken. No such events have occurred in the history of the mining operation and where an issue may arise it is reported in full to senior management and Directors.

Managing relationships within the Company's workforce, and its outward interactions with local communities, service providers, and the environment, all have the potential to impact on the Company's ability to achieve its medium to long term goals – managing these relationships is considered a fundamental facet of good Corporate Governance.

Principle 4
The leading risks at the operational level relate to the reliability of our resource and reserve estimations and our ability to manage the mining operation to achieve its goals. These risks are mitigated by ensuring we employ qualified and knowledgeable personnel who are adequately resourced and supported by effective management. Resource exploration involves inherent risks stemming from the fact that information relating to the mineralisation is not immediately available and is expensive to obtain. Recognising this risk and then managing it effectively is a critical aspect of a successful exploration geology business.

The Company's annual audit provides an opportunity to reassess the chief risks facing the business at both a corporate and operational level. These are agreed by directors and delineated and audited on an annual basis, thus ensuring adequate recognition and articulation of each risk category.

Maintaining a dynamic management framework

Principle 5
The board comprises an executive chairman and managing director, and two non-executive directors. One retirement, that of Michael Martineau as non-executive Chairman occurred in the 2017 calendar year and the board are now active in replacing that appointment. Gary Fitzgerald is an independent non-executive director while non-executive director Dmitry Suschov is a significant shareholder in the Company.

The board meets when an executive decision requires board approval, and in any event no less than once per six-week period. Board members are regularly consulted on executive decisions which would benefit from specific input relevant to a board members area of expertise. All board members are aware of and comfortable with the time and resource requirements associated with their position. Relevant information relating to a board discussion is carefully prepared and circulated in advance of board meetings. Minutes are kept and then circulated directly after all board meetings. Minutes are noted on a prescribed form, which includes heading information such as attendance. An attendance record for each director is also maintained and annualised for distribution within the board.

The attendance of the board at meetings within the last 12 months (9 meetings inclusive of AGM and all board meetings conducted remotely) is as follows:

Christian Schaffalitzky – 100% attendance
Dmitry Suschov – 100% attendance
Gary Fitzgerald – 100% attendance

Two non-executive directors, Dmitry Suschov and Gary Fitzgerald form the remuneration committee and determine the conditions of employment and annual remuneration of the executive directors. The audit committee is comprised of the same two non-executive directors and is chaired by Gary Fitzgerald. The committee meets annually before and after the Company's annual audit.

Principle 6
The board has an effective combination of commercial and technical experience, being led by a chair with a strong background in geology, and in developing successful resource projects and companies, with support from non-executive directors with strong experience in commercial functions in a range of markets, commodities and jurisdictions. A further appointment, of an individual with a background in mining is now underway as a response to the Company's recent change of focus – from pure exploration to development and mining. Board members retire on a rota and declare themselves eligible for reappointment at the Company's AGM.

The current board members are listed below;

Christian Schaffalitzky
Executive Chairman and Managing Director
EurGeol, FIMMM, PGeo, CEng. 40 years' experience in mineral exploration. Founder of CSA international. Numerous discovery credits including Lisheen zinc deposit in Ireland. Also, chairman at Kibo Mining Plc and non-executive director of Two Shields Investments and MetalNRG.

Dmitry Suschov
Non-Executive Director
Commodities trading veteran (primarily various grades of metallurgical and thermal coals) who has successfully built a major Pulverized Coal Injection (PCI) franchise throughout Asia, Europe and America with an annual turnover of up to $100 million, thereby accumulating around 2.5% of the global PCI market share. He is also an investment banker with extensive experience in the Russian resources industry having previously worked with IG Capital, MDM Bank, PricewaterhouseCoopers and Ernst&Young as mining & metals leader in corporate finance for Russia and CIS.

Gary Fitzgerald
Non-Executive Director
30 years' experience in investment management and prior director of Framlington Investment Management.

The board considers the skill sets currently within the board to be sufficient for the successful running of the business, and the delivery of the stated corporate strategy and goals for the benefit of shareholders through the medium to long term, however, it is recognised that a further appointment would benefit the board in having a greater breadth of experience, particularly with respect to mining, and mine engineering. In this light a further appointment is currently being actively pursued. In addition, where more specialised skills are required, the board has access to a network of individuals and organisations with whom it can consult for further information. This can include input to operational decisions relating to the Company's operating mine, or advice of a commercial nature. Each board members long standing career in the industry is invaluable in this regard.

Continuing Professional Development ('CPD') and membership of institutions which promote best practice in industry is encouraged in all board members, though not compulsory to board membership. As an example, the professional accreditations PGeo ('Professional Geologist', Institute of Geologists of Ireland) and EurGeol ('European Geologist', European Federation of Geologists), attained by the Executive Chairman, are maintained by strict adherence to a program of quantitative and qualitative CPD activities. Likewise, the Company secretary and financial controller maintains membership of the Association of Chartered and Certified Accountants by following a prescribed CPD program. All board members regularly attend industry events and conferences to keep abreast of developments in their area of expertise. Board members, especially Dmitry Sushov, also speak at and chair discussions at mining industry conferences.

No one board member, or group of board members, dominates decision making within the board. Non-executive director Dmitry Suschov is a major shareholder in the business however individual shareholdings are recognised by all board members as separate to and distinct from rights and responsibilities as effective board members.

Principle 7
The remuneration committee is responsible for evaluating the performance of the executive directors. As mentioned above board members retire on a fixed rota, and efforts are made with regard to succession planning and appointment of new board members as required.

New appointments to the board may be suggested by current board members or persons external to the Company. The appointment process involves; assessment of suitability based on qualifications and work history, due diligence by the Company and its Nomad, a series of meetings with board members and key personnel, and ultimately contract negotiation and appointment.

Board evaluations are internal to the Company and on an ad-hoc basis, as befits the small scale of the Company currently, but not less than once per year at the time of the Company AGM. Adhering to the Company's strategy, achieving the Company's goals, and maintaining good corporate governance standards are the three most prominent identifiers by which board effectiveness is evaluated. Board evaluation procedures are considered appropriate for the size and scale of the business currently and the board recognises that these procedures should be subject to review as and when the board and the Company grow. Board evaluations are not currently made public and it is the Company's intention to reconsider this position and ensure continued compliancy with the code as the Company transitions from an exploration Company to a mining Company.

Principle 8
The Company is founded on a culture of following and promoting the highest ethical standards with regard to its commercial transactions, business practices, strategy, internal employee relations and outward-facing stakeholder and community relationships. The Company operates chiefly in the Russian Federation though it is incorporated in the UK and governed by the laws of England and Wales. The corporate culture and values extend from the corporate level throughout the organisation irrespective of jurisdiction. An ability to

recognise and promote good ethical values and behaviours is seen throughout the organisation as an excellent behavioural asset to an employee or potential employee or indeed board member. The current board members have been chosen with this awareness of the corporate culture and the Company's ethical standards in mind - new board appointments are also considered in this light. Corporate culture, and high ethical standards with regard to business practices are considered a critical element in attaining the Company's strategy and goals. These standards are reinforced through the appraisal process. High standards of ethics are considered to create a competitive advantage for the Company and are a core element of the Company's business model, as they ensure the Company's long-term sustainability. Eurasia is an equal opportunities employer.

Principle 9

Maintaining governance structures that are fit for use as the Company evolves in size and complexity is an essential element of good corporate governance. Maintenance of the corporate governance code is the sole remit of the chair, who instigates changes in policy, and ensures the code is applied throughout the organisation. Currently the role of chairman is shared with that of chief executive director, a situation which has persisted since the retirement of the Company's non-executive director in 2017. This situation is regarded as temporary, and a departure from compliancy with the code, but given the size and complexity of the organisation a fully independent chairman is not seen as essential to the proper functioning of the board or the fulfilment of the roles of chair and chief executive. The Company is committed to splitting these roles going forward.

Two non-executive directors are appointed and participate in all board level decisions and also provide scrutiny and oversight of the executive director's roles. The board's non-executive directors are each skilled in different aspects of commercial finance, with a combined breath of experience across various markets, commodities and jurisdictions. They communicate regularly with the chair and executive directors and provide reliable advice in their areas of expertise. The terms and functions of the audit and remunerations committees are set out below.

The Company secretary role is pivotal within the organisation ensuring regulatory compliance and application of good corporate governance principles. The secretary is available to non-executive directors to support their information requirements and decision making and reports directly to the chief executive.

Audit Committee

The Chairman of the Audit Committee is Gary FitzGerald. The Audit Committee may examine any matters relating to the financial affairs of the Group and the Group's audits, this includes reviews of the annual financial statements and announcements, internal control procedures, accounting procedures, accounting policies, the appointment, independence, objectivity, terms of reference and fees of external Auditors and such other related functions as the Board may require.

The membership of the Audit Committee comprises two non-executive Directors, Dmitry Suschov and Gary Fitzgerald. The external Auditors have direct access to the members of the committee, without presence of the executive Directors, for independent discussions. Two Audit Committee meetings were held during the year; to approve 2017 Annual Financial Statements and later the 2018 Interim report. The Audit Committee reported that the accounts were in compliance with International Financial Reporting Standards.

Remuneration Committee

The Chairman of the Remuneration Committee is Gary Fitzgerald. The committee comprises two non-executive Directors, Dmitry Suschov and Gary Fitzgerald. It determines the terms and conditions of employment and annual remuneration of the executive Directors. It consults with the Executive Chairman, takes into consideration external data and comparative third-party remuneration and has access to professional advice outside the Company.

The key policy objectives of the Remuneration Committee in respect of the Company's executive Directors and other senior executives are:

- to ensure that individuals are fairly rewarded for their personal contribution to the Company's overall performance, and
- to act as an independent committee ensuring that due regard is given to the interests of the Company's Shareholders and to the financial and commercial health of the Company.

Remuneration of executive Directors comprises basic salary, discretionary bonuses, participation in the Company's Share Option Scheme and other benefits. The Company's remuneration policy with regard to options is to maintain an amount of not more than 10% of the issued share capital in options for the Company's management and employees which may include the issue of new options in line with any new share issues. Matters which are reserved strictly for the consideration of the board include, but are not limited to, discussions and decision on Company strategy, major investment decisions in new business development, commercial arrangements including funding requirements, high-level decisions on distribution of funds, and recruitment or dismissal of senior personnel and board members.

The above outline of the Company's corporate governance framework befits the current scale of the Company but will be subject to appropriate modifications as the Company grows in line with its stated strategy. An annual review of the corporate governance framework is undertaken at the board meeting preceding or directly following the Company's AGM. Changes considered to the current corporate governance framework, to be assessed in due course, include further appointments to the board, and establishing independent bodies to review and assess board performance.

Total directors' emoluments are disclosed in notes 8 and 23 to the financial statements and the directors' options are disclosed in the director's report above. During 2018 45,000,000 options were granted to the directors (2017: nil).

Build trust

Principle 10
The board seeks to maintain both direct and two-way communication with its shareholders through various channels including the Company website, Twitter feed, Company Presentations, Investor Events, Video Blogs filmed on site at the Company's projects, Live and recorded video and audio interviews, and lastly direct communication by phone and email through the Company's contact information. Phone calls to the company's office are screened and communicated to board members as appropriate. All shareholders may at their discretion chose to attend the company AGM and speak directly to the board and management.

The Company employs Public Relations professionals and maintains several third-party contracts to better disseminate Company news-flow. Through shareholder feedback the Company ensures that the boards communication of the company's progress is thorough and well understood.

A clear statement on the outcomes of board resolutions is communicated immediately after the Company's AGM by RNS and posted to the Company's website at www.eurasiamining.co.uk. This includes a summary of votes for and against the resolutions put before the shareholders, and where a significant number of votes is cast against a resolution this is clearly stated, with an explanation as to possible explanations and remediations regarding that voting. A catalogue of historical annual reports and AGM notices is maintained at an appropriate location on the Company's website.

Health and Safety

The Group has occupational health and safety policies and procedures in place ensuring that all efforts are made to minimise adverse personal and corporate outcomes, through best practice training, implementation and monitoring. No serious incidents occurred in the past year.

UK Code on takeover and mergers

Eurasia Mining is subject to the UK City code on takeovers and mergers, which was revised and extended to apply to all companies listed on the AIM market in October 2013.

Auditors

Grant Thornton UK LLP are willing to continue in office and a resolution proposing their re-appointment as auditors of the Company and a resolution authorising the directors to agree their remuneration will be put to shareholders at the Annual General Meeting.

By order of the Board

Keith Byrne
Company Secretary

14 May 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EURASIA MINING PLC

Opinion

Our opinion on the financial statements is unmodified
We have audited the financial statements of Eurasia Mining Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2018 which comprise the consolidated statement of profit or loss and other comprehensive income, the consolidated and parent company statements of financial position, the consolidated and parent company statements of changes in equity, the consolidated and parent company statements of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2018 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006;
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Overview of our audit approach
- Overall group materiality: £109,000, which represents 2% of the group's total assets;
- Key audit matters were identified as the recoverability of Mining Assets and exploration and evaluation of mineral resources as well as improper revenue recognition; and
- We performed full scope audit procedures on Eurasia Mining Plc, targeted audit procedures on Urals Alluvial Platinum Limited, Eurasia Resources Asia Ltd, ZAO Terskaya Mining Company, ZAO Kosvinskiy Kamen, ZAO Eurasia Mining Service and ZAO Yuksporskaya Mining Company; analytical audit procedures on Eurasia Mining (UK) Limited.

Key audit matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether, or not, due to fraud) that we identified. These matters included those that had the greatest effect on the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter - Parent and Group	How the matter was addressed in the audit – Parent and Group
Recoverability of Mining Assets and exploration and evaluation of mineral resources The group currently has interests in 2 projects: • West Kytlim which has become fully operational during the current financial year which, due to freezing over in the winter months, is only available for extraction activities during the summer months. The carrying value of the mining assets for this project is £3,606,013 (2017: £4,339,633); and • Monchetundra which is still in its exploration and evaluation stage. The carrying value of the Exploration and Evaluation costs capitalised is £802,661 (2017: £840,793). The risks associated with the above is that the carrying values may not be fully recoverable, indicating a potential impairment to be recognised.	Our audit work included, but was not restricted to: • Challenging management's assertions relating to indicators of impairment for the mining and exploration and evaluation assets. • We corroborated management's considerations on assets where there was no indicator for impairment, by obtaining mining licenses, reserve & resource reports. • For the mining assets where indicators were present, we examined the value in use calculation performed by management: - We performed arithmetical checks on the calculation. - We challenged the appropriateness of managements' key assumptions which included – discount rate, recovery rate and ore quantity used in the model - We performed sensitivity analysis on these assumptions, including commodity prices, production levels, discount rate and grade of extracted materials - We assessed cash flows to current production reports, which were considered more relevant than historical production rates due to the issues incurred - We agreed the amounts of Ore production, recovery and quantity to third party reserve reports and into the cash flow forecast. The group's accounting policy on recoverability of mining assets is shown in note 4 to the financial statements and related disclosures are included in notes 11 and 12. Sensitivities have been disclosed in note 5.2.4 *Key observations* Our testing did not identify any impairment of mining or exploration and evaluation assets.

Key Audit Matter - Parent and Group	How the matter was addressed in the audit – Parent and Group
Improper revenue recognition Under ISA 240 (UK) there is a presumed risk that revenue may be misstated due to fraud within the recognition of revenue. Revenue for the year-ended 31 December 2018 was £2,573,329 (2017: £183,998). This is also the first full year that the West Kytlim mine is operating at capacity. This, coupled with the implementation of the new Accounting Standard, IFRS 15, indicates the risk of material misstatement to the financial statements.	Our audit work included, but was not restricted to: • Reviewing and testing the revenue recognition policy for the group including any impacts relating to the adoption of IFRS 15; and • Vouching 100% of revenue transactions to supporting documentation, including contracts, settlement reports and cash collection. • Verifying that the revenue transactions vouched above have been recorded in accordance with our review per the first point above. The group's accounting policy on revenue recognition is shown in note 4 to the financial statements and related disclosures are included in note 6. *Key observations* Our testing did not identify any material misstatements in the recognition of revenue.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature, timing and extent of our audit work and in evaluating the results of that work.

Materiality was determined as follows:

MATERIALITY MEASURE	GROUP	PARENT
Financial statements as a whole	£109,000 which is 2% of total assets. This benchmark is considered the most appropriate because of the importance of the mining assets to the current and future level of activity, and the overall success, of the entity. Therefore, the key metric and focus area for this entity is their assets under control.	£98,000 which is 90% of group materiality. This benchmark is considered the most appropriate because we performed our audit in combination with the audit of the group, so any misstatements identified in the parent have been considered in unison with the materiality of the group. As such, we consider there to be minimal risk of a combined material misstatement.
Performance materiality used to drive the extent of our testing	75% of financial statement materiality.	75% of financial statement materiality.
Communication of misstatements to the audit committee	£5,450 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.	£4,900 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

An overview of the scope of our audit

Our audit approach was a risk-based approach founded on a thorough understanding of the group's business, its environment and risk profile and in particular included:

- evaluation by the group audit team of identified components to assess the significance of that component and to determine the planned audit response based on a measure of materiality. Significance was determined by a percentage of the group's total assets;
- We performed full scope audit procedures on Eurasia Mining Plc, targeted audit procedures on Urals Alluvial Platinum Limited, Eurasia Resources Asia Ltd, ZAO Terskaya Mining Company, ZAO Kosvinskiy Kamen, ZAO Eurasia Mining Service and ZAO Yuksporskaya Mining Company; analytical audit procedures on Eurasia Mining (UK) Limited.
- As part of the planning process, assessing the group's internal processes and control environment. Eurasia Mining Plc has centralised processes and controls over the key areas of our audit focus. Group management are responsible for all judgements and significant risk areas. For the Russian subsidiaries, local finance teams perform accounting processes and we tailored our audit response accordingly, using component auditors to perform targeted audit procedures on these entities. Group instructions were issued to the component auditor and a full review of their work was completed;
- The total percentage coverage of full scope or targeted procedures over group revenue was 100%;
- The total percentage coverage of full scope or targeted procedures over total assets was 98%;

Our audit approach was fully substantive in nature and consistent with the 2017 approach.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Our opinion on other matters prescribed by the Companies Act 2006 is unmodified

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 14, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Christopher Raab, ACA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London

14 May 2019

Consolidated statement of profit or loss and other comprehensive income

For the year ended 31 December 2018

	Note	**Year to 31 December 2018 £**	Year to 31 December 2017 £
Sales		**2,573,329**	183,998
Cost of sales		**(2,280,559)**	(217,540)
Gross profit/(loss)		**292,770**	(33,542)
Administrative costs		**(1,609,068)**	(1,022,664)
Investment income		**5,821**	-
Finance cost		**(623,779)**	(1,113,318)
Other gains	9	**107,083**	243,951
Other losses	9	**(1,414,768)**	(213,557)
Loss before tax		**(3,241,941)**	(2,139,130)
Income tax expense	10	-	-
Loss for the period		**(3,241,941)**	(2,139,130)
Other comprehensive income:			
Items that will not be reclassified subsequently to profit and loss:			
NCI share of foreign exchange differences on translation of foreign operations		**69,894**	(13,768)
Items that will be reclassified subsequently to profit and loss:			
Parent's share of foreign exchange differences on translation of foreign operations		**258,351**	(79,996)
Other comprehensive income for the period, net of tax		**328,247**	(93,764)
Total comprehensive loss for the period		**(2,913,694)**	(2,232,894)
Loss for the period attributable to:			
Equity holders of the parent		**(2,573,231)**	(2,119,657)
Non-controlling interest	13	**(668,710)**	(19,473)
		(3,241,941)	(2,139,130)
Total comprehensive loss for the period attributable to:			
Equity holders of the parent		**(2,314,878)**	(2,199,653)
Non-controlling interest	13	**(598,816)**	(33,241)
		(2,913,694)	(2,232,894)
(Loss)/profit per share attributable to equity holders of the parent:			
Basic and diluted loss (pence per share)	22	**(0.12)**	(0.14)

The accompanying notes are an integral part of these financial statements.

Consolidated statement of financial position

Eurasia Mining plc
Company No. 3010091

As at 31 December 2018

	Note	31 December 2018 £	31 December 2017 £
ASSETS			
Non-current assets			
Property, plant and equipment	*11*	**3,660,614**	4,370,475
Assets in the course of construction	*11*	**33,193**	37,814
Intangible assets	*12*	**802,661**	840,793
Other financial assets	*14*	-	445,596
Total non-current assets		**4,496,468**	5,694,678
Current assets			
Inventories		**1,495**	5,605
Trade and other receivables	*15*	**49,046**	93,387
Cash and cash equivalents		**452,676**	89,819
Total current assets		**503,217**	188,811
Total assets		**4,999,685**	5,883,489
EQUITY			
Issued capital	*16*	**28,803,321**	26,623,034
Other reserves	*18*	**3,941,115**	3,403,368
Accumulated losses		**(26,632,516)**	(24,484,719)
Equity attributable to equity holders of the parent		**6,111,920**	5,541,683
Non-controlling interest	*13*	**(1,419,039)**	(708,634)
Total equity		**4,692,881**	4,833,049
LIABILITIES			
Current liabilities			
Borrowings	*19*	**43,586**	588,810
Trade and other payables	*20*	**263,218**	236,630
Other financial liabilities	*21*	-	225,000
Total current liabilities		**306,804**	1,050,440
Total liabilities		**306,804**	1,050,440
Total equity and liabilities		**4,999,685**	5,883,489

These financial statements were approved by the board on 14 May 2019 and were signed on its behalf by:

C. Schaffalitzky
Executive Chairman

The accompanying notes are an integral part of these financial statements.

Company statement of financial position

As at 31 December 2018

	Note	**31 December 2018 £**	31 December 2017 £
ASSETS			
Non-current assets			
Company statement of financial position			
Property, plant and equipment	*11*	**1,009**	44
Investments in subsidiaries	*13*	**1,132,246**	1,277,489
Total non-current assets		**1,133,255**	1,277,533
Current assets			
Trade and other receivables	*15*	**36,940**	46,703
Other financial assets	*14*	**6,252,506**	6,306,204
Cash and cash equivalents		**170,690**	61,500
Total current assets		**6,460,136**	6,414,407
Total assets		**7,593,391**	7,691,940
EQUITY			
Issued capital	*16*	**28,803,321**	26,623,034
Other reserves	*18*	**4,023,610**	3,744,216
Accumulated losses		**(25,517,698)**	(23,763,393)
Total equity		**7,309,233**	6,603,857
LIABILITIES			
Current liabilities			
Borrowings	*19*	-	539,156
Trade and other payables	*20*	**284,158**	323,927
Other financial liabilities	*21*	-	225,000
Total current liabilities		**284,158**	1,088,083
Total liabilities		**284,158**	1,088,083
Total equity and liabilities		**7,593,391**	7,691,940

In accordance with section 408(3) of the Companies Act 2006, Eurasia Mining plc is exempt from the requirement to present its own statement of profit or loss. The amount of loss for the financial year recorded within the financial statements of Eurasia Mining plc is £1,831,378 (2017: loss of £1,480,763).

These financial statements were approved by the board on 14 May 2019 and were signed on its behalf by:

C. Schaffalitzky
Executive Chairman

The accompanying notes are an integral part of these financial statements.

Consolidated statement of changes in equity

For the year ended 31 December 2018

	Note	Share capital £	Share premium £	Deferred shares £	Capital redemption and other reserves £	Foreign currency translation reserve £	Accumulated losses £	**Total attributable to owners of parent £**	Non-controlling interest £	**Total £**
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		140,951	248,471	-	-	-	-	389,422	-	389,422
Shares issued in lieu of loan note interest		197,108	458,511	-	-	-	-	655,619	-	655,619
Recognition of warrants issued with convertible loan notes		-	-	-	307,075	-	-	307,075	-	307,075
De-recognition of warrants due to restructure of convertible loan notes		-	-	-	(179,838)	-	179,838	-	-	-
Recognition of equity element of convertible loan notes		-	-	-	74,285	-	-	74,285	-	74,285
Transactions with owners		**338,059**	**706,982**	-	**201,522**	-	**179,838**	**1,426,401**	-	**1,426,401**
Loss for the period		-	-	-	-	-	(2,119,657)	(2,119,657)	(19,473)	(2,139,130)
Exchange differences on translation of foreign operations		-	-	-	-	(79,996)	-	(79,996)	(13,768)	(93,764)
Total comprehensive income		-	-	-	-	(79,996)	(2,119,657)	(2,199,653)	(33,241)	(2,232,894)
Balance at 31 December 2017		**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**
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		221,713	578,303	-	-	-	-	800,016	-	800,016
Share issue cost		-	(29,580)	-	-	-	-	(29,580)	-	(29,580)
Issue of ordinary shares on exercise of warrants		109,197	370,826	-	(112,868)	-	-	367,155	-	367,155
Shares issued in lieu of loan note interest		20,522	88,253	-	-	-	-	108,775	-	108,775
Conversion of loan notes		170,549	639,075	-	-	-	-	809,624	-	809,624
Recognition of options under employee share option plan		-	-	-	455,028	-	-	455,028	-	455,028
Recognition of warrants issued for professional services		-	-	-	14,307	-	-	14,307	-	14,307
Issue of shares under employee share option plan		1,742	9,688	-	-	-	-	11,430	-	11,430
Reversal on cancellation of options		-	-	-	(2,788)	-	2,788	-	-	-
De-recognition of equity element of convertible loan notes		-	-	-	(74,285)	-	74,285	-	-	-
Non-controlling interests arising on reduction of interest in subsidiary		-	-	-	-	-	-	-	(111,589)	(111,589)
Gain on changes in parent's ownership interest in a subsidiary	13	-	-	-	-	-	348,361	348,361	-	348,361
Transactions with owners		**523,722**	**1,656,565**	-	**279,394**	-	**425,434**	**2,885,115**	**(111,589)**	**2,773,526**
Loss for the period		-	-	-	-	-	(2,573,231)	(2,573,231)	(668,710)	(3,241,941)
Exchange differences on translation of foreign operations		-	-	-	-	258,353	-	258,353	69,894	328,247
Total comprehensive income		-	-	-	-	258,353	(2,573,231)	(2,314,878)	(598,816)	(2,913,694)
Balance at 31 December 2018		**2,371,569**	**19,406,269**	**7,025,483**	**4,023,610**	**(82,495)**	**(26,632,516)**	**6,111,920**	**(1,419,039)**	**4,692,881**

The accompanying notes are an integral part of these financial statements.

Company statement of changes in equity

Eurasia Mining plc
Company No. 3010091

For the year ended 31 December 2018

	Share capital £	Share premium £	Deferred shares £	Other reserves £	Retained loss £	Total £
Balance at 1 January 2017	1,509,788	17,042,722	7,025,483	3,542,694	(22,462,468)	6,658,219
Issue of ordinary share capital for cash	140,951	248,471	-	-	-	389,422
Shares issued under terms of the loan agreements	197,108	458,511	-	-	-	655,619
Recognition of warrants issued with convertible loan notes	-	-	-	307,075	-	307,075
De-recognition of warrants due to restructure of convertible loan notes	-	-	-	(179,838)	179,838	-
Recognition of equity element of convertible loan notes	-	-	-	74,285	-	74,285
Transactions with owners	338,059	706,982	-	201,522	179,838	1,426,401
Loss and total comprehensive income	-	-	-	-	(1,480,763)	(1,480,763)
Balance at 31 December 2017	**1,847,847**	**17,749,704**	**7,025,483**	**3,744,216**	**(23,763,393)**	**6,603,857**
Balance at 1 January 2018	**1,847,847**	**17,749,704**	**7,025,483**	**3,744,216**	**(23,763,393)**	**6,603,857**
Issue of ordinary share capital for cash	221,713	578,303	-	-	-	800,016
Issue of ordinary shares on exercise of warrants	109,197	370,826	-	(112,868)	-	365,664
Shares issued in lieu of loan note interest	20,522	88,253	-	-	-	108,775
Conversion of loan notes	170,549	639,075	-	-	-	809,624
Issue of shares under employee share option plan	1,742	9,688	-	-	-	12,922
Share issue cost	-	(29,580)	-	-	-	(29,580)
Reversal on cancellation of options	-	-	-	(2,788)	2,788	-
Recognition of options under employee share option plan	-	-	-	455,028	-	562,912
Recognition of warrants issued for professional services	-	-	-	14,307	-	14,307
Derecognition of warrants on restructure of convertible loan notes	-	-	-	(74,285)	74,285	-
Transactions with owners	523,722	1,656,565	-	279,394	77,073	2,536,754
Loss and total comprehensive income					(1,831,378)	(1,831,378)
Balance at 31 December 2018	**2,371,569**	**19,406,269**	**7,025,483**	**4,023,610**	**(25,517,698)**	**7,309,233**

The accompanying notes are an integral part of these financial statements.

Consolidated statement of cash flows

For the year ended 31 December 2018

	Note	**Year to 31 December 2018 £**	Year to 31 December 2017 £
Cash flows from operating activities			
Loss for the period		**(3,241,941)**	(2,139,130)
Adjustments for:			
Depreciation of non-current assets	*11*	**367,173**	15,413
Finance costs recognised in profit or loss	*19*	**623,779**	1,113,318
Investment revenue recognised in profit or loss		**(5,821)**	-
Loss on disposal of investment in joint operations	*9*	-	44,495
Loss on impairment of financial assets		**450,936**	-
Gain on valuation of derivative financial instrument	*9*	**(107,083)**	(76,863)
Loss/(gain) on a loan settlement	*9*	**60,405**	(167,088)
Net foreign exchange loss	*9*	**903,427**	169,062
Expense recognised in respect of warrants issued for professional services		**14,307**	-
Expense recognised in respect of options under employee share option plan		**455,028**	-
		(479,790)	(1,040,793)
Movement in working capital			
Decrease in inventories		**3,425**	17,387
Decrease in trade and other receivables		**36,522**	52,567
Increase in trade and other payables		**37,324**	81,117
Cash outflow from operations		**(402,519)**	(889,722)
Income tax paid		-	-
Net cash used in operating activities		**(402,519)**	(889,722)
Cash flows from investing activities			
Interest received		**5,821**	-
Contributed to joint operations		-	(364)
Purchase of property, plant and equipment	*11*	**(113,198)**	(179,873)
Payment for exploration and evaluation assets	*12*	**(49,164)**	(69,290)
Net cash generated from/(used) in investing activities		**156,541**	(249,527)
Cash flows from financing activities			
Proceeds from sale of non-controlling interest		**236,772**	-
Proceeds from issue of equity shares, net of issue costs	*16*	**1,149,022**	389,422
Proceeds from borrowings	*19*	-	1,664,157
Repayment of borrowings	*19*	**(447,440)**	(960,550)
Net cash proceeds from financing activities		**938,354**	1,093,029
Net decrease in cash and cash equivalents		**379,294**	(46,220)
Effects of exchange rate changes on the balance of cash held in foreign currencies		**(16,473)**	(18,635)
Cash and cash equivalents at beginning of period		**89,819**	154,674
Cash and cash equivalents at end of period		**452,676**	89,819

The accompanying notes are an integral part of these financial statements.

Company statement of cash flows

For the year ended 31 December 2018

	Note	Year to 31 December 2018 £	Year to 31 December 2017 £
Cash flows from operating activities			
Loss for the period		**(1,831,378)**	(1,480,763)
Adjustments for:			
Depreciation of non-current assets		**102**	194
Finance costs recognised in profit or loss	*19*	**623,779**	1,113,234
Investment revenue recognised in profit or loss		**(2,062)**	-
Gain on valuation of derivative financial instrument	*9*	**(107,083)**	(76,863)
Gain on debt settlement	*9*	**60,405**	(167,088)
Loss on impairment of investments		**147,794**	-
Loss on disposal of investment in joint operations	*9*	-	44,495
Net foreign exchange (gain)/loss	*9*	**24,611**	(32,047)
Expense recognised in respect of warrants issued for professional services		**14,307**	-
Expense recognised in respect of options under employee share option plan		**455,028**	-
		(614,497)	(598,838)
Movement in working capital			
(Decrease)/increase in trade and other receivables		**7,211**	33,337
Increase /(decrease) in trade and other payables		**(39,769)**	10,480
Cash outflow from operations		**(647,055)**	(549,021)
Income tax paid		-	-
Net cash used in operating activities		**(647,055)**	(549,021)
Cash flows from investing activities			
Interest received		**2,062**	-
Contributed to joint operations		-	(364)
Proceeds from repayment of related party loan		**275,275**	-
Amounts advanced to related party		**(221,577)**	(540,550)
Purchase of property, plant and equipment		**(1,067)**	-
Net cash generated from/(used) in investing activities		**54,693**	(540,914)
Cash flows from financing activities			
Proceeds from issue of equity shares, net of issue costs	*16*	**1,149,022**	389,422
Proceeds from borrowings	*19*	-	1,610,663
Repayment of borrowings	*19*	**(447,440)**	(956,630)
Net cash proceeds from financing activities		**701,582**	1,043,455
N**et decrease in cash and cash equivalents**		**109,220**	(46,480)
Effects of exchange rate changes on the balance of cash held in foreign currencies		**(30)**	(8,448)
Cash and cash equivalents at beginning of period		**61,500**	116,428
Cash and cash equivalents at end of period		**170,690**	61,500

The accompanying notes are an integral part of these financial statements.

Notes to the consolidated financial statements

For the year ended 31 December 2018

1 General information

Eurasia Mining Plc (the "**Company**") is a public limited company incorporated and domiciled in Great Britain with its registered office at International House, 142 Cromwell Road, London SW7 4EF, United Kingdom and principal place of business at Clubhouse Bank, 1 Angel Court, EC2R 7HJ, United Kingdom. The Company's shares are listed on the AIM Market of the London Stock Exchange plc. 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.

Eurasia Mining Plc's consolidated financial statements are presented in Pounds Sterling (£), which is also the functional currency of the parent company.

2 Going concern

At 31 December 2018 the Group's net current assets amounted to £196,413 (2018: Net current liability of £861,629). At the same time the Group had a cash balance of £452,676 (2017: £89,819). The Group had settled all expensive loan facilities by a mixture of cash repayments and the issue of shares following conversion of debt at lenders discretion. The Group had a stand by facility arranged by a director D. Suschov in 2018, which the directors decided not to utilise applying careful cash flow planning and an ability to bring excess funds generated from the West Kytlim operations.

Since going into production at West Kytlim, the Group has received considerable industry interest, especially locally. However, the Board believes this asset should continue to be developed by the Company while the excellent relationship between the contractor and local management team demonstrates much higher rates of return than anticipated. A more thorough reassessment of the project's value will be undertaken in due course in light of actual production information and grades in ore. Furthermore, a discussion on potential capital expansion including the addition of a second wash-plant funded by our partner Uralmetmash, or alternatively by the Group is ongoing.

The Group has implemented tighter controls to minimise its cash outflows by reducing its fixed costs and overheads and by subletting part of the office premises. The directors took personal steps in conserving the Group's cash by taking Company shares in lieu of payment for their remuneration and costs.

In April 2019 the Group has raised £0.5 million from the equity market by way of placing shares for cash.

The directors have concluded that the combination of these circumstances represents a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the annual report and accounts.

3 Changes in accounting policies

3.1 New and revised relevant standards that are effective for annual periods commencing on or after 1 January 2018

IFRS 9 Financial Instruments (effective 1 January 2018)
IFRS 9 represents the completion of its project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. The new standard introduces extensive changes to IAS 39's guidance on the classification and measurement of financial assets and introduces a new 'expected credit loss' model for the impairment of financial assets. IFRS 9 also provides new guidance on the application of hedge accounting.

IFRS 15 Revenue from contracts with customers (effective 1 January 2018)
The IASB has issued a new standard for the recognition of revenue. This will replace IAS 18 which covers contracts for goods and services and IAS 11 which covers construction contracts.

The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards.

Amendments to IFRS 2 Classification and Measurement of Share-based Payment Transactions (effective 1 January 2018)
The amendments clarify the following:

1. In estimating the fair value of a cash-settled share-based payment, the accounting for the effects of vesting and non-vesting conditions should follow the same approach as for equity-settled share-based payments.

2. Where tax law or regulation requires an entity to withhold a specified number of equity instruments equal to the monetary value of the employee's tax obligation to meet the employee's tax liability which is then remitted to the tax authority, i.e. the share-based payment arrangement has a 'net settlement feature', such an arrangement should be classified as equity-settled in its entirety, provided that the share-based payment would have been classified as equity-settled had it not included the net settlement feature.

3. A modification of a share-based payment that changes the transaction from cash-settled to equity-settled should be accounted for as follows:

- the original liability is derecognised;
- the equity-settled share-based payment is recognised at the modification date fair value of the equity instrument granted to the extent that services have been rendered up to the modification date; and
- any difference between the carrying amount of the liability at the modification date and the amount recognised in equity should be recognised in profit or loss immediately.

The adoption of these Standards and Interpretations has had no material impact on the financial statements of the Group

3.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published by the IASB but are not yet effective and have not been adopted early by the Group.

Management anticipates that all the relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Group's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Group's financial statements.

IFRS 16 Leases (effective 1 January 2019)
IASB released IFRS 16 'Leases', which will require lessees to account for leases 'on-balance sheet' by recognising a 'right-of-use' asset and a lease liability.

IFRS 16 also:

- changes the definition of a lease;
- sets requirements on how to account for the asset and liability, including complexities such as non-lease elements, variable lease payments and option periods;
- provides exemptions for short-term leases and leases of low value assets;
- changes the accounting for sale and leaseback arrangements;
- largely retains IAS 17's approach to lessor accounting;
- introduces new disclosure requirements.

Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective on or after the date to be determined)
The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the re-measurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The directors of the Company do not anticipate that the application of these amendments will have a material impact on the Group's consolidated financial statements.

4 Summary of significant accounting policies

4.1 Basis of preparation

The consolidated financial statements of the Group and the Company financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) as adopted by the EU.

These 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 consolidated financial statements.

4.2 Presentation of financial statements

The consolidated financial statements are presented in accordance with IAS 1 Presentation of Financial Statements. The Group has elected to present the "Consolidated Statement of Profit or Loss" in one statement.

4.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company. Control is achieved where the Company has all of the following:

- Power over investee;
- Exposure, or rights, to variable returns from its involvement with the investee;
- The ability to use its power over the investee to affect the amount of investor's returns.

The results of subsidiaries acquired or disposed of are included in the Consolidated Statement of Profit or Loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling party's share of changes in equity since the date of the combination.

4.4 Business combinations

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred, and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of a) fair value of consideration transferred, b) the recognised amount of any non-controlling interest in the acquiree and c) acquisition-date fair value of any existing equity interest in the acquiree, over the acquisition-date fair values of identifiable net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (ie gain on a bargain purchase) is recognised as a profit or loss immediately.

In a business combination achieved in stages, the Group re-measure its previously held equity interest in the acquiree at its acquisition-date fair value and recognise the resulting gain or loss, if any, in profit or loss or other comprehensive income, as appropriate.

4.5 Interests in joint arrangements

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The considerations made in determining significant influence or joint controls are similar to those necessary to determine control over subsidiaries.

The Group reports its interests in jointly controlled entities using the equity method of accounting, except when the investment is classified as held for sale.

Under the equity method, investments in joint ventures are carried in the consolidated statement of financial position at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the joint venture, less any impairment in the value of individual investments. Losses of a joint venture in excess of the Group's interest in that joint venture are not recognised, unless the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the joint venture recognised at the date of acquisition is recognised as goodwill.

The goodwill, if any is included within the carrying amount of the investment and is assessed annually for impairment as part of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately as a profit or loss.

Unrealised gains on transactions between the Group and its joint venture are eliminated to the extent of the Group's interest in the joint venture. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

4.6 Foreign currencies

Functional and presentation currency
The individual financial statements of each group entity are prepared in the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in GBP, which is the functional and the presentation currency of the Company.

Transaction and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Group companies
The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each Statement of Profit or Loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of other comprehensive income.

4.7 Share-based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instrument at the grant date. Fair value is measured by use of Black Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest.

Equity-settled share-based payment transactions with other parties are measured at the fair value of the goods and services received, except where the fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

All equity-settled share-based payments are ultimately recognised as an expense in the profit or loss with a corresponding credit to "Share-based payments reserve".

Upon exercise of share options, the proceeds received net of attributable transaction costs are credited to share capital, and where appropriate share premium. No adjustment is made to any expense recognised in prior periods if share options ultimately exercised are different to that estimated on vesting or if the share options vest but are not exercised.

When share options lapse or are forfeited the respective amount recognised in the Share-based payment reserve is reversed and credited to accumulated profit and loss reserve.

4.8 Revenue

To determine whether to recognise revenue, the Group follows a 5-step process:

1 Identifying the contract with a customer;
2 Identifying the performance obligations;
3 Determining the transaction price;
4 Allocating the transaction price to the performance obligations;
5 Recognising revenue when/as performance obligation(s) are satisfied.

The Group earns its revenues primarily from the sale of platinum group metals from the West Kytlim mine. The company enters into a contract with its main customer to deliver all mined metals extracted from the mine. There is one performance obligation under the sales contract, and that is the delivery of metals. As such, the entire price under the contract is allocated to the single performance obligation. Revenue is recognised when control over the metals passes to the customer.

The Group has determined that it is the principal in the sales transactions as the Group holds the mining license and has the rights to the underlying resources. The Group controls the sales process, from selecting the customer to determining sales price. The group uses a contractor to perform extraction services and an agreed upon portion of sales proceeds are paid to the contractor for their services.

The group will also perform consultancy and management services. Revenue is recognised as performance conditions under contracts are satisfied. During the year, there were no revenues from services.

4.9 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax
The tax payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax
Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of goodwill, initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

4.10 Property, plant and equipment

Mining assets
Mining assets are stated at cost less accumulated depreciation. Mining assets include the cost of acquiring and developing mining assets and mineral rights, buildings, vehicles, plant and machinery and other equipment located on mine sites and used in the mining operations.

Mining assets, where economic benefits from the asset are consumed in a pattern which is linked to the production level, are depreciated using a unit of production method based on the volume of ore reserves. This results in a depreciation charge proportional to the depletion of reserves

Other assets
Freehold properties held for administrative purposes, are stated in the statement of financial position at cost.

Fixtures and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged to write off the cost or valuation of assets over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives are as follows:

Property	30 years
Office equipment	3 years
Furniture and fittings	5 years

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

4.11 Intangible assets

Exploration and evaluation of mineral resources
Exploration and evaluation expenditure comprises costs that are directly attributable to:

- researching and analysing existing exploration data;
- conducting geological studies, exploratory drilling and sampling;
- examining and testing extraction and treatment methods; and/or
- compiling prefeasibility and feasibility studies.

Exploration expenditure relates to the initial search for deposits with economic potential. Evaluation expenditure arises from a detailed assessment of deposits that have been identified as having economic potential. Such capitalised evaluation expenditure is reviewed for impairment at each statement of financial position date. The review is based on a status report regarding the Group's intentions for development of the undeveloped property. Subsequent recovery of the resulting carrying value depends on successful development of the area of interest or sale of the project. If a project does not prove viable, all irrecoverable costs associated with the project net of any related impairment provisions are written off.

4.12 Impairment testing intangible assets and property, plant and equipment

At each statement of financial position date, the Group reviews the carrying amounts of the assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

In assessing whether an impairment is required, the carrying value of the asset is compared with its recoverable amount. The recoverable amount is the higher of the fair value less costs of disposal (FVLCD) and value in use (VIU). The FVLCD is estimated based on future discounted cash flows expected to be generated from the continued use of the asset, including any expansion prospects and eventual disposal, using market-based commodity prices, exchange assumptions, estimated quantities of recoverable minerals, production levels, operating costs and capital requirements based on the latest Life of mine plans. These cash flows were discounted using a real post-tax discount rate that reflect the current market assessments of time value of money.

Value in use is determined as the present value of the estimated cash flows expected to arse from continued use in its current form and eventual disposal. Value in use cannot take into consideration future development. The assumptions used in the calculation are often different than those used in a FVLCD and therefore is likely to yield a different result.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years.

A reversal of an impairment loss of the assets is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

4.13 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

4.14 Financial instruments

Recognition and derecognition
Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets
Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial instruments, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

The classification is determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Subsequent measurement of financial assets

Financial assets at amortised cost
Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding After initial recognition, these are measured at amortised cost using the effective interest method.

Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as listed bonds that were previously classified as held-to-maturity under IAS 39.

Financial assets at fair value through profit or loss (FVTPL)
Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply. The category also contains an equity investment. Assets in this category are measured at fair value with gains or losses recognised in profit or loss.

The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Financial assets at fair value through other comprehensive income (FVOCI)
The Group accounts for financial assets at FVOCI if the assets meet the following conditions:

- they are held under a business model whose objective it is "hold to collect" the associated cash flows and sell and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Any gains or losses recognised in other comprehensive income (OCI) will be recycled upon derecognition of the asset.

Impairment of financial assets
IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. This replaces IAS 39's 'incurred loss model'.

Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

Recognition of credit losses is no longer dependent on the Group first identifying a credit loss event. Instead the Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables and contract assets
The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Group assess impairment of trade receivables on a collective basis as they possess shared credit risk characteristics they have been grouped based on the days past due.

Derivative financial instruments and hedge accounting
Derivative financial instruments are accounted for at fair value through profit and loss (FVTPL) except for derivatives designated as hedging instruments in cash flow hedge relationships, which require a specific accounting treatment. To qualify for hedge accounting, the hedging relationship must meet all of the following requirements:

- there is an economic relationship between the hedged item and the hedging instrument
- the effect of credit risk does not dominate the value changes that result from that economic relationship
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

All derivative financial instruments used for hedge accounting are recognised initially at fair value and reported subsequently at fair value in the statement of financial position.

To the extent that the hedge is effective, changes in the fair value of derivatives designated as hedging instruments in cash flow hedges are recognised in other comprehensive income and included within the cash flow hedge reserve in equity. Any ineffectiveness in the hedge relationship is recognised immediately in profit or loss.

At the time the hedged item affects profit or loss, any gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and presented as a reclassification adjustment within other comprehensive income. However, if a non-financial asset or liability is recognised as a result of the hedged transaction, the gains and losses previously recognised in other comprehensive income are included in the initial measurement of the hedged item.

If a forecast transaction is no longer expected to occur, any related gain or loss recognised in other comprehensive income is transferred immediately to profit or loss. If the hedging relationship ceases to meet the effectiveness conditions, hedge accounting is discontinued, and the related gain or loss is held in the equity reserve until the forecast transaction occurs.

Borrowings
Amounts borrowed from third parties are recorded initially at fair value, being the amount received under the agreements less issuance costs, and subsequently measure at amortised cost using an effective interest rate. There are times when there are conversion options included in the group's borrowing agreements. The conversion options are analysed under IAS 32 – Financial Instruments: presentation to determine the proper classification. If the option is determined to be equity, the fair value of the conversion option is included in other reserves, with the fair value of the liability portion being recorded as a liability with interest accruing under the effective interest rate. If the conversion option is determined to be a liability, it is treated as a derivative financial instrument measured at fair value through profit or loss.

When a conversion option is exercised, the fair value of the shares issued is recorded in share capital and share premium. The amortised carrying value of the liability portion is extinguished. If the conversion option is an equity instrument, this is closed to retained earnings. If the conversion option is a liability component, it is extinguished. Any difference between the carrying value of the liability and the conversion option and the fair value of share issued is taken to the profit and loss as gain or loss on extinguishment.

If debt agreements are modified, any difference between the fair value of the original debt and the modified debt is included as a gain or loss on modification. If the modification is significant, this is considered an extinguishment of the old debt and recognition of new debt.

Warrants
The Company will issue warrants in association with debt and equity issuances and as compensation to suppliers or vendors in exchange for services. These are determined to be equity instruments. When warrants are issued with debt or as compensation to suppliers or vendors, the value of the warrants are included within the share-based payments reserve, that sits within the other reserve. When warrants are issued together with equity issuances any fair value associated with these are recognised when the warrants are exercised within share premium. On exercise of the warrants, the value of the warrants will be transferred from other reserves to share premium as applicable.

4.15 Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker. The Chief Operating Decision-Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors of the Group that make the operating decisions.

5 Critical accounting judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

5.1 Investments in subsidiaries

The Company has a holding of 48.33% in the BVI registered company Energy Resources Asia Limited (the "ERA").

Directors consider the ERA to be a subsidiary of the Company despite holding less than 50% of the voting power of the entity based on the fact that the Company has the ability to use its power over the investee to affect the amount of the investor's returns.

5.2 Key sources of estimation uncertainty

The following are the key assumptions / uncertainties at the statement of financial position date, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5.2.1 Share-based payments
The estimation of share-based payment costs requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Group has made estimates as to the volatility of its own shares, the probable life of options granted and the time of exercise of those options. The model used by the Group is the Black-Scholes valuation model.

5.2.2 Valuation of derivative embedded into convertible loan note
The estimation of embedded derivative (conversion options embedded into US dollar denominated loan) – requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Group has made estimates as to the volatility of its own shares, the probable life of options granted and the time of exercise of those options. The Group used the Monte Carlo valuation model to fair value the options.

5.2.3 Recoverability of other financial assets
The majority of other financial assets represent loans provided to subsidiary and joint venture, which are associated with funding of mineral exploration and development projects. The recoverability of such loans is dependent upon the discovery of economically recoverable reserves, obtaining of regulatory approval for the extraction of such reserves, the ability of the Company to maintain necessary financing to complete the development of reserves and future profitable production or proceeds from the disposition thereof.

5.2.4 Impairment review of the mining assets
The impairment assessment of the West Kytlim mining asset was based on lower of a book value and the value in use. Projected cash flows from 2019 to 2029 were used to assess the value in use. The chosen period is consistent with the quantity of the approved reserves and resources and available for mining operations. No impairment has been recognised.

Assumptions used:

Gross revenues from the West Kytlim mine is split with the contractor on a 65/35 basis in favour of the contractor.

Pt grade 0.85g/tonne

Process recovery 70%

Platinum/Gold price $871/oz / $1,221/oz

Pre-tax discount rate 9.6%

Management has performed a sensitivity analysis on the key variable, such as platinum and production levels and the model is robust up to 12% on platinum and gold price and 71 % on production level.

5.2.5 Non-recognition of an environmental liability provision
No contaminant is used in an alluvial operation; therefore, environmental liability is limited to restoring of the landscape.

No provision for an environmental liability in respect of the West Kytlim running mine has been recognised yet as at the current stage of the operations. The contractor has assumed commitment for technical rehabilitation which covers restoration of the landscape, flooding pits to the certain level, setting a root layer of the soil and other measures to enable vegetation growth.

The Group is only responsible for the biological rehabilitation i.e. ploughing and grass seeding.

In 2018 the mining work was done on the Malaya Sosnovka site of West Kytlim area. The contractor carried out partial technical rehabilitation of the site as tailings are still due for reprocessing, therefore no biological rehabilitation has taken place. The Group estimated the cost of the biological rehabilitation of the Malaya Sosnovka in the region of Rub 628,924 (£7,500).

6 Segmental information

During the year under review management identified the Group consisting of separate segments operating mainly in mining and exploration for and development of platinum group metals, gold and other minerals in Russia. These segments are monitored, and strategic decisions are made based upon it and other non-financial data collated from the on-going mining and exploration activities.

The Company is developing two key assets, West Kytlim and Monchetundra, their geography outlined in the following table. Further non-core interests include the Semenovsky Project in the Republic of Bashkiria in the Southern Ural Mountains, Southwest Russia, and the Kamushanovsky Uranium Project in northern Kyrgyzstan.

	West Kytlim	**Monchetundra**	**Corporate and other segments**
Geographical location	Urals Mountains, Russia	Kola Peninsula, Russia	-
Activity	Operating mine and revenue generating unit	Licenced mining project	Management and investment
2018	£	£	£
Non-current assets	3,322,969	752,126	421,373
Revenue	2,573,329	-	-
2017	£	£	£
Non-current assets	4,023,018	803,703	867,957
Revenue	177,022	-	6,976

All revenue recognised in 2018 and 2017 relate to the sale of PGM from West Kytlim. West Kytlim revenue generated from sale of platinum and other precious metals to a single customer “Ekaterinburg Non-ferrous Metals Refinery”, being the only regional refinery, processing platinum group metals and being duly licenced by the Russian governmental to deal with precious metals.

7 Employees

Average number of staff (excluding non-executive directors) employed throughout the year was as follows:

	2018	2017
By the Company	**2**	2
By the Group	**23**	23

8 Profit/(loss) for the year

Profit/(loss) for the year has been arrived at after charging:

	Year to 31 December 2018		Year to 31 December 2017	
	Group	**Company**	Group	Company
	£	**£**	£	£
Staff benefits expense:				
Wages, salaries and directors’ fees (note 23)	**500,145**	**268,910**	421,950	189,287
Social security costs	**72,656**	**3,706**	73,631	3,266
Value of options issued to employees	**250,078**	**166,110**	-	-
Value of options issued to non-employees	**204,950**	**288,918**	-	-
Other short-term benefits	**16,685**	**16,685**	18,951	18,500
	1,044,514	**744,329**	514,532	211,053
Depreciation	**367,173**	**74**	15,413	194
Mineral extraction tax	**151,614**	-	(9,851)	-
Other share-based payment expense	**14,307**	**14,307**	-	-
Audit fees payable to the Company’s auditor for the audit of the Group’s annual accounts	**40,000**	**40,000**	36,000	36,000

9 Other gains and losses

	Year to 31 December 2018 Group £	Year to 31 December 2017 Group £
Gains		
Change in fair value of derivative instrument	107,083	76,863
Gain on debt settlement	-	167,088
	107,083	243,951
Losses		
Impairment of investments	(450,936)	-
Loss on disposal of investment in joint operations	-	(44,495)
Loss on debt settlement	(60,405)	-
Net foreign exchange loss	(903,427)	(169,062)
	(1,307,685)	(213,557)

10 Income taxes

	Year to 31 December 2018 Group £	Year to 31 December 2017 Group £
(Loss)/profit before tax	**(3,241,941)**	(2,139,130)
Current tax at 19% (2017: 19%)	**(615,968)**	(407,752)
Adjusted for the effect of:		
Expenses not deductible for tax purposes	-	-
Profits not subject to tax	-	-
Unrecognised tax losses carried forward	**(615,968)**	(407,752)
Tax liability	-	-

There was no tax payable for the year ended 31 December 2018 (2017: £nil) due to the Group and the Company having taxable losses.

The Group's business operations currently comprise mining projects in Russia, which are either at an exploration stage or in an active production stage. The Group has tax losses of £20,841,457.22 (2017: £19,290,391) carried forward on which no deferred tax asset is recognised. These losses may affect the future tax position by way of offset against profits as and when mining projects reach a full-scale production.

The deferred asset arising from the accumulated tax losses has not been recognised due to insufficient evidence of timing of suitable taxable profits against which it can be recovered.

11 Property, plant and equipment

a) Group property, plant and equipment	Mining asset	Property £	Plant and machinery £	Office fixture and fittings £	**Total £**
Cost					
Balance at 1 January 2017	4,388,797	25,355	87,227	57,340	**4,558,719**
Additions	175,737		4,136	0	**179,873**
Disposals				(953)	**(953)**
Exchange differences	(196,371)	(317)	(3,117)	(624)	**(200,429)**
Balance at 31 December 2017	4,368,163	25,038	88,246	55,763	**4,537,210**
Additions	83,069		29,090	1,039	**113,198**
Disposals	-		-	(35,897)	**(35,897)**
Exchange differences	(457,625)	(1,044)	(10,786)	(2,052)	**(471,507)**
Balance at 31 December 2018	3,993,607	23,994	106,550	18,853	**4,143,004**
Depreciation					**0**
Balance at 1 January 2017	(15,712)	(705)	(84,476)	(55,554)	**(156,447)**
Disposals				953	
Depreciation expense	(13,379)	(114)	(1,502)	(418)	**(15,413)**
Exchange differences	561	26	3,018	567	**4,172**
Balance at 31 December 2017	(28,530)	(793)	(82,960)	(54,452)	**(166,735)**
Disposals			-	35,897	**35,897**
Depreciation expense	(362,551)	(203)	(4,148)	(271)	**(367,173)**
Exchange differences	3,487	97	10,140	1,897	**15,621**
Balance at 31 December 2018	(387,594)	(899)	(76,968)	(16,929)	**(482,390)**
Carrying amount:					**0**
at 31 December 2018	3,606,013	23,095	29,582	1,924	**3,660,614**
at 31 December 2017	4,339,633	24,245	5,286	1,311	**4,370,475**

(b) Assets in the course of construction	**2018 £**	2017 £
Cost		
Balance at 1 January	37,814	39,216
Exchange differences	(4,621)	(1,402)
Balance at 31 December	33,193	37,814

Assets in the course of construction represent the Group's investment in the powerline to deliver electricity to the West Kytlim mining site. At 31 December 2018 the power line had not been commissioned yet.

(c) Company's office fixture and fittings	**2018 £**	2017 £
Cost		
Balance at 1 January	**39,918**	39,918
Additions	**1,039**	-
Disposal	**(35,897)**	-
Balance at 31 December	**4,107**	39,918
Depreciation		
Balance at 1 January	**(39,874)**	(39,680)
Depreciation expense	**(74)**	(194)
Disposals	**35,897**	-
Balance at 31 December	**(3,098)**	(39,874)
Carrying amount	**1,009**	44

The Group's and Company's property, plant and equipment are free from any mortgage or charge.

12 Intangible assets

In 2017 intangible assets represented only capitalised costs associated with the Group's exploration, evaluation and development of mineral resources.

	2018	2017
	£	£
Cost		
Balance at 1 January	**840,793**	813,135
Additions	**49,164**	69,290
Exchange differences	**(87,296)**	(41,632)
Balance at 31 December	**802,661**	840,793

At 31 December 2018 and 31 December 2017, the intangible assets were represented by the cost capitalised in respect of Monchetundra project.

The Company did not directly own any intangible assets at 31 December 2018 (2017: nil)

13 Subsidiaries

Details of the Company's subsidiaries at 31 December 2018 are as follows:

Name of subsidiary	Place of incorporation	Proportion of ordinary shares held	Principal activity
Urals Alluvial Platinum Limited	Cyprus	100%	Holding Company
ZAO Eurasia Mining Service	Russia	100%	Holding Company
ZAO Kosvinsky Kamen*	Russia	68%	Mineral Evaluation
ZAO Terskaya Mining Company	Russia	80%	Mineral Evaluation
ZAO Yuksporskaya Mining Company	Russia	100%	Mineral Evaluation
Eurasia Mining (UK) Limited	UK	100%	Holding Company
Energy Resources Asia limited**	BVI	48.33%	Holding Company

* In January 2018 the Group sold 7% of its shareholding in ZAO Kosvinsky Kamen, as a result of this transaction proportion of ordinary shares held by the Group was reduced from 75% to 68%. Change in an ownership interest in a subsidiary did not result in the parent losing control of the subsidiary and gain of £348,267 was recognised in the equity.

** In 2011 the Group signed the Memorandum of Understanding (the "MOU") to acquire an interest in the Kamushanovsky uranium project in Kyrgyzstan. To facilitate the MOU, the Group has nominated Energy Resources Asia Limited (the "ERA"), a British Virgin Islands registered company. During 2011 the Group raised $486,000 (£299,960) net of expenses on the market to fund acquisition and during the same period the Group invested $602,000 (£389,392) towards the acquisition of an interest in the Company holding the Kamushanovsky licence. Following this investment work has continued on completing a feasibility study for the mining of this project. The legal holder of the Kamushanovsky licence is negotiating various options including (i) a sale of all or part of the deposit and (ii) creating of business combinations to allow for the deposit to transfer into operating mine. Due to uncertain timing for realisation of the options and difficulty to asses sustainability of the value of asset recognised by the Group in respect of the Kamushanovsky project it was decided to write it off the books.

The directors consider ERA to be a subsidiary of the Company despite holding only 48.33% of the voting power of the entity based on the fact that the Company has the ability to use its power over the investee to affect the amount of the Company's returns.

The Company's investments in subsidiaries presented on the basis of direct equity interest and represent the following:

	2018	2017
	£	£
Investment in subsidiaries (i)	**1,132,246**	1,277,489
	1,132,246	1,277,489

Investment in subsidiaries represents the Company investments made into its 100% subsidiary Urals Alluvial Platinum Limited (the "UAP"), which in turn controls other subsidiaries within the Group.

13 Subsidiaries (continued)

Subsidiaries with material non-controlling interests ("NCI")	**2018**	2017
Summary of non-controlling interest	**£**	£
As at 1 January	**(708,634)**	(675,393)
NCI arising on reduction of interest in subsidiary	**(111,589)**	-
(Loss)/profit attributable to NCI	**(668,710)**	(19,473)
Exchange differences	**69,894**	(13,768)
As at 31 December	**(1,419,039)**	(708,634)

Non-controlling interest on subsidiary basis	**£**	£
Energy Resources Asia Limited	-	305,219
ZAO Kosvinsky Kamen	**(818,257)**	(430,353)
ZAO Terskaya Mining Company	**(600,782)**	(583,500)
	(1,419,039)	(708,634)

Energy Resources Asia Limited	**£**	£
Non-current assets	-	445,596
Current assets	-	-
Total assets	-	445,596
Current liabilities	-	(3,228)
Total liabilities	-	(3,228)
Net assets	-	442,368
Equity attributable to owners of the parent	-	137,149
Non-controlling interests	-	305,219
Loss for the year attributable to owners of the parent	**(124,960)**	-
Loss for the year attributable to NCI	**(322,710)**	-
Loss for the year	**(447,670)**	-
Total comprehensive income for the year attributable to owners of the parent	**(137,149)**	(22,424)
Total comprehensive income for the year attributable to NCI	**(305,219)**	(20,975)
Total comprehensive income for the year	**(442,368)**	(43,399)

ZAO Kosvinsky Kamen	**£**	£
Non-current assets	**3,322,969**	4,023,018
Current assets	**305,235**	75,501
Total assets	**3,628,204**	4,098,519
Non-current liabilities	**(5,650,038)**	(5,682,491)
Current liabilities	**(412,702)**	(122,770)
Total liabilities	**(6,062,740)**	(5,805,261)
Net assets	**(2,434,536)**	(1,706,742)
Equity attributable to owners of the parent	**(1,616,279)**	(1,276,389)
Non-controlling interests	**(818,257)**	(430,353)
(Loss)/profit for the year attributable to owners of the parent	**(768,345)**	(1,709)
(Loss)/profit for the year attributable to NCI	**(301,537)**	(570)
(Loss)/profit for the year	**(1,069,882)**	(2,279)
Total comprehensive income for the year attributable to owners of the parent	**(482,981)**	59,710
Total comprehensive income for the year attributable to NCI	**(276,315)**	6,165
Total comprehensive income for the year	**310,586**	65,875

13 Subsidiaries (continued)

ZAO Terskaya Mining Company	2018 £	2017 £
Non-current assets	**752,126**	803,703
Current assets	**2,530**	7,510
Total assets	**754,656**	811,213
Non-current liabilities	**(925,089)**	(797,793)
Current liabilities	**(69,912)**	(81,215)
Total liabilities	**(995,001)**	(879,008)
Net assets	**(240,345)**	(67,795)
Equity attributable to owners of the parent	**360,437**	515,705
Non-controlling interests	**(600,782)**	(583,500)
(Loss)/profit for the year attributable to owners of the parent	**(147,940)**	(75,613)
(Loss)/profit for the year attributable to NCI	**(44,463)**	(18,903)
(Loss)/profit for the year	**(192,403)**	(94,516)
Total comprehensive income for the year attributable to owners of the parent	**(192,747)**	(78,749)
Total comprehensive income for the year attributable to NCI	**(17,282)**	(18,431)
Total comprehensive income for the year	**(210,029)**	(97,180)

14 Other financial assets

	2018		2017	
	Group **£**	**Company** **£**	Group £	Company £
Non-current				
Advanced to acquire interest in uranium project	-	-	445,596	-
Current				
Loans to subsidiaries	-	**6,252,506**	-	6,306,204
	-	**6,252,506**	445,596	6,306,204

The monies advanced to the subsidiary enterprises by the Company are repayable on demand.

In prior years the Group advanced $602,000 (£445,596 at 31 December 2017)) with the intention to acquire an interest in the Kyrgyzstan company holding the Kamushanovsky uranium exploration licences (note 13). Due to uncertain timing for realisation of the options and difficulty to asses sustainability of the value of asset recognised by the Group in respect of the Kamushanovsky project it was decided to write it off the books (note 13).

The maximum exposure to credit risk at the reporting date is the carrying value of each class of assets mentioned above.

Recoverability of the loans to subsidiary is dependent on the borrower's ability to (i) transform them into cash generating units through development of sufficient economically recoverable reserves into profitable production or (ii) to complete a sale of all or part of the deposit. The Group has assessed the estimated credit losses of these loans and given the effective interest rate of the loans is 0%, there would be an immaterial loss expected on these loans.

15 Trade and other receivables

	2018		2017	
	Group £	**Company £**	Group £	Company £
Trade receivables	-	-	254	-
Prepayments	**13,374**	**11,568**	22,917	21,238
Other receivables	**35,672**	**8,156**	70,216	11,124
Due from subsidiaries	-	**17,216**	-	14,341
	49,046	**36,940**	93,387	46,703

The fair value of trade and other receivables is not materially different to the carrying values presented. None of the receivables are provided as security or past due.

16 Issued capital

	2018	2017
Issued and fully paid ordinary shares with a nominal value of 0.1p		
Number	**2,371,569,430**	1,847,847,150
Nominal value (£)	**2,371,569**	1,847,847
Issued and fully paid deferred shares with a nominal value of 4.9p		
Number	**143,377,203**	143,377,203
Nominal value (£)	**7,025,483**	7,025,483
Share premium		
Value (£)	**19,406,269**	17,749,704
Total issued capital (£)	**28,803,321**	26,623,034

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

Deferred shares have attached to them the following rights and restrictions:

- 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.

Issue of ordinary share capital in 2018:	Price in pence per share	Number	Nominal value £
As at 1 January 2018		1,847,847,150	1,847,847
28 February 2018	0.34	10,522,058	10,522
10 May 2018	0.3	172,216,666	172,217
18 July 2018	0.73	34,349,316	34,349
01 August 2018	0.475	52,631,579	52,631
14 August 2018	0.34	109,196,618	109,197
19 September 2018	0.34	117,917,182	117,917
02 November 2018	0.42	25,146,609	25,147
18 December 2018	0.42	1,742,252	1,742
		523,722,280	523,722
As at 31 December 2018		**2,371,569,430**	**2,371,569**

17 Share based payments

Share options and warrants outstanding at the end of the year have the following expiry date and exercise prices:

Expiry date	Exercise price in pence per share	**Number of options as at 31 December 2018**	Number of options as at 31 December 2017
Share options			
02 November 2022	0.42	**70,257,748**	-
02 November 2022	0.60	**53,000,000**	-
02 November 2022	0.90	**48,000,000**	-
Weighted average exercise price		**171,257,748**	-
Warrants			
12 November 2018 (expired)	0.57	-	950,000
15 May 2020 (exercised)	0.34	-	109,196,618
15 May 2020	1.00	**20,000,000**	20,000,000
16 May 2020	1.00	**10,000,000**	10,000,000
16 May 2020	0.60	**166,666,666**	-
17 September 2021	0.41	**6,053,612**	-
17 September 2021	0.83	**3,026,806**	-
17 September 2021	1.24	**2,017,871**	-
		207,764,955	140,146,618
Weighted average exercise price		**0.66**	0.49
Total contingently issuable shares at 31 December		**379,022,703**	140,146,618

Out of 171,257,748 options available at 31 December 2018 123,257,748 were exercisable.

All listed warrants were exercisable as at 31 December 2017 and 2016 respectively.

Share options

Movement in number of share options outstanding and their related weighted average exercise prices are as follows:

(Price expressed in pence per share)	**2018**		2017	
	Average exercise price	**No. of share options**	Average exercise price	No. of share options
Share options				
At 1 January	-	-	-	-
Granted*	**0.61**	**173,000,000**	-	-
Exercised	**0.42**	**(1,742,252)**	-	-
At 31 December	**0.61**	**171,257,748**	-	-

173,000,000 options had been granted by the Group in 2018 (2017: nil) to the directors, Group employees and consultants to the Group and further 21,000,000 options have been authorised to be granted later. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither right to dividends nor voting rights. Options may be exercised at any time from the vesting date to the date of their expiry. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

Out of 173,000,000 options granted by the Group in 2018:

- 72,000,000 options issued with exercise price of 0.42p and vested on the issue date.
- 53,000,000 options issued with exercise price of 0.6p and were due to vest at the date when VWAP has been 0.6 p or above for consecutive 10 days, or at the latest 31 December 2018. Options vested on 22 November 2018.
- 48,000,000 options issued with exercise price of 0.9p and vest at the date when VWAP has been 0.9 p or above for consecutive 10 days, or at the latest 30 June 2019. Options had not been vested on 31 December 2018.

All options granted in 2018 expire on 02 November 2022.

Options were priced using Black-Scholes valuation model. Expected volatility is based on the historical share price volatility for the number of years equal to the period from vesting until expiry date of the respective options.

Inputs in the model were:

(Price expressed in pence per share)	
Date of grant/vesting	02 November 2018
No of options	72,000,000
Years until expiry	4
Grant date share price	0.466
Exercise price	0.42
Expected volatility	96%
Estimated option life	2 years
Risk-free interest rate	0.75%
Dividend yield	0%

Warrants

207,764,955 warrants were granted by the Group in 2018 (2017: 139,196,618).

Movement in number of warrants outstanding and their related weighted average exercise prices are as follows:

	2018		2017	
(Price expressed in pence per share)	**Average exercise price**	**No. of warrants**	Average exercise price	No. of warrants
Warrants				
At 1 January	**0.49**	**140,146,618**	0.89	1,450,000
Granted	**0.6**	**177,764,955**	0.48	139,196,618
Exercised	**0.34**	**(109,196,618)**	1.50	(500,000)
Expired	**0.57**	**(950,000)**	-	-
At 31 December	**0.66**	**207,764,955**	0.49	140,146,618

All listed warrants were exercisable as at 31 December 2018 and 2017 respectively.

18 Other reserves

	2018		2017	
	Group £	**Company £**	Group £	Company £
Capital redemption reserve	**3,539,906**	**3,539,906**	3,539,906	3,539,906
Foreign currency translation reserve:				
At 1 January	**(340,848)**	-	(260,852)	-
Recognised in the period	**258,353**	-	(79,996)	-
At 31 December	**(82,495)**	-	(340,848)	-
Share-based payments reserve:				
At 1 January	**130,025**	**130,025**	2,788	2,788
Recognised in the period	**470,826**	**470,826**	307,075	307,075
Utilised on exercise of warrants	**(114,359)**	**(114,359)**	-	-
De-recognised in the period	**(2,788)**	**(2,788)**	(179,838)	(179,838)
At 31 December	**483,704**	**483,704**	130,025	130,025
Equity component of convertible loan notes:				
At 1 January	**74,285**	**74,285**	-	-
Recognised in the period	-	-	74,285	74,285
Utilised on conversion of loan notes	**(74,285)**	**(74,285)**	-	-
At 31 December	-	-	74,285	74,285
	3,941,115	**4,023,610**	3,403,368	3,744,216

18 Other reserves (continued)

The capital redemption reserve was created as a result of a share capital restructure in earlier years.

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 share-based payments reserve represents (i) reserve arisen on the grant of share options to employees under the employee share option plan and (ii) reserve arisen on the grant of warrants under terms of professional service agreements and/or issued under terms of financing arrangements.

The equity component of convertible loan notes reserve represents a value of the lenders option to convert loan note into shares in accordance with the terms of the convertible loan agreement.

19 Borrowings

	2018		2017	
	Group	**Company**	Group	Company
	£	**£**	£	£
Convertible loan notes	-	-	539,156	539,156
Unsecured loan	**43,586**	-	49,654	-
	43,586	-	588,810	539,156

i) On 10 May 2017 the Company entered into a convertible loan facility with Sanderson Capital Partners Limited to borrow £250,000. Under the terms of the agreement the total fees of 20% of the principal amount was payable to the lender at the inception. Fees payment was satisfied by the issue of shares. No interest to be accrued on the principal. The loan maturity date was 10 May 2018, which was later extended to 30 September 2018 and restructure fee of 20,000 was incurred. The loan was fully converted by the lender into the Company shares on 01 August 2018.

ii) 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 due on 15 May 2018.

Loan was amended during 2018 extending maturity date to 11 September 2018 and final terms stipulated that:

- the lender, at its discretion, could 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;
- 80,749,333 warrants at an exercise price of 0.6p per warrant issued to the lender representing 50% cover of the principal amount. The warrants issued had a subscription period of three years;
- The Company also incurred a restructure fee of $99,500 being 10% of the then outstanding principal, payable at maturity date.

Warrants were exercised by the lender on 14 August 2018 and the loan was fully converted into the Company shares at final maturity date.

iii) 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 contractor and the West Kytlim mine operator. The Group had drawn RR 4.18 million and repaid RR0.3 million in 2017. As the contractor'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.

Combined movement of the loans:	**2018 Group £**	**2018 Company £**	2017 Group £	2017 Company £
Balance at 1 January	**588,810**	**539,156**	318,314	318,314
Loan proceeds	-	-	1,751,070	1,697,576
Arrangement fees	**623,779**	**623,779**	(136,913)	(136,913)
Fair value of warrants attached	-	-	(216,177)	(216,177)
Fair value of embedded conversion options	-	-	(576,245)	(576,245)
Interest accrued	-	-	1,113,318	1,113,234
Payments made in shares	**(759,693)**	**(759,693)**	(605,618)	(605,618)
Payments made in cash	**(447,440)**	**(447,440)**	(960,550)	(956,630)
Loss/(gain) on loans restructure and settlement	**60,405**	**60,405**	(156,842)	(156,842)
Cost of redeeming of a loan	-	-	118,080	118,080
Exchange differences	**18,513**	**24,581**	(40,500)	(40,496)
Less:				
Equity component of convertible loan notes	**(40,788)**	**(40,788)**	(74,285)	(74,285)
Add back:				
Loan arrangement fees allocated to warrants and embedded conversion options	-	-	55,158	55,158
Balance at 31 December	**43,586**	-	588,810	539,156

20 Trade and other payables

	2018 Group £	**2018 Company £**	2017 Group £	2017 Company £
Trade payables	**24,463**	-	109,425	-
Accruals	**71,743**	**57,765**	74,832	61,620
Social security and other taxes	**145,180**	**3,436**	19,862	3,825
Other payables	**21,832**	**24,374**	32,511	59,899
Due to related party -	**198,583**	-	198,583	
	263,218	**284,158**	236,630	323,927

The fair value of trade and other payables is not materially different to the carrying values presented. The above listed payables were all unsecured.

21 Other financial liabilities

	2018 Group £	**2018 Company £**	2017 Group £	2017 Company £
Embedded conversion options into a convertible loan note denominated in US dollars (note 28)	-	-	225,000	225,000
	-	-	225,000	225,000

Embedded conversion options represent the fair value of the conversion options attached to $1,250,000 convertible loan note (notes 19 and 28).

22 Loss per share

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	2018 £	2017 £
(Loss)/profit attributable to equity holders of the Company	**(2,573,231)**	(2,119,657)
Weighted average number of ordinary shares in issue	**2,085,508,722**	1,562,952,662
Basic loss per share (pence)	**(0.12)**	(0.14)

Potential number of shares that could be issued following exercise of share options or warrants:

Number of exercisable instruments:	2018 £	2017 £
Share options	**171,257,748**	-
Warrants	**207,764,955**	140,146,618
	379,022,703	140,146,618

There is no dilutive effect of share options or warrants (2017: Nil) as the group was in a loss position.

23 Related party transactions

Transactions with subsidiaries

In the normal course of business, the Company provides funding to its subsidiaries for reinvestment into exploration projects and manages funds received from partners in joint venture.

	2018 £	2017 £
Receivables from subsidiaries	**17,216**	14,341
Loans provided to subsidiaries	**6,252,506**	6,306,204
Payables to subsidiaries	**(198,583)**	(198,583)
Service charges to subsidiary	**120,000**	120,000

The amounts owed by subsidiaries are unsecured and receivable on demand but are not expected to be fully received within the next twelve months but when the project reaches such an advanced stage of development that it can be repaid out of the proceeds of either the project's cash flow or through the direct or indirect disposal to a third party of an interest in the project.

Transactions with key management personnel

The Group considers that the key management personnel are the directors of the Company.

The following amounts were paid and/or accrued to the directors of the Company who held office at 31 December 2018:

	2018 £	2017 £
Short-term benefits	**238,758**	151,537
Value of the options issued in 2018	**114,676**	-
	353,434	151,537

The remuneration of the directors is determined by the remuneration committee having regard to the performance of individuals and market trends. No pension contribution has been made for the directors in 2018 (2016: nil).

An analysis of remuneration for each director of the Company in the current financial year:

Name	Position	Salaries and allowances	Directors fees	Value of the options issued and vested in 2018	Value of the shares issued for the extra work
		£	£	£	£
C. Schaffalitzky	Executive Chairman	101,008	-	51,435	-
G. FitzGerald	Non-Executive Director	-	15,000	11,806	-
D. Suschov	Non-Executive Director	-	15,000	51,435	107,750
		101,008	30,000	114,676	107,750

In 2018 the Company issued 15,000,000 options, valued at £39,628 to Alexander Suschov, consultant metallurgist and mining engineer, for the services provided to the Group. He is considered as a related party being the father of Dmitry Suschov, a director of the Company.

Reconciliation of the directors' accounts

Name	At 1 January 2018	Salaries and allowances	Directors fees	Fees for the extra work	Paid in cash	Paid in shares	Settlements by director/ (by company)	PAYE/ NIC	At 31 December 2018
	£	£	£	£	£	£	£	£	£
C. Schaffalitzky	25,668	101,008	-	-	(39,840)	(76,252)	545	-	11,129
G. FitzGerald	6,150		15,000	-		(16,250)		(11,468)	(6,568)
D. Suschov	-	-	15,000	107,750	-	(121,864)	(1,240)	-	(354)
	31,818	101,008	30,000	107,750	(39,840)	(214,366)	(695)	(11,468)	4,207

24 Operating lease arrangements

Operating leases relate to the office premises with lease terms up to one year. The Group does not have an option to purchase the leased asset at the expiry of the lease period.

	2018		2017	
	Group £	**Company £**	Group £	Company £
Payments recognised as an expense:				
Minimum lease payments	**26,339**	**13,625**	40,863	10,625
Non-cancellable operating lease commitments:				
No longer than one year	**21,031**	**9,083**	40,863	27,250
Longer than one year and not longer than five years	-	-	9,083	9,083
Longer than five years	-	-	-	-
	21,031	**9,083**	49,946	36,333

The minimum lease payment was adjusted for the office premises sub-lease receipts received by the Company in 2018 of £13,625 (2017: £16,625).

The operating lease commitments represent full commitment by the Company under office lease arrangements. The expected sub-lease receipts are not included and hence do not reduce the amount of the Company's commitments.

25 Commitments

At the time of the award of the Monchetundra mining license a royalty payment was calculated by the Russian Federal Reserves Commission. 20% of this payment was paid in December of 2018 and the remaining 80%, or Rub16.68 mln (approximately £200,000) to be paid by November 2023.

The Group has no other material commitments.

26 Contingent liabilities and contingent assets

The Group has identified a contingent liability should the mining contractor at West Kytlim fail to perform on its commitment for technical rehabilitation which covers restoration of the landscape, flooding pits to the certain level, setting a root layer of the soil and other measures to enable vegetation growth. The commitment was assumed by the contractor under terms of the agreement entered into in 2018 and renewed for 2019 mining season.

In 2018 the mining work was done on the Malaya Sosnovka site of West Kytlim area. The contractor carried out just a partial technical rehabilitation of the site as tailings are considered for reprocessing. The total cost of the technical rehabilitation was estimated at Rub 5,806,024 (£69,120), up to 50% of which has been completed.

The Group had no material contingent liabilities and assets in 2017.

27 Risk management objectives and policies

Financial risk management objectives

The Group's operations are limited at present to investing in entities that undertake mineral exploration. All investments in exploration are capitalised on project basis, which are funded by shareholders funds, fixed rate borrowings and contributions from the partners in joint ventures. The Group's activities expose it to a variety of financial risks including currency, fair value and liquidity risk. The Group seeks to minimise the effect of these risks on a daily basis, though due to its limited activities the Group has not applied policy of using any financial instruments to hedge these risks exposures.

Risk management is carried out by the Company under close board supervision.

Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollars and Russian Roubles. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. The Group's policy is not to enter into currency hedging transactions.

The following significant exchange rates have been applied during the year:

	Average rate		**Reporting date spot rate**	
GBP	**2018**	2017	**2018**	2017
USD	1.335	1.289	1.277	1.351
RUB	83.66	75.230	89.02	78.140

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD and RUB, as indicated below, against GBP at 31 December would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss before taxes by the amounts shown below. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Strengthening		**Weakening**	
	Equity £	Profit or loss £	Equity £	Profit or loss £
31 December 2018				
USD (5% movement)	51,619	(15,334)	(57,052)	16,951
RUB (5% movement)	(113,866)	(56,980)	125,854	62,977
31 December 2017				
USD (5% movement)	70,509	(26,661)	(63,791)	24,120
RUB (5% movement)	(89,286)	(6,142)	80,785	5,557

Interest rate risk

As the Group has no significant interest-bearing assets, the group's operating cash flows are substantially independent of changes in market interest rates.

The Group had significant interest-bearing loans disclosed in the note 19. All loans are at a fixed rate of interest.

Fair values
In the opinion of the directors, there is no significant difference between the fair values of the Group's and the Company's assets and liabilities and their carrying values.

Credit risk
The Group's exposure to credit risk is limited to the carrying amount of financial assets recognised at the consolidated statement of financial position date, as summarised below:

	2018		2017	
	Group	**Company**	Group	Company
	£	**£**	£	£
Non-current loans and advances	-	-	445,596	-
Current loans and advances	-	**6,252,506**	-	6,306,204
Trade and other receivables	**49,046**	**36,940**	93,387	46,703
Cash and cash equivalents	**452,676**	**170,690**	89,819	61,500
	501,722	**6,460,136**	628,802	6,414,407

The Group's risk on cash at bank is mitigated by holding of the majority of funds at "A" rated bank.

No significant amounts are held at banks rated less than "B". Cash is held either on current account or on short-term deposit at floating rate. Interest is determined by the relevant prevailing base rate. The fair value of cash and cash equivalents at 31 December 2018 are not materially different from its carrying value.

Recoverability of the loans is dependent on the borrower's ability to transform them into cash generating units through discovery of economically recoverable reserves and their development into profitable production.

The Company continuously monitors defaults by the counterparties, identified either individually or by group, and incorporates this information into its credit risk control. Management considers that all of the above financial assets that are not impaired are of good credit quality.

Liquidity risk
Ultimate responsibility for liquidity risk management rests with the board of Directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, borrowing facilities, cash and cash equivalent by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities.

	Current		Non-current	
	within 6 months	6 to 12 months	1 to 5 years	later than 5 years
	£	£	£	£
2018				
Borrowings	-	43,586	-	-
Trade and other payables	263,218	-	-	-
	263,218	**43,586**	-	-
2017				
Borrowings	588,810	-	-	-
Trade and other payables	236,630	-	-	-
	825,440	-	-	-

27 Risk management objectives and policies (continued)

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities.

	Current		Non-current	
	within 6 months £	6 to 12 months £	1 to 5 years £	later than 5 years £
2018				
Borrowings	-	-	-	-
Trade and other payables	82,139	198,583	-	-
	82,139	**198,583**	-	-
2017				
Borrowings	539,156	-	-	-
Trade and other payables	125,344	198,583	-	-
	664,500	**198,583**	-	-

The tables above have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

The contractual maturities reflect the gross cash flows, which may differ to the carrying values of the liabilities at the consolidated statement of financial position date.

Capital risk
At present the Group's capital management objective is to ensure the Group's ability to continue as a going concern.

Capital is monitored on the basis of its carrying amount and summarised as follows:

	2018		2017	
	Group £	**Company £**	Group £	Company £
Total borrowings	**43,586**	-	588,810	539,156
Less cash and cash equivalents	**(452,676)**	**(170,690)**	(89,819)	(61,500)
Net debt	-	-	498,991	477,656
Total equity	**6,111,920**	**7,309,233**	5,541,683	6,603,857
Total capital	**6,111,920**	**7,309,233**	6,040,674	7,081,513
Gearing	**0%**	**0%**	8%	7%

Capital structure is managed depending on economic conditions and risk characteristics of underlying assets. In order to maintain or adjust capital structure, the Group may issue new shares and debt financial instruments or sell assets to reduce debt.

28 Fair value measurement

Fair value measurement of financial instruments

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are not based on observable market data.

The following table shows the levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis at each period end:

	2018		2017	
	Group £	**Company £**	Group £	Company £
Level 2				
Embedded conversion options into a convertible loan note denominated in US dollars	-	-	225,000	225,000
Total liability	-	-	225,000	225,000

Measurement of fair value of financial instruments
Management performs valuations of financial items for financial reporting purposes, including Level 2 fair values. Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximising the use of market-based information.

The valuation techniques used for instruments categorised in Level 2 are described below.

Embedded conversion options (Level 2)
The Group entered into debt agreements to borrow $1,250,000 and $500,000 by issue of the convertible loan notes that had embedded conversion options that met the criteria for derivative instruments. See note 19. These options have been fair valued using observable inputs such as volatility, risk fee rates and the Group's share price using a Monte Carlo pricing model. The effects of non-observable inputs are not significant for these options.

29 Events after the consolidated statement of financial position date

Subsequent to the reporting date the Company raised £500,000 in April 2019 from the equity market by way of placing

PLEASE NOTE THAT THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, PLEASE CONSULT AN INDEPENDENT ADVISER IMMEDIATELY.

EURASIA MINING PLC

Company No. 3010091

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Eurasia Mining Plc (the "Company") will be held at The East India Club, 16 St James's Square, London SW1Y 4LH on 20 June 2019 at 11:00am to consider the below resolutions.

You will not receive a form of proxy for the Annual General Meeting in the post. Instead, you will receive instructions to enable you to vote electronically and how to register to do so. You will still be able to vote in person at the Annual General Meeting, and may request a hard copy proxy form directly from the registrars, Link Asset Services, 34 Beckenham Road, Beckenham BR3 4TU (Telephone: 0871 664 0300).

Ordinary Resolutions

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

1. To receive and consider the audited accounts for the period ended 31 December 2018 together with the Directors' and the auditors' reports thereon.
2. To re-appoint Grant Thornton UK LLP as auditors of the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.
3. To authorise the Directors to determine the remuneration of the auditors of the Company.
4. To re-appoint as a Director Gary Fitzgerald, who is required under the Articles of Association of the Company to retire by rotation and who is eligible for re-election.
5. That, in accordance with section 551 of the Companies Act 2006, the Directors be generally and unconditionally authorised to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company ("Rights") up to an aggregate nominal amount of £1,000,000 provided that this authority shall, unless renewed, varied or revoked by the Company, expire at the end of the next Annual General Meeting of the Company to be held after the date on which this resolution is passed, save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted and the Directors may allot shares or grant Rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired. This authority is in substitution for all previous authorities conferred on the Directors in accordance with section 551 of the 2006 Act.

Special Resolution

To consider and, if thought fit, pass the following resolution as a special resolution:

6. THAT, subject to the passing of resolution 5, the Directors be given the general power to allot equity securities (as defined by section 560 of the 2006 Act) for cash, either pursuant to the authority conferred by resolution 6or by way of a sale of treasury shares, as if section 561(1) of the 2006 Act did not apply to any such allotment, provided that this power shall be limited to:

a. the allotment of equity securities in connection with an offer by way of a rights issue to the holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings but subject to such exclusions or other arrangements as the Board may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and

b. the allotment (otherwise than pursuant to paragraph (a) above) of equity securities up to an aggregate nominal amount of £1,000,000.

The power granted by this resolution will expire on the conclusion of the Company's next annual general meeting (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

This resolution revokes and replaces all unexercised powers previously granted to the Directors to allot equity securities as section 561(1) of the 2006 Act did not apply but without prejudice to any allotment of equity securities already made or agreed to be made pursuant to such authorities.

The authority conferred by this resolution shall expire at the conclusion of the Company's next annual general meeting save that the Company may, before the expiry of the authority granted by this resolution, enter into a contract to purchase ordinary shares which will or may be executed wholly or partly after the expiry of such authority.

Dated 15 May 2019

BY ORDER OF THE BOARD

Keith Byrne
Secretary

Notes

1. To be entitled to attend and vote at the Meeting (and for the purpose of the determination by the Company of the number of votes they may cast), shareholders must be registered in the Register of Members of the Company at close of trading on 19 June 2019. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Meeting.
2. Shareholders, or their proxies, intending to attend the Meeting in person are requested, if possible, to arrive at the Meeting venue at least 20 minutes prior to the commencement of the Meeting at 11:00am (UK time) on 20 June 2019 so that their shareholding may be checked against the Company's Register of Members and attendances recorded.
3. Shareholders are entitled to appoint another person as a proxy to exercise all or part of their rights to attend and to speak and vote on their behalf at the Meeting. A shareholder may appoint more than one proxy in relation to the Meeting provided that each proxy is appointed to exercise the rights attached to a different ordinary share or ordinary shares held by that shareholder. A proxy need not be a shareholder of the Company.
4. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's Register of Members in respect of the joint holding (the first named being the most senior).
5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.
6. You can vote either:

   • by logging on to www.signalshares.com and following the instructions;

   • You may request a hard copy form of proxy directly from the registrars, Link Asset Services (previously called Capita), on Tel: 0371 664 0300. Calls cost 12p per minute plus your phone company's access charge. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales.

   • in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below.

   In order for a proxy appointment to be valid a form of proxy must be completed. In each case the form of proxy must be received by Link Asset Services at 34 Beckenham Road, Beckenham, Kent, BR3 4ZF by close of business on 18 June 2019.
7. If you return more than one proxy appointment, either by paper or electronic communication, the appointment received last by the Registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all shareholders and those who use them will not be disadvantaged.
8. The return of a completed form of proxy, electronic filing or any CREST Proxy Instruction (as described in note 11 below) will not prevent a shareholder from attending the Meeting and voting in person if he/she wishes to do so.
9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Meeting (and any adjournment of the Meeting) by using the procedures described in the CREST Manual (available from www.euroclear.com/site/public/EUI). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
10. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST

Manual. The message must be transmitted so as to be received by the issuer's agent (ID RA10) by close of business on 18 June 2019. For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

11. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, tothose sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

12. Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that no more than one corporate representative exercises powers in relation to the same shares.

13. As at 14 May 2019 (being the latest practicable business day prior to the publication of this Notice), the Company's ordinary issued share capital consists of 2,462,478,521 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 14 May 2019 are 2,462,478,521.

14. Under Section 527 of the Companies Act 2006, shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's financial statements (including the Auditor's Report and the conduct of the audit) that are to be laid before the Meeting; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual financial statements and reports were laid in accordance with Section 437 of the Companies Act 2006 (in each case) that the shareholders propose to raise at the relevant meeting. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under Section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Meeting for the relevant financial year includes any statement that the Company has been required under Section 527 of the Companies Act 2006 to publish on a website.

15. Any shareholder attending the Meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the Meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the Meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the Meeting that the question be answered.

16. The following documents are available for inspection during normal business hours at the Company's business address at Clubhouse Bank, 1 Angel Court, EC2R 7HJ, United Kingdom on any business day from the date of this Notice until the time of the Meeting and may also be inspected at the Meeting venue, as specified in this Notice, from 10am on the day of the Meeting until the conclusion of the Meeting.

17. You may not use any electronic address (within the meaning of Section 333(4) of the Companies Act 2006) provided in either this Notice or any related documents (including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.

A copy of this Notice, and other information required by Section 311A of the Companies Act 2006, can be found on the Company's website at www.eurasiamining.co.uk

Company Information

Directors
C. Schaffalitzky *(Executive Chairman)*
G. FitzGerald *(Non-Executive Director)*
D. Suschov *(Non-Executive Director)*

Company Secretary
Keith Byrne

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