EURASIA MINING PLC

Annual Report & Accounts 2020

About us

Eurasia Mining Plc is a London listed, ESG focused open pit PGM and battery metals company with the world's largest soft rock PGM mine (4 PGM as platinum, iridium, palladium and rhodium) as well as gold at West Kytlim. Eurasia also operates a world class open pit deposit at Monchetundra with palladium and EV quality nickel as its main metals, and where a turn key EPCF contract is signed with Sinosteel.

Both projects have been developed within a 15 year joint venture with Anglo American Platinum, the world's largest platinum producer. Eurasia has since been developing other successful partnerships most recently setting up a joint venture with Rosgeo, a Russian state owned company, over 9 projects (of which 4 are post Russian feasibility study and have reserves approved) that can add a further 104.6moz of platinum equivalent Russian Code resources, placing Eurasia among the majors in terms of its palladium resource.

The group has about $23m in cash with insignificant (c.£0.5) debt, putting Eurasia in a strong position, while the Company progresses its strategy as announced on 12 May 2021.

Our Operations

Eurasia is focused on the following mining, development and exploration projects:

MONCHETUNDRA

World class PGM (palladium dominant) and Nickel-Copper project on Kola Peninsula – cornerstone to a proposed new open-pittable PGM and battery metals mining district. Important JV with Rosgeo announced March 2021.

Read more on page 09

WEST KYTLIM

Producing Open Pit PGM mine in the Ural with a sustainability focus – long term target of world's greenest, i.e. lowest carbon PGM ounces. DFS including enlarged reserve approved in 2020.

Read more on page 07

Operational Highlights

West Kytim Producing Mine

- Tipil license received adjacent to the existing production license
- DFS approved to mitigate single asset risk
- Significant production capacity expansion through 2020 and early 2021 and overhaul of mining fleet
- Strong response to COVID with no disruption - continuing focus on employee safety and minimal environmental impact
- Power line construction tendered to achieve lowest carbon PGM production

Environmental, Social and Governance (ESG)

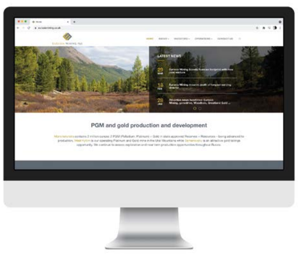
- Significant Board and management updates through 2020 and 2021 creating a strong team with appropriate technical and commercial skillset
- Governance principles with support from top-tier advisers applied through the group of Companies
- Sustainability and low environmental impact focus at our West Kytlim Mine

Monchetundra Open Pit Deposit

- Approval of the Monchetundra Flanks license adjacent to the Monchetundra open pit deposits at West Nittis and Loipishnune
- Review of local and regional resource
- Successful signing of Rosgeo joint venture in which Eurasia will gain a 75% equity stake in nine PGM and battery metals assets (four of which are post Russian Feasibility Study with state approved reserves) with a total of 104.6Moz of Platinum equivalent (“Pt eq”) Russian Code reserves and resources in the immediate vicinity of the Company’s Monchetundra Project on Kola (announced on 26 March 2021)

> With this Rosgeo joint venture in place, and with the final approval of the Flanks license surrounding Monchetundra, the Company has been successful in establishing a dominant position and a first mover advantage in Kola for PGM.

Christian Schaffalitzky
Executive Chairman



To find out the most up-to-date information, visit our website:

www.eurasiamining.co.uk

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Chairman's Statement

> I want to pay tribute to our employees who have worked tirelessly through the year and thank the shareholders once again, for your support and patience.

Christian Schaffalitzky
Chairman

2021 objectives and medium term strategy

Management has the following key objectives in 2021:

- ✓ Continued and targeted development program at both assets while strategic negotiations are progressing as announced on 12 May 2021
- ✓ Rosgeo Joint Venture development following a targeted $20m placing with an institutional investor without discount at a price of 26.5p
- ✓ Drive further expansion at West Kytlim and develop the Company's goal for the lowest environmental footprint at the world's largest soft rock PGM mine

The past 2020 financial year, and indeed the progress early this 2021 year, has brought further major changes in our development as a PGM and battery metals Company. Apart from advancing both our mining projects in Russia, we decided to look at crystallising the value created over the last years. There was considerable interest in our Company and assets and the process progressed well despite COVID-related international travel restrictions. Looking back to the exciting year that was, I will set out here the progress made during 2020 and the outlook as seen at the time of writing.

At West Kytlim, the year closed with the Company operating as owner/operator. In parallel, we filed and ultimately received approval for a Definitive Feasibility Study which allows us to make plans for multiple mining sites starting this year, while also reducing the drilling and exploration work required to upgrade our established reserve base. At the time of writing, one plant is operational at site, a second is being assembled together with a third plant planned to be added later this quarter. As we noted during the past year, the mining operation was unaffected by COVID disruptions and Russia is now operating without any constraints on everyday life. Regarding our plans to further advance our sustainability goals and low-carbon PGM production as a part of our focus on best-in-class ESG standards, we are tendering a technical project to bring grid power to site to substitute for some of the diesel-powered infrastructure.

The new Tipil license area was granted in June to August 2020 and with the surrounding flanks application, creates a resource base for a substantial life of mine. West Kytlim is now a sustainable and long-term low cost PGM mine in the Urals, where we have established a dominant position. I would also highlight the successful completion of the DFS study effectively doubling mineable reserves and strengthening West Kytlim's position as the world's largest PGM mine in its segment in terms of mineable reserves.

At Monchetundra, we received the 'Flanks' licence in August 2020 and commenced routine infill drilling work. More recently, in April 2021 we submitted a detailed exploration project for the flanks area to develop these prospects and bring further resources into the scope of the mine. Significantly, for the long-term plans for Monchetundra, we commenced a new joint venture on the Kola peninsula in March 2021 (the "JV" or the "Rosgeo JV") with Rosgeo and look forward to adding the projects from Rosgeo to the JV in due course.

With this joint venture in place, and with the final approval of the Flanks license surrounding Monchetundra, the Company has been successful in establishing a dominant position and a first mover advantage in Kola for PGM, which, coincident with developments in the PGM market has spurred interest in the Company.

With respect to the board and management, we were saddened at the loss of Gary Fitzgerald who was a major factor in the growth of the Company over almost two decades. His persistence and patience were a key support for me and my colleagues and we are pleased to see his work paying off in the value realised in the company in recent years. In further board changes, Iain Rawlinson joined in May 2020 and this year, Tamerlan Abdikeev in April 2021. Both individuals are making important contributions to the Company and on behalf of all of us, I welcome them on board.

The environmentally friendly nature of Eurasia's mining process and indeed of PGMs themselves (in terms of their applications reducing emissions and in fuel cells) have already been recognised by the inclusion of Eurasia into the relevant ESG indexes and portfolios. Eurasia's full ESG compliance is a focus of institutional investors including BlackRock, Fidelity, KLP, Premier Miton, TIAA and others that have become shareholders in the Company within the last 12 months.

Lastly the Company's financial position remains strong following the completion of a Placing with institutional investors announced in August 2020 at the market price, and a further significant fund raising, completed in May 2021, also without a discount and raising gross proceeds of approximately US$20m to fund the Rosgeo JV projects.

In conclusion, I thank all our team for the excellent hard work to bring Eurasia to its current success. In particular I would like to thank our team in Russia for their perseverance in driving growth at West Kytlim, and for successfully making the transition from an exploration office to a production and mining focussed operation, and Dmitry Suschov who left the board to concentrate on M&A activities, and who successfully closed the deal with Rosgeo. Both our projects are leaders in their respective locations and in new PGM districts, with Monchetundra also holding the potential to become a world leader.

Christian Schaffalitzky
Executive Chairman

Our investment case

1. Significant exposure to structurally attractive Palladium market

- ✓ Palladium comprises 64% of Eurasia's resources and 50% of expected production will be Palladium.
- ✓ Strong Pd price momentum due to a structural market deficit which will remain.
- ✓ Eurasia provides exposure to low risk and ESG friendly Palladium ounces entering a market in sustained deficit.

2. Near term, low risk production growth at West Kytlim and Monchetundra

- ✓ Simple low cost producing operations at West Kytlim provide immediate & scalable cash flows at low capital intensity.
- ✓ Innovative, capital light development and operating model at Monchetundra provide low cost cash flow.
- ✓ Russian infrastructure (i.e. power, water) well developed and doesn't face the same challenges as South African / Zimbabwean peers.

3. World class Monchetundra asset

- ✓ Scale of target resource in licence area and surrounding region indicates potential for a new PGM district.
- ✓ Eurasia is well positioned and enjoys first mover advantage.
- ✓ Well understood geology and access to historic drilling data underpins 40Moz resource estimate[1].

4. Eurasia is an established operator in Russia with deep in house expertise and a leading ESG position

- ✓ Mining in Russia is well supported and stable, especially compared to other PGM producers (South Africa, Zimbabwe).
- ✓ Relatively low and well managed environmental footprint at mines.
- ✓ Strong engagement with local communities and government.

5. Seasoned and balanced team of experienced international and local mining experts

- ✓ Over 20 years of operational and development history in Russia.
- ✓ Recognized English speaking leadership team includes founder of CSA International and CEO of Lesego Platinum / COO Polyus.
- ✓ Senior management includes local Russian experts with over 100+ years experience mining in the country.

1. Please refer to RNS dated 4 December 2019

Summary Platinum Group Minerals ('PGM') Market Update

The Palladium market remains in a significant, and structural deficit, driving prices to an all-time high in 2020 of USD/oz:$2,614, later surpassed in 2021 (May 07, USD/oz:$2,790). Higher palladium loadings in gasoline vehicles against reduced primary supply (mine closures and processing outages) remain as the key driver.[1]

Similarly, primary platinum supply was significantly reduced in 2020 from the largest suppliers South Africa (1.2 moz fall in output to 3.2 moz[1]) and Russia (59 koz fall in output to 662 koz[1]) with minor increases from Zimbabwe and other open pit sources. The market deficit for 2020, measured at 932Koz by WPIC[3] and the largest annual deficit on record relate mostly to COVID-19 related mine closures (South Africa output driven 26% lower YoY[3]). The market is forecast to remain in deficit for 2021[3]. Platinum prices recovered from a dramatic mid-March COVID related trauma and finished the year up 18% (to USD/oz:$1,061)[2] despite falling auto catalyst demand in all regions. 2021 sees strong price gains eventually breaking USD/oz:$1,200 by early April.[2]

Rhodium prices increased by more than 500% in 2020[2], trading above USD/oz:$14,000 by year end. Global supply, which had been steady between 23 and 24 tonnes for the previous five years was reduced considerably to 18 tonnes, again due to reduced South African supply[1]. Rhodium demand was stable in its minor components, namely chemical, electronics, glass and other sectors and slightly increased, against a five-year average of 27 tonnes per annum, to 28.7 tonnes in 2020.

Eurasia's main metal revenues are currently from the sale of platinum group metals at the West Kytlim mine however, by resource, Palladium and Nickel are the dominant elements in the Company's metal basket. The Monchetundra mine is being developed towards mining, as the cornerstone project in a proposed new region for PGM and battery metals mining on Kola Peninsula. Eurasia's fully permitted Monchetundra Project, and a recent joint venture with Russian state company Rosgeo have created a first mover advantage on Kola.

1. Johnson Matthey PGM Market Report February 2021. moz/koz = Millions/thousands of troy ounces.
2. Kitco.com
3. World Platinum Investment Council Platinum Quarterly, Q4 2020, Published 10 March 2021

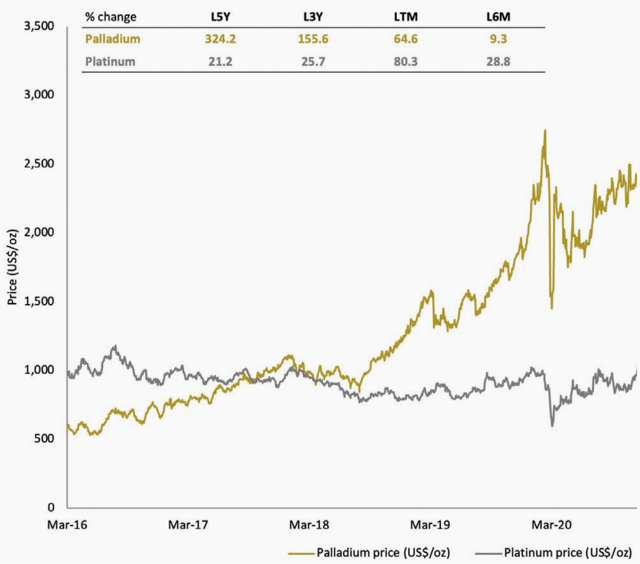
Eurasia has exposure to structurally attractive Palladium market

Palladium price is up +324% over last 5 years

Palladium price vs platinum and base metals index, rebased to Palladium price (US$/oz)

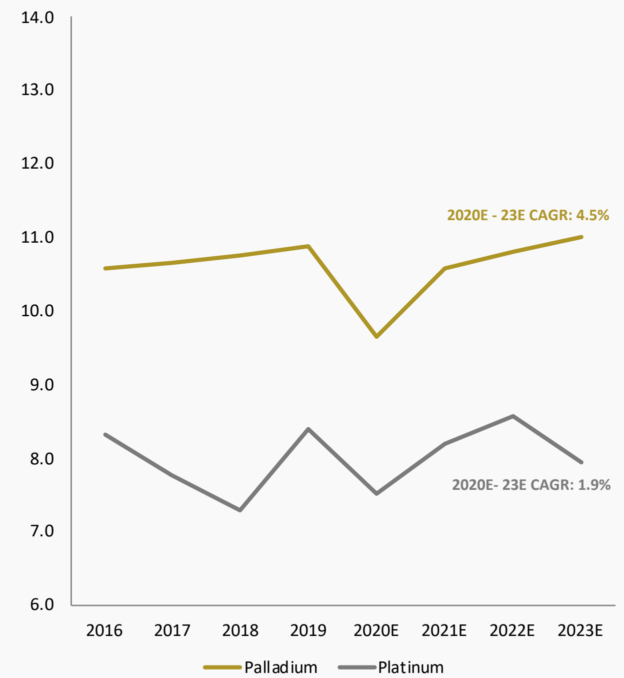
Outperformance of Palladium expected to continue

L5Y commodity price performance and broker consensus projections (US$/oz, nominal)



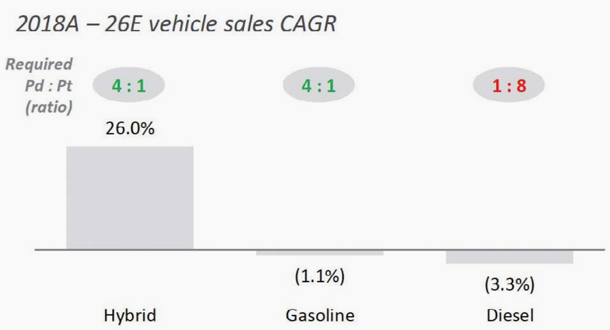
Palladium demand: automotive market switch to Palladium drives growth

Palladium demand expected to continue to outgrow platinum demand (moz)

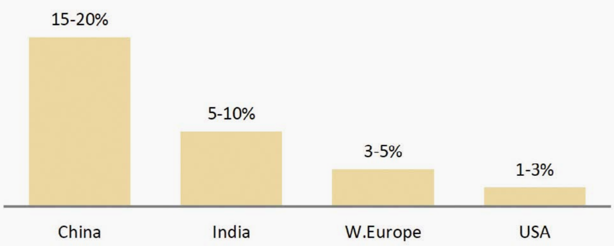


Palladium demand will increase on the back of increased penetration of hybrid vehicles and stricter emission regulations in China and India

Switch to Palladium intensive hybrids away from diesel benefits Palladium…



….overall increase in PGM loadings per vehicle due to growing emission regulations



Source for all charts: Broker research reports,FactSet as of 17 March 2021, LCM Automotive and Norilsk Nickel Investor Presentation.

Operations update

Eurasia Mining Plc is an exploration, development, and palladium, platinum, rhodium, iridium and gold producing company. Eurasia operates the established West Kytlim Mine in the Ural Mountains, a now year-round PGM mine with a sustainability focus, and also its flagship palladium dominant Monchetundra Project near Monchegorsk on the Kola Peninsula. Both projects are based on the Company's own exploration discoveries and have been successfully advanced through the exploration phase to the issue of production licenses. The Company demonstrates a consistent approach to achieving operational success by bringing quality projects from exploration through to mining. West Kytlim is now in the fourth year of industrial scale production and has been expanded significantly this year of 2021 as announced on 12 May 2021.

A major exploration tenement, the Monchetundra Flanks, was granted adjacent the Monchetundra Project on Kola in 2020. A considerable catalogue of information on numerous deposits within this license area, including proprietary company information and information from the state cadastre of mines indicates a potential further 13M oz PGM in the immediate vicinity of the mine. An exploration program was subsequently outlined and has been submitted for approval so that work can commence in developing these additional deposits. More recently (on 26 March 2021) a Joint Venture was entered into with Rosgeo, a state-owned company in relation to 9 additional assets, 4 of which are post Russian Feasibility Study.

Operating the established West Kytlim mine in the Urals Region and the Monchetundra Project on Kola Peninsula

WEST KYTLIM

West Kytlim

Producing Open Pit PGM mine in the Ural Mountains with a sustainability focus – long term target of world's greenest, ie lowest carbon PGM ounces.

Sustainable Mining

- Flexible and modular technology which can be rapidly deployed or moved to alternative mining sites.
- Reduced environmental footprint compared to conventional mining methods, and less long-term environmental footprint – no blasting on site and no chemicals used in the production process.
- Shallow open pitting remediated immediately with recovery within 5 to 10 years and with no remnant pit or tailing dumps. Allows the current owner to make provisions for remediation on realistic time scales, as opposed to larger scale operations with remediation at the end of a 20+ year Life of Mine.
- Moderate capital requirements and annual start-up costs.
- Potential for Switch on – Switch off mining depending on market conditions.
- Integrating more readily with the local environment and community.

2020 Highlights

- Submission and later approval of a definitive feasibility study covering all resources and reserves on the main West Kytlim mining license
- Approvals received for the 24.5Km^2 Tipil License area (Figure 1 below). Flanks area contours redrawn and re-submitted for approval to Uralnedra.
- Successful completion of first, owner operated mining season, delays in permitting restricted total production to 1,525oz.
- Fast and decisive COVID action plan and zero COVID cases.
- First year with year-round stripping works at site
- Significant increase in mine category reserves and resources following from the approved DFS (see table below)

The mining permit for the 2020 season was awarded on 30 June 2020, meaning production could not commence on site until that date. A cost benefit analysis was carried out early in the year to compare rented machinery options to purchased and leased fleet combinations. Negotiations were held with suppliers and the following machinery list procured on five-year lease agreement terms;

- 2X Hitachi ZX 330LC-5G excavators
- 1X Hitachi ZX300LLC-5A
- 1X Komatsu D155A-5 bulldozer as well as a 30 tonne Chetra T15 (leased)
- 4X Kamaz 20-tonne K3340 ore trucks

FURTHER EXPLORATION LICENCE APPLICATIONS

Eurasia is committed to developing West Kytlim at a scale optimised to maximise value to its shareholders, while continuing to assess the potential for further similar PGM deposits adjacent to the project and in the locality. The Company manages the application process closely and has developed in house expertise in Russian subsoil licensing and licence applications. The Tipil and Flanks licence applications were supported by proprietary in-house exploration data and extrapolation of resource and exploration work to areas adjacent the current mining concession.

TIPIL LICENCE
Additional 24.5Km^2 west of the current mining licence.

PROJECT FLANKS
Additional 50.7km^2 surrounds the current mining licence and includes strike extensions to identified reserves and resources. MOD approval received in May 2020.

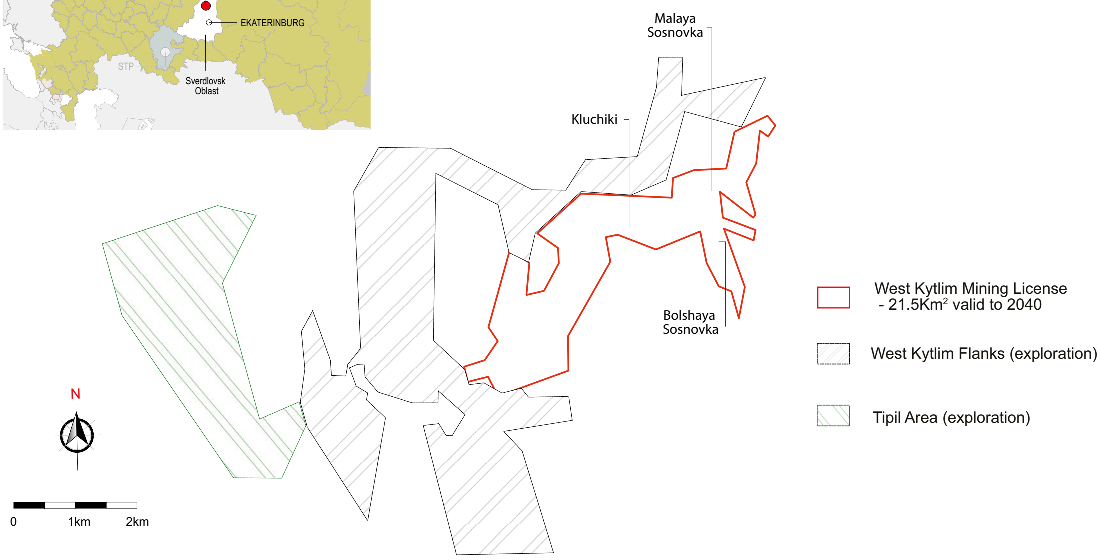


Figure 1: West Kytlim mine license in the Central Urals, with surrounding Flanks and Tipil exploration licences.

WEST KYTLIM (CONTINUED)

In addition, a further Komatsu D155A-5 bulldozer purchased outright in early 2021

Total production of 1,525oz of raw platinum (inclusive of Platinum, Palladium, Rhodium and Iridium) was achieved during the season, mostly at the Kluchiki site where production has commenced in 2021 following concurrently with production at Bolshaya Sosnovka (see **Figure 1** on page 07). The plant and process applied is similar to previous seasons – Ore bodies are developed in the pit using excavators and bulldozers and the free digging river sediments transported by truck to a wash plant site. The sediments are fully disintegrated, and the clay (finest particles) is removed before the remaining material is passed over sluice mats. Mineral grains collect in sluice mats which are emptied daily. This material is then upgraded on site to a black sand concentrate which is shipped to the Ekaterinburg refinery. No chemicals are used in this purely mechanical and gravity-based beneficiation process.

No accidents or injuries occurred at site throughout the year. In general, the mechanized mining methods used and automated nature of the process present less risk of injury to personnel.

Definitive Feasibility Study ('DFS')

A DFS commenced in July 2020, managed by an independent technical and engineering consulting company, GIP, and was submitted for approval in September 2020, with final approval in January 2021. The study drew on operational data owing to several seasons of mining at West Kytlim and was successful in reclassifying reserves and resources within the mining license to mineable categories without the need for further drilling and incremental site by site reserves upgrades. Approval of the DFS also eliminates single asset risk and allows for concurrent mining at multiple operating sites, thereby increasing production volumes

Current GKZ[1] approved mineable reserves at the West Kytlim Project (Tipil and Project Flanks not included in the table).

2021 Highlights

- Early preparation for 2021 season, commenced in Q3 2020 and continued into Q1 2021 – New machinery and mine buildings, permitting (including forestry), recruitment and sub-contracting all arranged during the 2020/21 winter.
- Second washplant on site and assembled in time for 2021 production season with a third plant planned to be installed later this this quarter.

Stripping works continued at the Kluchiki area throughout the 2020/21 winter, removing overburden on ore blocks in preparation for production during 2021. Washing of gravels subsequently commenced around April 19 as temperatures rose rapidly and abundant water became available. A mine plan was finalised in February and March, as permitting was sought for reserves in the Bolshaya Sosnovka area. A second washplant was custom built in the town of Chelyabinsk in the Southern Urals and shipped to site to be installed at a prepared location. Both washplants will be located adjacent to each other and have similar specifications. The washplant location (at the Kluchiki area) has previously been used for gravel washing and has the necessary hydro infrastructure (tailings pond, process water pond, dams and road works). Having both plants at the same location allows for synergies in how machinery and other resources are used at the washing site. When reserves at Kluchiki are worked out (expected mid-June) both plants will be serviced with ores from the considerably larger Bolshaya Sosnovka area. A third washplant complete with all ancillaries is expected in Q3.

Power line

Currently the electricity used to power the washplants and associated pumps and peripherals, as well as the laboratory and mine buildings, is derived from diesel generators. The Company intends to replace this power source with grid electrical power by installing a power line from the township of Kytlim. Discussions have been advanced with a specialised contractor and energy provider Oboronenergo to commence the necessary reporting and permit applications. Power supplied in the Kytlim area is from renewable sources being derived from the Perm Oblast hydro-electric power stations. The move to electric power would allow more efficient and environmentally friendly stripping machinery, in the form of electrically powered excavators and draglines, thus removing the greenhouse gasses ("GHG") associated with bulldozing overburden and significantly reducing the GHG emissions attributable to the mines output. The power line is seen as a key step in achieving a long-term management goal of producing low-carbon PGM, a part of Eurasia's ESG focus.

Russian Reserves Category	Gravels '000 m³	Raw PGM[2], kg	Native Free Au[3] kg
$B+C_1$	9,329	2,920	66
C_2	4,430	1,557	10
$B+C_1+C_2$	**13,760**	**4,477**	**76**

1 GKZ: The Russian state commission on mineral resources.
2 Raw PGM occurs as nuggets of iso-ferrum PGM containing platinum, palladium, iridium and rhodium as well as gold.
3 Further gold occurs as native gold nuggets which are also recovered separate to gold contained in iso-ferrum PGM nuggets.

Figures 2 and 3 – The majority of mine buildings are built from wood milled on site – a sensible use of timber felled over the mined area which reduces the overall impact of the mine on the environment. A standard clause in our rehabilitation plans, submitted for approval in advance of a mining permit, is that an equal area of woodland be planted as was felled for mining. These images are of a Banya (Russian sauna) and an enlarged canteen facility.

MONCHETUNDRA AND ROSGEO JV

Figure 4: A welder undertaking maintenance on a trommel and scrubber at site in 2021. This mechanism rotates at speed and with the addition of water, delivered at pressure, disintegrates gravel and river sediments. Further beneficiation steps are mechanical, and gravity assisted with no chemicals used in the entire process which results in a 'black sand' PGM, Chrome and Iron concentrate which is shipped to a refinery in Ekaterinburg.

World class PGM (palladium dominant) and Nickel-Copper project on the Kola Peninsula – cornerstone to a proposed new PGM mining district. A significant Joint Venture was signed in March 2021, which, alongside the approved mining concession at Monchetundra and associated satellite deposits, creates the opportunity to realise a new PGM and battery metals focussed mining district on Kola. Directors highlight several dominant and now established market trends:

- Greener world (including the hydrogen economy and hydrogen production, Electric Vehicles ('EVs'), hydrogen and electric hybrids) driving the demand for PGM and battery metals, resulting in more favourable metal prices and opening new mining opportunities;
- Open pit mining sources of PGM and battery metals preferred;
- Expected PGM and battery metals supply challenges driven by legacy issues in the traditional mining districts of South African Republic and Russia; and
- the emergence of Kola as a new district for predominantly open-pittable PGM and battery metals (Nickel, Copper and Cobalt) projects akin to the Finnish style of PGM-Cu-Ni-Co deposits.

The Monchetundra Project is Eurasia's flagship world class PGM project and comprises two open pittable deposits near the town of Monchegorsk on the Kola Peninsula, Northwest Russia. A production permit was received in November 2018 and a Detailed Project Design Report approved in October 2019. An engineering, procurement, construction and finance ("EPCF") agreement, which can be actioned at management's discretion, is in place with Chinese state-owned company Sinosteel for the turn-key launch of production and provides for full financing of the development of the West Nittis and Loipishnune open pit mines. Preparatory work for these developments will be commenced during the coming months which must also provide for a longer processing life for the plant, with the additional potential now expanded, as described below.

In March 2021 the Company entered into a JV with Rosgeo, a 100% Russian state-owned company, to gain a 75% equity stake in nine PGM and battery metals assets (four of which are post Russian Feasibility Study with state approved reserves) with a total of 104.6Moz of Platinum equivalent Russian Code reserves and resources in the immediate vicinity of the Company's Monchetundra Project. The Kola deposits are predominantly open pittable in a mining friendly jurisdiction with existing infrastructure. Having worked in Russia and Kola for more than two decades and through a 15-year JV with Anglo American Platinum and holding the only currently approved PGM mining permit in the region, Eurasia has a clear first mover advantage. The Directors believe the Rosgeo JV has the potential to be transformational for the Company.

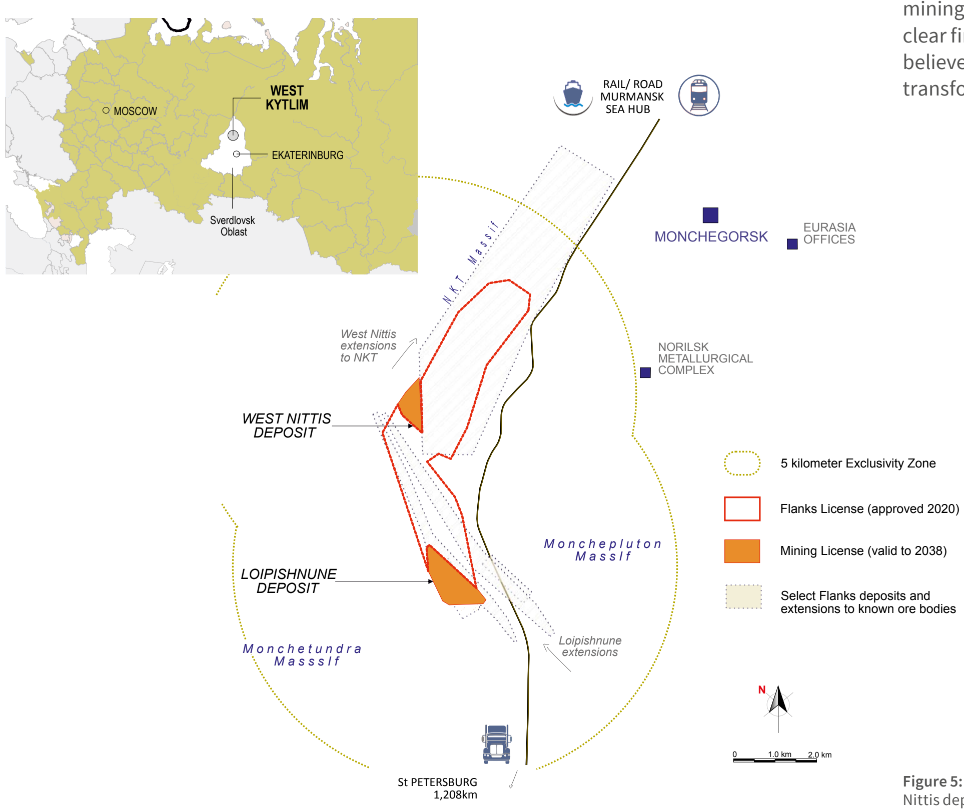


Figure 5: Monchetudra license with Loipishnune and West Nittis deposits and adjacent Flanks license.

MONCHETUNDRA AND ROSGEO JV (CONTINUED)

2020 Summary

- Approval of the Monchetundra Flanks license
- Necessary drill core and database audit including assay of some intervals not previously analysed for PGM
- Short diamond core drilling program commenced, to further increase reserves and resources definition.
- Extensive desktop analyses of the Monchetundra flanks potential, including strike extensions of Loipishnune mineralisation and the extension of West Nittis mineralisation into the NKT area (see Figure 5 on previous page) as well as neighbouring deposits within the Rosgeo JV.

2021 Summary to date

- Significant Rosgeo JV negotiated and signed – further detail below
- Submission of the exploration project report for Monchetundra Flanks

The Company has continued to manage and develop the Monchetundra Project while commercial negotiations/discussions regarding a potential sale of the project are ongoing, including administration and financial reporting for 80% owned project company Terskaya Gornaya Kompaniya, desktop analysis and studies on Monchegorsk and regional geology, as well as statutory reporting requirements. This work is demonstrated by the following key deliverables over the past 12 months:

- Infill drilling program focussed on Loipishnune and West Nittis ore bodies
- Flanks application submitted in September 2019, later approved in August 2020
- Flanks license exploration project commissioned in Q4 2020 and submitted for approval March 2021
- Rosgeo Joint Venture agreement encompassing 9 PGM and battery metals projects (4 of 9 which are post Russian Feasibility Study and with state approved reserves and resources) adjacent to the Monchetundra Project and in the Monchegorsk region signed in March 2021.

In March 2021 the Company signed an agreement to create a new JV with Russian state-owned company Rosgeo, aimed at expanding the portfolio of assets on Kola. The JV allows Eurasia to gain a 75% equity stake in each of nine mining assets in the region of Monchegorsk in central Kola and is an opportunity to create a new global district for PGM and battery metals. The nine projects concerned by the JV are comprised of:

- Four palladium, platinum, copper, nickel and cobalt open pit deposits, at which Russian Feasibility Studies have been completed and reserves and resources (Russian standards) have been approved by the Russian State Committee of Reserves (GKZ). These deposits are considered suitable for toll treatment with beneficiation and mineral processing at the proposed plant site between the Company's open pit deposits at Loipishnune and West Nittis. Eurasia has carried out block modelling and open pits optimisations on all four of these deposits.
- A further five mostly open pit palladium, platinum, copper, nickel and cobalt assets in the Monchegorsk region where Eurasia has also carried out due diligence, based on third party reporting and its own proprietary database of information.

The additional assets significantly increase the Company's reserve and resource base on Kola while the ownership of the Company's existing assets at Monchetundra and West Kytlim is not affected by the JV.

Further commercial developments to date in 2021 – Japan Representative office

In H1 of 2021 the Company established a rep office in Tokyo Japan, to be overseen by newly appointed Director Tamerlan Abdikeev. The Company has noted a particular appetite for and appreciation of platinum group minerals from Japan, which has a history of PGM innovation, a hydrogen focussed pivot from carbon-based fuel dependence, strong industrial, investment and jewellery demand, as well as refining capacity and technology.

- Japan, in 2020 maintained 4th position in terms of global PGM demand (after China, Europe and North America)
- Focussed on Hydrogen solutions (generation and supply chains) as a key component in attaining zero-carbon emission goals[1].
- Commercially active in PGM mergers and acquisitions globally[2].

1. https://www.meti.go.jp/english/press/2017/pdf/1226_003a.pdf and https://www.meti.go.jp/
2. https://www.proactiveinvestors.com.au/companies/news/71213/platinum-group-metals-unveil-latest-south-african-joint-venture-with-japans-jogmec-2648.html

James Nieuwenhuys
Chief Executive Officer

4 June 2021

Key performance indicators ('KPI's')

Results for the year – the Group has made a loss before tax of £3,693,308 for the year ended 31 December 2020 (2019: loss before tax of £796,268). The single largest item causing this variation is high volatility of the Russian Rouble, adverse movement of which resulted in foreign exchange loss on revaluation of monetary items in 2020 of £1.5m (against a 2019 profit of £0.5m). Through 2020 the Rouble weakened against Pound Sterling by 24% (2019: gain of 8%)[1]. Payments to the group subsidiaries which control the groups mining projects are structured as long-term low interest loans. These loans are revalued annually with exchange losses or gains reflected in the P&L account. The second most significant contribution to the loss reported are increased running costs and corporate expenses attributable to the expansion of the business over the period.

Shareholder return – the performance of the share price. The Company's shares are quoted on AIM and the shares have traded at 3.3-42.5p (2019: 0.41-3.95p) during the year under review. This considerable share price appreciation has been influenced by many factors including PGM market dynamics and metal price appreciation as well as developments at project level including application for and award of new licences.

Exploration and development funding and expenditure.

The group has significantly expanded operations at the West Kytlim Mine with the addition of leased and purchased machinery.

The Group incurred £118,654 (2019: £111,059) of development costs at West Kytlim and acquired additional plant and equipment with a total value of £1,020,928 (2019: £nil); required to bolster the mining fleet in preparation for increased mine production during 2021.

In 2020 the Group raised gross funds £7.9 million of (2019: £1.9 million) from the equity markets and by exercise of warrants and options. At 31 December 2020 the Group had a cash balance of £5,404,101 (31 December 2019: £920,013) which allowed it to continue its existing projects development and continue with acquisition of equipment to prepare for the 2021 Mining season at West Kytlim and expand the scope of the mining operations. Within 2020 the Group acquired some of the mining equipment under a five-year lease term. The balance of the lease commitment at 31 December 2020 was £526,930.

For more details see the operations update herewith.

Non-financial KPIs

Environmental management – the Group has environmental policies in place. Performance against environmental policies is continuously monitored and annually audited. The Company carried out a short program of drilling in 2020 in the Monchetundra area with a very minor environmental impact. At West Kytlim, the Company is responsible for the technical and biological rehabilitation of disturbed areas, as discussed in the environmental section above. The Group has the necessary resources to bring the work site back to the required ecological condition post mining and makes provision for rehabilitation work (Note 24 below), thus minimising any environmental impact. Rehabilitation plans are subject to approval prior to commencing mining, on a site by site basis. The Directors consider that rehabilitation plans are achievable with some involvement of external specialists to minimise and rectify any negative impact of current exploration and operational activities on the environment. Further details may be found in the operational update and ESG section herewith.

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. These were appropriately reviewed following the COVID-19 pandemic.

Operational – The Group has had operational success in mining without the use of contractors through 2020, and exploration success by furthering applications for additional exploration licences adjacent to both the West Kytlim and Monchetundra mining permits.

Governance – The board was strengthened by appointment of a new non-executive directors in May 2020 as well as a further non-executive appointment in March 2021, in line with expansions in the Group's sphere of activity. Iain Rawlinson was appointed as a Non-Executive Director in May 2020 and brings important legal, financial and regulatory experience. James Nieuwenhuys was appointed as Chief Executive Officer in September 2020 having previously serves as Non-Executive Director from November 2019 thus separating the executive chairman and Managing Director/ CEO roles. With regret the Company this year reports the loss of a Director while serving. Gary Fitzgerald, at the time the Company's longest serving employee passed away in February 2021. Gary was succeeded by Tamerlan Abdikeev as a Non-Executive Director, appointed in April 2021 and will also represent the Company as head of the Company's emerging Japan focussed interests.

The Company also appointed SP Angel as a new Nominated Advisor in May 2020.

Additional Projects and license applications – Key personnel continue to assess opportunities in a range of commodities in Russia and globally, as potential exploration and development projects

1. Foreign exchange movements quoted based on those used in these accounts namely RUB/GBP; 102.04 (31/12/2020), 82.16 (31.12.2019), 89.02 (31.12.2018)

Principal Risks and Uncertainties

The risks inherent in a mineral exploration and development business are kept under constant review by the Board and the executive team. The risks affecting the Group and the Company are set out respectively in the Directors' report and Notes 2 (Going concern) and 28 (Risk management objectives and policies) 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, or to obtain the necessary consents and approvals for the conduct of exploration and mining.

The Group maintains appropriate in-house expertise and engages in discussions with respective government departments to have a better understanding of their requirements, to make sure all regulatory obligations are met and duly reported, and therefore increase the prospect of a successful outcome. The Group progressed several license applications in parallel through 2020 including the Monchetundra and West Kytlim applications. The Group removed risk associated with resource drilling and reporting at the West Kytlim project by securing approvals of a Feasibility Study and subsequent technical project for all resources at West Kytlim. This removed a significant reporting 'bottle neck' for the project and created a route for capacity expansion and single asset risk mitigation.

Operating mine risks
Machinery breakdowns, departures from expected grade and other operational risks may have a significant impact on West Kytlim mine revenue which is a component of the group's financial capacity. The approval of the technical project and launch of the 3 plants in 2021 mitigate single asset risk and run of mine risks.

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 the 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. The group does not engage with politically exposed or sanctioned persons or entities and has appropriate corruption and anti-bribery policies in place. In 2021 the group entered into a joint venture with Rosgeo, a state-owned company, a partner that helps mitigate political risk in Russia.

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 codes. The Group makes an assessment of the environmental impact at the time it applies for permits and licences, which are subject to such assessment. By way of example the Technical Project and mining permit document submitted for approval in April 2021 for the West Kytlim mine was preceded by approval of a rehabilitation plan for all of the reserves and resources concerned by these reports. Review and approval of the rehabilitation plan is a pre-requisite of the mine plan approval. The Group mitigates risk to the operation arising from environmental issues by strictly adhering to relevant environmental laws and codes.

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 board considers the regulatory environment for mining companies operating in Russia to be transparent, not more difficult than other jurisdictions, sufficiently prescriptive and in general navigable for a company employing sufficient expertise and resources to manage that aspect of its business.

The Group maintains close ties to the Russian Minerals extraction industries for example by attending industry events with its mining peers and by maintaining in house Company expertise in sub-soil legislation. The group has recently entered into a JV with Rosgeo, a state-owned exploration and development company with unparalleled expertise in the Russian mineral and subsoil licensing regulatory nomenclature.

Commodity risk
A potential fall in commodity prices could result in it becoming uneconomic for the Group to mine its assets. A Russian rouble (that is largely dependent on the prices of natural resources) devaluation against USD provides a natural hedge against a potential fall in commodity prices as the Company's costs are Russian rouble denominated while commodity prices are USD denominated. The Group closely monitors the markets for platinum group metals, changes in their demand and supply, and the effect these have on metal prices, with a view to taking necessary measures in response to such changes. The group has pursued commodity diversification in targeting so called battery metals through its Joint Venture with Rosgeo adding additional Nickel and Copper as well as Cobalt potential to its interests. The Group's cost of production is at the lower end of the global cost curve when compared to South Africa which produces up to 70% of global PGM.

Demand for platinum group metals from their principal use – autocatalysts, which reduce harmful engine emissions is perceived by market commentators to remain strong as electric vehicle uptake is offset by tighter emissions control for traditional internal combustion engine vehicles. For further details see the PGM market summary section at the front of this report. .

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 the 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. There is not currently a shortage of Mining industry personnel and expertise in Russia or London and the Group is confident a suitable replacement could be found should it be necessary to replace any key member of staff.

Mine revenue from the operating West Kytlim Mine is a significant contributor to the Group's working capital, and the Directors are confident that this source of capital can be increased dramatically from 2021, due to increased capacity at the mine site.

Financing risk
The Company has historically relied primarily on the issue of additional share capital, and less frequently loan facilities, to maintain adequate levels of working capital. Mine revenue from the operating West Kytlim Mine is a significant contributor to the Group's working capital, and the Directors are confident that this source of capital can be increased dramatically from 2021, due to increased capacity at the mine site. The Group maintains tight financial and budgetary control to maintain effective cost control. Forward planning helps ensure The Company is adequately funded to reach its objectives. The launch of full-scale platinum and gold production from 2018 was also important in mitigating financial risk.

COVID-19 risk
This is a new risk affecting many businesses around the globe which causes disruption to operations, business links and processes, i.e. the Company's suppliers, corporate activity as well as networking capacity and social engagement. The effect of COVID-19, and measures taken globally to protect populations, can have direct or indirect impact on the Group's operations. The Company continues to monitor the situation and will continue to take the required actions, including consultations, reviews and tightened expenditure controls as appropriate. The groups operations have not been affected and the group does not consider the pandemic to have effected profitability. The Group has noted some benefit in more efficient communication channels which have opened up connecting employees for meetings on a weekly, in some cases daily basis.

The Board constantly monitors and assesses the situation and believes that further or significant business interruption is now an unlikely scenario due to the open pit nature of the mine, which enables employees to limit interaction. In addition, the employees' ability to naturally social distance at the mine site, in using single cab mining equipment and individual crew shelters; and the personal protection that the Company has provided to them, should result in the operations being unaffected even as vaccine programs are advanced across Russia.

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 programs, and the improvement of mining techniques and metallurgical processes. While developing its core projects disclosed in the Operations Update the Company will continue to study and searching for new "near production" projects in the geographical area where its current operations are situated. This has been demonstrated by the recent signing of the Rosgeo JV, securing a pipeline of new PGM projects aimed at realising a new PGM Mining district on Kola peninsula and by the establishment of a representative office in Japan as a base from which to generate new business opportunities in the far east.

By order of the Board

Keith Byrne
Company Secretary

4 June 2021

Environmental, Social and Governance

Introduction to Governance

Environmental, Social and Governance priorities have increasingly become the focus of commercial entities recognising the opportunity for companies to effect lasting change in our society by making a valid contribution beyond creating employment and paying taxes. The mining industry is historically an integral part of Russian industry and society – Russia is one of a few nations to recognise a national Geologist's day, and is recognised globally as a developed mining jurisdiction with progressive mineral industry legislation. The 2020 Fraser Institute ranks Russia in 24th place globally.[1]

This section of the report describes how Directors consider and adopt principles of corporate governance, and apply them throughout the group of Companies while achieving corporate objectives and ensuring the overall direction, supervision and accountability of the organisation. The Section 172 (page 17) Statement describes how Directors promote the Company for the benefit of members as a whole. Financial and non-financial Key Performance Indicators (page 11) are outlined to measure performance of the board year on year while Principal Risks and Uncertainties demonstrate an awareness of potential obstacles to achieving corporate goals. The Board has adopted the latest version of the QCA Corporate Governance Code (2018) ("QCA Code") and strives to follow its 10 principles the fullest extent possible with support from a set of policies and procedures documentation reviewed annually with consultation with the boards legal and commercial advisors. The environment is at the forefront of ESG principles for a mining enterprise and directors consider the sustainability and environmentally focussed West Kytlim operation to be an opportunity to demonstrate a potential new style or type of lower carbon metal production, competing not in quantity but in quality with other global sources of PGM.

Eurasia is committed to ensuring the land disturbed by mining activities is returned, post mining, to a safe and stable landform. Rehabilitation plans, and forestry permits are a key aspect of mine permitting and are submitted for approval in advance of final mining permissions. Typically, these describe how forestry is managed with an equal amount of forest planted as is removed for mining. Open pits are infilled with the overburden removed prior to mining. Top-soil is also replaced and the land regenerates over a period of five to ten growing seasons.

Environmental

The company's rehabilitation plans consider local climate, geochemistry of soils, fertility, degree of disturbance and specific landscape and topography features. The Company and independent advisors determine how the land will be remediated post mining and this process is easier to manage for an operation with a limited (per site) life of mine. ZAO Kosvinsky Kamen, Eurasia's project Company, has seven active permits for forest plots totalling over 172 hectares. Prior to the granting of a permit to clear a site from forest vegetation, a Rehabilitation Plan prepared by the Company is approved by the Ministry of Natural Resources of the Sverdlovsk Oblast.

Rehabilitation Plans follow guidelines set out within the Russian Subsoil licensing including:

- Federal Law "On Environment Protection" of 10.01.2002 No. 7-FZ;
- Russian Federation ('RF') Land Code of 25.10.2001 No. 136-FZ;
- RF Forest Code of 04.12.2006 No. 200-FZ;
- Resolution of the RF Government "On Land Rehabilitation and Conservation" of 10.07.2018 No.800.

The Company Rehabilitation Plans and the Company's Environmental Officer set out the necessary land rehabilitation program prior to application for a mining permit.

Stages within land rehabilitation at West Kytlim

Stage 1 – Landscaping:

The mined-out area is landscaped using bulldozers and where necessary excavators and haul trucks. Large boulders and pit faces are removed and contoured. Overburden, mine tailings (no chemicals are used in the beneficiation process) and topsoil are then infilled into the pit. This contrasts with regular open pitting for bulk commodities where pits are not normally infilled and tails dumps and pits remain as permanent features on the landscape.

Stage 2 – Biological rehabilitation:

This involves phytoremediation measures including soil fertilization and sowing of perennial grasses as well as forest restoration in accordance with Article 63.1 of the RF Forest Code and Order of the RF Ministry for Natural Resources of 25.03.2019 No. 188 "Rules for Forest Restoration". The Company implements forest and vegetation restoration over an area equal in size to the sites cleared for mining purposes.

Water resources are another key area of importance and potential vulnerability requiring thorough planning and precautions in storage and use. Water is abundant through the summer at the mine site and is a key element in our beneficiation process. Contamination is unlikely with fuel trucks and fuel storage presenting the only small-scale risks.

Our priorities are to reduce the amount of water sourced from surface streams and to prevent any contamination of the Tylai river and its tributaries. Virtually all process water at the operation is recirculated through a system of tailing dams, settling ponds and drainage trenches. Special attention is paid to the condition of the dams which are frequently examined and, if necessary upgraded. The operation does not contaminate the water supply and has a minimal impact on aquatic animal life and associated flora and fauna.

Waste management

The tailings of alluvial mining do not contain any hazardous substances as no chemicals are used in the beneficiation process which is driven by gravity and mechanical operations.

Air emissions

To reduce air emissions, we ensure that the equipment used onsite complies with the latest accepted quality standards and optimize the routes taken by mining vehicles. Our brand-new fleet of machinery including bulldozers, excavators and ore haulage trucks are specified to the latest environmental compliance standards. We are also focused on preventing dust pollution at the mine site and regularly carry out dust suppression measures.

1. https://www.fraserinstitute.org/categories/mining

Maintaining best-in-class Environmental, Social and Governance position remains a key focus

Eurasia is focussed on ESG activities and ensuring the safety and well-being of its workers and the environment and is included in the L&G Future World ESG UK Index; and Liberum's climate portfolio.

EMPLOYEE SAFETY IS OUR FIRST PRIORITY

COVID-19 response protocols in place:

- Longer roster to reduce travel
- Purchase express Test kits
- More social distancing in crew shelters – separate compounds for 4 people in shelters for 8
- Face masks are mandatory
- Awareness interviews with employees
- Medical screening before dispatch and upon roster change
- Coordinated meal times to ensure social distancing maintained

OUR MINE SITES ARE ENGAGED WITH LOCAL COMMUNITIES

- The mine has a sustainability focus - for example most mine building structures and interiors are constructed from timber milled on site
- All mine workers and equipment operators are local (within 70km area)
- Project companies registered locally and taxes are paid locally
- Strong relationships with local communities
- Eurasia has already demonstrated that ESG is a key focus area and has been included in the L&G Future World ESG UK Index; and Liberum's climate portfolio

ENVIRONMENTAL PROTECTION IS FRONT OF MIND

- Eurasia is committed to ensuring the land disturbed by mining activities is returned is a safe and stable landform that does not cause environmental harm and is able to sustain post-mining land use
- Rehabilitation plans envisage works impacting local climate, geochemistry of soils, fertility, degree of disturbance, specific landscape and topography features
- New (2020) mining machinery to high efficiency and environmental standards
- No protected environmental zones within license area

OVER 20 YEARS' EXPERIENCE OPERATING IN RUSSIA

- ROSNEDRA (Russian federal agency for subsoil management) invited Eurasia to represent Russia and its mining opportunities at PDAC 2020 together with Russian Majors (i.e. Norilsk Nickel, Polymetal, Fosagro, Polysus)
- Building robust partnerships and developing industry contacts in the Russian mining sector
- Leveraging an in depth knowledge of the Russian licensing system in partnership with support from expert Russian and international technical consultants
- Eurasia is a permanent member of Urals Association of gold producers whose role is to work alongside government agencies to optimize legislation and improve business environment

Environmental, Social and Governance (continued)

Figure 6: Engaging with the local community. A Eurasia excavator and haul truck are pictured clearing some debris in the village of Kytlim.

Social and Governance

- All mine workers and equipment operators are from local communities (within 70 km area)
- Project companies are registered locally, and taxes are paid locally
- Eurasia is a permanent member of Urals Association of gold producers whose role is to work alongside government agencies to optimize legislation and improve the business environment

Although the mine site at West Kytlim is remote and has no immediate local population, the Company does take the initiative to engage with local communities, for example as evidenced in Figure 6 above. The Company maintains active dialogue with local administrative centres and persons in relevant authority.

The Company has adopted the Quoted Companies Alliance code as a framework from which to manage corporate governance principles, further detailed in the Directors Responsibilities statement below. Some highlights of the Company's Governance principals are:

- Top tier advisers in place as UBS, H.C. Wainright, Renaissance Capital, ACF Equity Research, DLA Piper, Gowling GWLG, Simmons & Simmons and Nomad SP Angel
- Appropriate Non-executive director representation at board level
- Board sub-committee with oversight role in Remuneration, Disclosure, Audit
- Strict adherence to relevant regulations ensured by a complete set of policies and procedures documentation reviewed annually in cooperation from company advisors.

Employee Health and Safety

There were no accidents or injuries at the West Kytlim mine site or at the Monchetundra Project during 2020.

Health and Safety protocols are designed to minimise risk to employee health and wellbeing. The risk of injury is generally lower at an open pit operation compared with underground mining.

COVID-19 Response

The Company introduced a number of provisions in spring 2020 to minimise the effect of the COVID-19 pandemic on the business and these have remained in place for the 2021 season. No incidents of COVID-19 have been recorded at site and the mine can be safely operated with correct social distancing and other COVID-19 measures maintained. Standard public health measures adopted in Russia apply at the mine site, which also naturally benefits from certain features which make it less susceptible to incidences of COVID-19.

- The majority of mine workers are either working in the open air or are enclosed within a single person cab (excavator, haul truck or bulldozer), with the exception of the laboratory facility which has individual working stations and limited contact.
- Remote working site with no unnecessary entry and exit from the mine, save for roster changes and delivery of provisions.
- In addition, meal times are staggered to avoid crowding in canteen facilities and on-site crew accommodation is individualised.

James Nieuwenhuys
Chief Executive Officer

4 June 2021

Strategic Report, Background to the Company

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. 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 exploration for and production of platinum group metals ("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).

Companies Act 2006, Section 172(1) Directors Statement – Promoting the success of the Company (to be read in conjunction with the rest of the annual report and with the Corporate Governance section).

The board takes a long-term approach to creating and realising value for its shareholders and is keenly aware of the time scale on which resource projects are developed.

The Board acknowledges that there is a legal requirement for the Company to report on how the Board and its Committees have considered the requirements of s.172 of the Companies Act 2006 in their decision making. A director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members and, in doing so, have regard (amongst other matters) to the following factors:

The likely long-term consequences of any corporate action or decision;
The board takes a long-term approach to creating and realising value for its shareholders and is keenly aware of the time scale on which resource projects are developed. This is reflected in the age of the company itself (incorporated in 1995) and the tenure of some of its longest standing employees – 6 employees in our Russian offices as well as 4 senior executives, have worked with the Company for more than a decade.

The interests and professional development of the company's employees;
Staff are encouraged to maintain their professional credentials and the Company meets annual subscriptions to professional bodies on behalf of its employees as well as, from time to time, tuition fees.

The need to foster the company's business relationships with suppliers, customers and other stakeholders;

- The group employs local workers, contractors and suppliers wherever possible and maintains a network of contacts in the industry, for example by membership of the Urals society of gold producers.

The impact of the company's operations on the communities adjacent its projects and the environment;

- Rehabilitation plans are submitted as a necessary aspect of all mineral industry statutory reporting instruments in Russia.
- The Company's mine at West Kytlim has a sustainability focus and management are resolved to producing greener, lower carbon PGM, in line with efforts across the globe to bring climate change awareness to the mining industry, and messaging from parts of the company's shareholder base, specifically ESG and climate focussed funds. The addition of a power line to site at West Kytlim is a key deliverable to ensure lower carbon PGM production. The board welcomes initiatives within the mining industry generally, which are focussed on lower carbon, indeed zero-carbon mining. Please see the ESG section of this report for more information.

The requirement of the company to maintain a reputation for high standards of business conduct and corporate governance;

- The Group applies the Quoted Companies Alliance code and considers its Corporate Governance responsibilities under their 10 guiding principles (see Directors Responsibilities section). The Company also maintains an extensive internal body of policy and procedures documentation which is regularly updated and strictly adhered to. Where necessary the Company has resort to its Nomad and legal advisors on matters concerning the UK regulatory environment.

The need to treat all members of the company fairly and equitably.

- No individual shareholder/ member has greater influence, rights or obligations than any other shareholder.

Strategic Report, Background to the Company (continued)

The Board is ultimately responsible for the direction, management, performance and long-term sustainable success of the Company. It sets the Group's strategy and objectives, considering the interests of all its stakeholders. A good understanding of the Company's stakeholders enables the Board to factor the potential impact of strategic decisions on each stakeholder group into a boardroom discussion. By considering the Company's purpose, vision and values together with its strategic priorities the Board aims to make sure that its decisions are fair and aligned with corporate strategy and principles. The Board has always, both collectively and individually, taken decisions based on their long-term outcomes and consistently aims to uphold the highest standards of business conduct. Board resolutions are always determined with reference to the interests of the Company's employees, its business relationships with suppliers and customers, and the impact of its operations on communities and the environment. This statement serves as an overview of how the Directors have performed this duty in 2020 and engaged with the Company's key stakeholders to help to inform the Board's decision-making.

The Group currently operates in 2 key regions of Russia – (1) Urals: West Kytlim, which is an operating platinum group metals and gold mine in the Central Urals and (2) Kola Peninsula in Russia, where a mining licence was granted in 2018 and the Rosgeo JV was created for additional projects in 2021. At the same time the Group continues to assess the potential of other resource projects.

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 pilot mining operations in 2016 and has been running a commercial operation since 2018, initially employing a mining contractor for ore extraction from pit to washplant. The mine has been expanded successfully with a phased roll out of new machinery added through successive mining seasons in line with streamlined statutory reporting requirements and mineral reserve and resource reporting (see operation update section for further details).

West Kytlim mine is directly owned by a subsidiary ZAO Kosvinsky Kamen and the Group controls 68% of this subsidiary (note 14).

On the Kola Peninsula the Group's discovery of PGM mineralisation in the Monchetundra area lead to submission of a feasibility study, on completion of exploration work in 2016. A mining permit was subsequently granted, in 2018 for two open-pittable ore bodies at Loipishnune and West Nittis.

The Monchetundra project is owned by a subsidiary ZAO Terskaya Mining Company, the Group controls 80% of this subsidiary (note 14).

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

The Board's aim is to deliver value to its shareholders by leveraging the significant experience of its Directors and management team to develop its projects. The Board is also focused on maximising shareholder value and continues to prioritise the potential for asset sales of the Company. It is the board's intention to continue to progress both strategies (project development and sale of assets) concurrently.

James Nieuwenhuys
Chief Executive Officer

4 June 2021

Directors' report

Directors

The Directors who served during the period were:

Christian Schaffalitzky – Executive Chairman
Gary FitzGerald – Non-Executive Director (passed away February 2021)
Dmitry Suschov – Non-Executive Director (resigned 18 September 2020)
Anthony James Nieuwenhuys – Executive Director and CEO (from 18 September 2020, previously Non-Executive Director)
David Iain Rawlinson – Non-Executive Director (appointed 27 May 2020)
Tamerlan Abdikeev – Non-Executive Director (appointed 9 April 2021)

Company Secretary

Keith Byrne

Directors' interests

Share interests

The Directors of the Company active at 31 December 2020 held the following beneficial interests (including interests held by spouses and minor children) in the ordinary shares of the Company:

	31 Dec 2020 No. of shares	31 Dec 2019 No. of shares
C. Schaffalitzky	**89,569,517**	89,569,517
G. FitzGerald	**23,378,445**	23,378,445
Total	**23,378,445**	23,378,445

Share options and warrants

Options	31 Dec 2020 No. of shares	31 Dec 2019 No. of shares
C. Schaffalitzky	**20,000,000**	20,000,000
G. FitzGerald	**5,000,000**	5,000,000
Total	**25,000,000**	25,000,000

All options granted to the Directors vested by 31 December 2020.

No share options were exercised by the Directors during 2020 (2019 – nil).

Dividends and profit retention

No dividend is proposed in respect of the year (2019: £nil) and the retained loss for the year attributable to the equity holders of the parent of £3,191,471 (2019: loss of £948,745) has been taken to reserves.

Share capital

The issued capital of the Company as at 31 December 2020 was:

	Number of shares	Nominal value	Share premium account
Fully paid ordinary of shares at 0.1 pence each	2,758,701,681	2,758,702	28,467,732
Deferred shares of 4.9 pence each	143,377,203	7,025,483	–
		9,784,185	28,467,732

Risk Management

The Directors consider that assessing and monitoring the inherent risks in the exploration and mine development business, as well as other financial risks, is crucial for the success of the Group. The Board regularly reviews the performance of the Company's 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 28.

Directors’ report (continued)

Going Concern

At 31 December 2020 the Group’s net current assets amounted to £ 5,434,669 (2019: £681,055). At the same time the Group had a cash balance of £5,404,101 (2019: £920,013). The Group’s debt largely consisted of lease agreements set up to acquire mining machinery with a total amount of £558,614 (no debt at 31 December 2019).

In 2020 the Group raised funds from exercise of warrants and options and one issue of shares on the equity markets. The total funds raised were £7.9m before fees and commissions.

In 2020 the Group raised funds from exercise of warrants and options and one issue of shares on the equity markets. The total funds raised were £7.9 mln before fees and commissions.

The Group took full control of the West Kytlim mine in 2020 and increased the scale of mining operations. The project was further capitalised with addition of purchased and leased machinery during 2020. Funds available have allowed the Company to further expand the mining fleet for the 2021 mining season, including a second washplant and supporting machinery. The mining season in 2021 started in the mid-April, which is six weeks earlier than the 2020 season. This, and the addition of a second plant and a pending third washplant will ensure higher revenue for 2021.

Expenditure at Monchetundra has been modest through 2020 and thus far in 2021. Future expenditure on further licences within the Rosgeo JV remains at the Boards discretion A fund raising was completed in May 2021, by issuance of 53,306,751 ordinary shares to a single institutional investor at the then market price of 26.5p, raising gross proceeds of £14,126,289. An associated warrant is included per ordinary share, at the same price and with a 3 year term. It is intended that these funds, and future potential warrant funds, will be chiefly directed to the development of projects within the Rosgeo JV. The EPCF contract, which fully funds the development of the West Nittis and Loipishnune deposits within the Moncetundra Project can be actioned and can be rolled out to Rosgeo JV projects.

The Directors have concluded that the combination of these circumstances, and the Company’s current cash balance, represent a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, which management have determined to be 12 months from the signing of this annual report. For these reasons, they continue to adopt the going concern basis in preparing the annual report and accounts.

2021 events

The following events occurred in 2021 between reporting and audit report dates:

- A Joint Venture was entered into with Rosgeo, a Russian registered and state funded Company, in March 2021. The JV is outside of and separate to ownership of the Company’s two key assets at Monchetundra and West Kytlim. The Rosgeo Agreement allows Eurasia to gain a 75% equity stake in each of nine new assets with the remaining 25% equity stakes to be held by Rosgeo. Eurasia will be the operator of the JV and will develop the additional assets at its discretion.
- The Company established a Representative Office in Tokyo Japan in March 2021 to be overseen by new appointment Director Tamerlan Abdikeev.
- The Company received a proposal in writing regarding a potential substantial asset sale in May 2021 and exited the Code compliant Formal Sale Process as announced on 12 May 2021.
- A fund raising was completed in May 2021, by issuance of 53,306,751 ordinary shares to a single institutional investor at the then market price of 26.5p, raising gross proceeds of £14,126,289. An associated warrant is included per ordinary share, at the same price and with a 3-year term. It is intended that these funds will be chiefly directed to exploration and development of projects within the Rosgeo JV.

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 accounting standards in conformity with the requirements of the Companies Act 2006 (IFRS). 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, have been followed, subject to any material departures disclosed and explained in the financial statements;
- with contributions from advisors, set the Company and Groups corporate strategy including research and development activities – detailed in the strategic report above;
- 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 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.

Directors' responsibilities statement (continued)

Revenue

All revenues generated by the Group are from sale of metals, within the Russian federation. Currently the sole source of revenue is metal sales from the West Kytlim Mine. Refinery receipts record the total of metal sales with payments received for platinum and gold, at the market rate, on average every month throughout the mining season. For reasons related to the nature of metals refining the revenue for other PGM (Rhodium, Iridium and Palladium) are received when all shipments for that year have been received.

Directors Indemnity

The group maintains Directors and Officers liability insurance as an indemnity provision entered into in June of 2020.

Corporate Governance – The Quoted Companies Alliance Code ('QCA Code')

Eurasia Mining applies 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 and development of 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 metals ('PGM') and gold in the Ural Mountains, Russia, while the Monchetundra Project is being developed towards production of PGM, gold and battery 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 seeks to maintain open, direct and two-way communication with its shareholders through various channels including press releases, 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 news-flow. 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. www.eurasiamining.co.uk/contact

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.

Directors' report (continued)

Corporate Governance – The Quoted Companies Alliance Code ('QCA Code') (continued)

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 resource exploration and development 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's Executive Chairman is Christian Schaffalitzky. James Nieuwenhuys serves as Chief Executive Officer while Iain Rawlinson and Tamerlan Abdikeev serve as Non-Executive Directors. The board also maintains active advisory roles with occasional appointments made as strategic advisors. Former non-executive director Dmitry Suschov was appointed as Mergers and acquisitions officer in September 2020. Iain Rawlinson and Tamerlan Abdikeev are considered to be independent directors.

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. 9 board meetings occurred in the 2020 calendar year as well as three sub-committee meetings with 100% attendance of Directors current at the time of the meeting.

Separately, the company secretary, is considered a key position necessary in preserving a functional and ergonomic management framework within the Company and good communication across the group of companies.

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. The appointment of James Nieuwenhuys, as Chief Executive Officer was completed in September 2020. 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
EurGeol, FIMMM, PGeo, CEng. Christian has over 40 years' experience in mineral exploration. From 1984 to 1992, he founded and managed the international minerals consultancy, CSA Group, now CSA Global. He was also founder of Ivernia West plc, where he led the exploration and discovery of the Lisheen zinc deposit in Ireland. Christian is also chairman of Kibo Energy Plc and non-executive director of MetalNRG.

Iain Rawlinson
Non-Executive Director
Iain is an experienced board member and a corporate strategy consultant. He has a law degree from Cambridge University, is a qualified barrister, and is also an experienced corporate financier. Iain started his career in investment banking with Lazard and Robert Fleming and was one of the initial partners of Fleming Family & Partners (FF&P) where he led the listing of Highland Gold PLC in 2002. Iain's independent board appointments in the corporate sector include Lithic Metals and Energy PLC (2007 to 2009), Dana Petroleum PLC (2005 to 2010), The Monarch Group (2009 to 2014), and Parkmead Group PLC (2010 to 2020). Iain's board positions in charities include Tusk Trust (Trustee from 2002 and Chairman from 2005 to 2013).

Tamerlan Abdikeev
Non-Executive Director
Tamerlan holds a master's degree in International Relations and Modern Japanese Studies from Oxford University and has held a range of positions in finance houses with an Asian and European focus including corporate planning at the State Street Bank and business development director at United Investments Japan. In 2005 Tamerlan joined PIMCO, a global investment management firm with more than US$2.21 trillion in assets, as part of the business management function across Asia Pacific (China, Singapore, Australia) and established the company's Hong Kong office in 2006. Later he relocated to PIMCO Europe in Munich, assuming responsibility for regional business development covering Russia, CIS and Eastern European markets. After returning to Tokyo in 2010 Tamerlan founded INVERO Advisors, an investment, strategy consultancy and M&A boutique focusing on private equity, project finance, global strategy, business development and cross-border M&A.

Maintaining a dynamic management framework (continued)

James Nieuwenhuys

Chief Executive Officer

James has held senior positions including Chief Executive Officer at Lesego Platinum in South Africa and Chief Operating Officer at Polyus Gold, Russia's largest gold miner. James has an engineering background and has also held senior positions at a number of EPC organisations.

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 further appointments may be made in due course. 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's 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, and Dmitry Suschov, 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. Former 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.

The board is further supported by Group Financial Controller Alex Agaev who is an ACCA certified and chartered accountant.

Principle 7:

The remuneration committee, whose membership is considered annually 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 compliance with the code as the Company develops.

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 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 were 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 and the board have recognised a lack of board diversity which should be addressed.

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 board chair, who instigates changes in policy, and ensures the code is applied throughout the organisation.

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 and regulation, 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. Further, the company secretary role is seen as a pivotal role 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 Chairman.

Directors' report (continued)

Audit Committee
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 external Auditors have direct access to the members of the committee, without presence of the executive Directors, for independent discussions. Two Audit Committee meetings are held during the year; to approve the Interim report and later the Annual Financial Statements. The Audit Committee opines on whether accounts are in compliance with International Financial Reporting Standards. The Chairman of the Audit Committee is Iain Rawlinson and the committee comprises Iain Rawlinson and Christian Schaffalitzky, as duly appointed alternate to Gary Fitzgerald, to be replaced by Tamerlan Abdikeev following completion of the 2020 Group reporting

Remuneration Committee
The Remuneration Committee determines the terms and conditions of employment and annual remuneration of the executive Directors and senior staff. 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 Chairman of the Remuneration Committee is Iain Rawlinson and the committee comprises Iain Rawlinson and Tamerlan Abdikeev.

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.

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.

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

4 June 2021

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 2020, which comprise the Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of financial position, Company statement of financial position, Consolidated statement of changes in equity, Company statement of changes in equity, Consolidated statement of cash flows, Company statement 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 accounting standards in conformity with the requirements of the Companies Act 2006 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 2020 and of the group’s loss for the year then ended;
- the group financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006;
- the parent company financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and as applied in accordance with the provisions of the Companies Act 2006; and
- 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 are responsible for concluding on the appropriateness of the directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group’s and the parent company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor’s opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.

Our evaluation of the directors’ assessment of the group’s and the parent company’s ability to continue to adopt the going concern basis of accounting included evaluation of management’s cashflow forecast for at least 12 months from date of approval of the financial statements, along with challenge and assessment of the inputs into the forecast. We tested management’s reverse stress test to check that there is adequate headroom in the forecast to cover unforeseen costs or reduced revenues. We inspected capital and lease commitments entered into and mining license requirements to check that these have been appropriately incorporated into the forecasts.

In our evaluation of the directors’ conclusions, we considered the inherent risks associated with the group’s and the parent company’s business model including effects arising from macro-economic uncertainties such as COVID-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the group’s and the parent company’s financial resources or ability to continue operations over the going concern period.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group’s and the parent company’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the directors with respect to going concern are described in the ‘Responsibilities of directors for the financial statements’ section of this report.

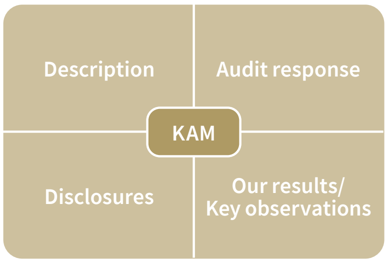
Independent auditor's report (continued) to the members of Eurasia Mining Plc

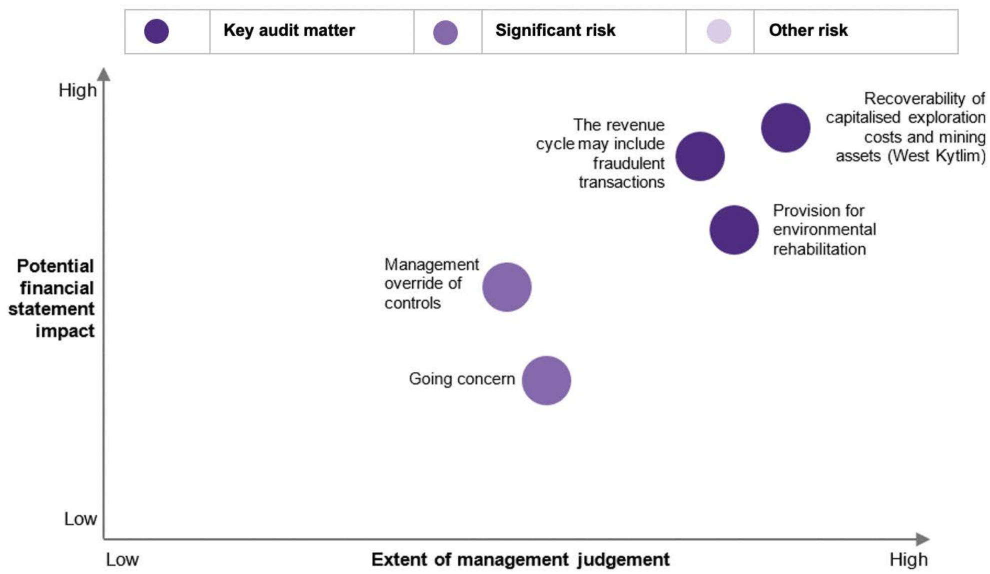
Our approach to the audit

	Overview of our audit approach
Materiality	Overall materiality: Group: £92,800, which represents 2% of the group's net assets at the planning stage of the audit. Parent company: £82,000, which represents 2% of the parent company's gross assets, capped at 90% of the group's financial statement materiality.
Key audit matters	Key audit matters were identified as: • The revenue cycle may include fraudulent transactions (same as previous year); • Provision for environmental rehabilitation (same as previous year); and • Recoverability of capitalised exploration costs and mining assets (West Kyltim) (same as previous year). Our auditor's report for the year ended 31 December 2019 did not include any key audit matters that have not been reported as key audit matters in our current year's report.
Scoping	Significant scoping matters included: • A visit by the component auditors to the mining site at West Kytlim; • We contracted our network member firm in Russia to perform specific audit procedures on the financial information of the local companies, as well as visit the local operations. A component materiality of £82,000 was used; • Accounting treatment of new leases entered into, as this is the first year any leases meeting the recognition criteria of IFRS 16; and • There have been no further changes in scope from the prior year audit.

Key audit matters

Key audit matters are those matters that, in our professional judgement, 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 as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.





Key Audit Matter – Group	How our scope addressed the matter – Group
The revenue cycle may include fraudulent transactions We identified fraud risk in revenue recognition as one of the most significant assessed risks of material misstatement due to fraud. Under ISA (UK) 240 'The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements', there is a presumption that there are risks of fraud in revenue recognition. Revenue for the year ended 31 December 2020 was £937,962 (2019: £1,128,970). The group operates alluvial mining in Russia for a limited season due to weather. As the operating season changes each year, the opportunity presents itself to not record revenues at the start or end of each season. There is the risk of fraud in the recognition of revenue relating to the production and sales of metals.	In responding to the key audit matter, we performed the following audit procedures: • analysed the group's revenue recognition accounting policies and assessed whether the policies are in accordance with International Financial Reporting Standard (IFRS) 15 'Revenue from Contracts with Customers'; • tested all revenue transactions in the year, agreeing to invoices, settlement reports and cash receipts; • checked post year-end receipts to verify that cut-off of revenue is correct; and • checked the revenue disclosures were in accordance with IFRS 15.
Relevant disclosures in the Annual Report and Accounts 2020 • Financial statements: Note 4.7, Revenue	**Our results** Our testing did not identify any material misstatements in the recognition of revenue.
Provision for environmental rehabilitation We identified the provision for environmental rehabilitation as one of the most significant assessed risks of material misstatement due to error. This is in relation to the West Kytlim Mine, the operations of which were taken over by the group in the previous financial year. There is a risk that the inputs within the provision calculation may not include all relevant costs as this is a complex calculation requiring specialised knowledge. The provision calculation is an estimate which requires specialist expertise in the industry. The provision has been calculated by their internal management expert. The rehabilitation provision as at 31 December 2020 is £52,137 (2019: £78,103).	In responding to the key audit matter, we performed the following audit procedures: • obtained an understanding of management's process relating to the recognition and valuation of the provision as well as testing that the accounting treatment was in accordance with IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' • utilising the expertise of a specialist in mining ("auditor's expert") and natural resources to analyse management's workings; • we inspected the expert's findings and held discussions with him to verify that we have a comprehensive understanding of the notes raised and all aspects have been considered and documented; • tested management's calculations for mathematical accuracy and challenged the assumptions used, including life of the provision, discount rate used and key cost variables, through agreeing inputs to licenses and costs into publicly available information and contracts; and • checked whether all the required disclosures per IAS 37 are included in the group financial statements.
Relevant disclosures in the Annual Report and Accounts • Financial statements: Note 24, Provisions	**Our results** Our audit testing did not identify any material misstatements in the completeness of the rehabilitation provision and we concluded that the disclosures are in accordance with IAS 37.

Independent auditor's report (continued) to the members of Eurasia Mining Plc

Key Audit Matter – Group	How our scope addressed the matter – Group
Recoverability of capitalised exploration costs and mining assets (West Kytlim) We identified recoverability of capitalised exploration costs and mining assets as one of the most significant assessed risks of material misstatement due to error. There is continued capitalised expenditure incurred within the group relating to the development and operations of the mines. West Kyltim, which is fully operational, is only operational in summer months, due to freezing conditions in winter months. The carrying value of the mining assets for this project as at 31 December 2020 is £3,142,533 (2019: £3,802,857). The recoverability of these costs is contingent on the success of the extraction of the identified reserves, where a lack of recoverability may constitute an impairment of the asset. In addition, the assumptions used to calculate the value in use requires significant judgement by management and the inputs to the calculation such as the metal prices are sensitive to change.	In responding to the key audit matter, we performed the following audit procedures: • obtained management's impairment assessment relating to the mining assets and capitalised exploration costs; • corroborated management's considerations on the exploration and evaluation assets where there was no indicator for impairment by obtaining mining licenses, as well as reserve and resource reports; • for mining assets where there were indicators of impairment, we tested the value-in-use calculations performed by management, which included: – performed arithmetical checks on the calculation; – challenged the appropriateness of management's key assumptions which included discount rate, commodity price, recovery rate and production levels used in the model by agreeing to production reports and cash flows, and to external sources where applicable; and – inspected management's sensitivity analysis on the key assumptions including commodity prices, production levels, recovery rates and expected grading of extracted materials. • checked the financial statements to verify that the disclosures were appropriately included per IAS 36 'Impairment of Assets'.
Relevant disclosures in the Annual Report and Accounts • Financial statements: Notes 4.11 and 5.1.3, Impairment review of the mining assets	**Key observations** The margin of safety before an impairment is recognised is considered very low, at a 5% change in revenue production. Our audit testing did not identify material misstatements in the assumptions used within the impairment assessment and we have concluded that the disclosures are in accordance with IAS 36.

We did not identify any key audit matters relating to the audit of the financial statements of the parent company.

Our application of materiality

We apply the concept of materiality both in planning and performing the audit, and in evaluating the effect of identified misstatements on the audit and of uncorrected misstatements, if any, on the financial statements and in forming the opinion in the auditor's report.

Materiality was determined as follows:

Materiality measure	Group	Parent company
Materiality for financial statements as a whole	We define materiality as the magnitude of misstatement in the financial statements that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of these financial statements. We use materiality in determining the nature, timing and extent of our audit work.	
Materiality threshold	£92,800, which is 2% of the group's net assets at the planning stage of the audit. We decided not to revise our materiality during the course of the audit once the final balance for the group's net assets, which was higher than that at the planning stage, was known.	£82,000, which is 2% of the parent company's gross assets at the planning stage of the audit, capped at approximately 90% of the group's financial statement materiality.

<table>
<tr><th>Materiality measure</th><th>Group</th><th>Parent company</th></tr>
<tr><td>Significant judgements made by auditor in determining the materiality</td><td>In determining materiality, we made the following significant judgements:

The shareholder perception that the value of the group is derived from the potential of the underlying exploration and mining assets;

The primary object of the group is exploration and development of mining sites, with the operations at the West Kytlim site not yet reaching full production capacity; and

The high public profile of the group, following the announcement by the Board of a formal sale process.

Materiality for the current year is lower than the level that we determined for the year ended 31 December 2019.

The measurement percentage and benchmark used in the prior year was 2% of forecasted group total assets. Due to the announcement by the Board of a formal sale, the benchmark used to determine materiality was changed to the group's net assets as we considered the focus of the primary users to have changed.</td><td>In determining materiality, we made the following significant judgements:

The primary objective of the parent company is to hold the investments in the group undertakings, as well as to provide financing.

Materiality for the current year is lower than the level that we determined for the year ended 31 December 2019 to reflect the lower group materiality and the capping referred to above.</td></tr>
<tr><td>Performance materiality used to drive the extent of our testing</td><td colspan="2">We set performance materiality at an amount less than materiality for the financial statements as a whole to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.</td></tr>
<tr><td>Performance materiality threshold</td><td>£69,600, which is 75% of financial statement materiality.</td><td>£61,500, which is 75% of financial statement materiality.</td></tr>
<tr><td>Significant judgements made by auditor in determining the performance materiality</td><td>In determining performance materiality, we made the following significant judgements:

The control environment is appropriate to the size of the operations, with adequate detection and prevention controls designed to mitigate the risks of material misstatement.

Based on prior experience, we have had few uncorrected misstatements, resulting in a lower identified risk of cumulative uncorrected misstatements this year.</td><td>In determining performance materiality, we made the following significant judgements:

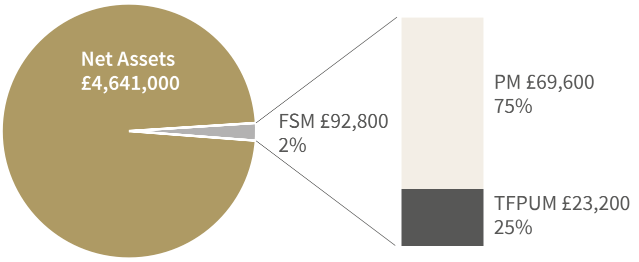
The control environment is appropriate to the size of the operations, with adequate detection and prevention controls designed to mitigate the risks of material misstatement.

Based on prior experience, we have had minimal uncorrected misstatements, resulting in a lower identified risk of cumulative uncorrected misstatements this year.</td></tr>
<tr><td>Specific materiality</td><td colspan="2">We determine specific materiality for one or more particular classes of transactions, account balances or disclosures for which misstatements of lesser amounts than materiality for the financial statements as a whole could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.</td></tr>
<tr><td>Specific materiality threshold</td><td>We determined a lower level of specific materiality for the following areas: directors' remuneration.</td><td>We determined a lower level of specific materiality for the following areas: directors' remuneration.</td></tr>
<tr><td>Communication of misstatements to the audit committee</td><td colspan="2">We determine a threshold for reporting unadjusted differences to the audit committee.</td></tr>
<tr><td>Threshold for communication</td><td>£4,640 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.</td><td>£4,100 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.</td></tr>
</table>

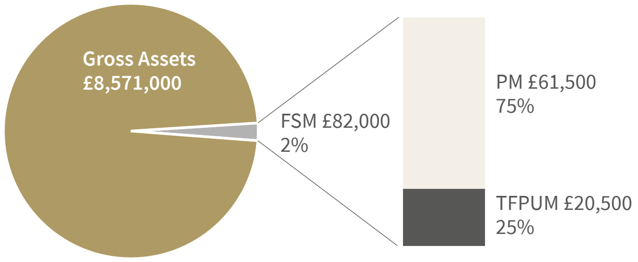
Independent auditor's report (continued) to the members of Eurasia Mining Plc

The graph below illustrates how performance materiality interacts with our overall materiality and the tolerance for potential uncorrected misstatements.

Overall materiality – Group



Overall materiality – Parent company



FSM: Financial statements materiality, PM: Performance materiality, TFPUM: Tolerance for potential uncorrected misstatements

An overview of the scope of our audit

We performed a risk-based audit that requires an understanding of the group's and the parent company's business and in particular matters related to:

Understanding the group, its components, and their environments, including group-wide controls

- The engagement team obtained an understanding of the group and its environment, including group-wide controls, and assessed the risks of material misstatement at the group level; and
- The engagement team obtained an understanding of the control environment for each significant component as the finance teams are located in different geographic locations, each with their own control processes. We have assessed the risks of material misstatement for each component.

Identifying significant components

We have identified the parent company as a significant component as it represents over 15% of the loss before tax. The parent company is also responsible for obtaining the financing for the group operations; and

The ZAO Kosvinsky Kamen and ZAO Terskaya Mining Company components, which hold the operations for the West Kytlim and Monchetundra sites respectively, are also considered individually significant.

Type of work to be performed on financial information of parent and other components (including how it addressed the key audit matters)

An audit of the financial information (full scope audit) was performed on the significant components using component materiality:

- All three KAMs above are addressed within the ZAO Kosvinsky Kamen component; and
- The KAM relating to the recoverability of capitalised exploration costs and mining assets is addressed within the ZAO Terskaya Mining Company component.

There are no KAMs that relate to the parent company, Eurasia Mining Plc.

Specified audit procedures have been performed on the financial information of Urals Alluvial Platinum, which holds some of the mining assets and exploration costs.

The remaining components have been scoped as immaterial, which require only analytical procedures at group level (analytical procedures) to be performed.

Performance of our audit

Components at which full-scope audits were performed covered 100% of total revenues and 49% of total assets.

Components at which specified audit procedures were performed covered 48% of total assets.

Communications with component auditors

We held discussions with the component auditors throughout the engagement, which included issuing group instructions during the planning phase of the engagement, and holding follow up calls to discuss the audit approach during the planning, fieldwork and completion stages of the audit;

During our discussions and within our group instructions, we directed the work we required to be performed. We reviewed the audit files from the component auditors to ensure that the appropriate audit evidence had been obtained; and

Due to the travel restrictions in place in response to the COVID-19 outbreak, we could not visit the West Kyltim mine. As an alternative, we arranged for the component auditors to perform a site visit on our behalf.

Changes in approach from previous year
Due to the increased audit risk, we have lowered the materiality used in our audit approach. This has resulted in closer scrutiny of the transactions and balances under audit.

Audit approach	No. of components	% coverage total assets	% coverage revenue	% coverage loss before tax
Full-scope audit	3	49	100	70
Specified audit procedures	1	48	0	29
Analytical procedures	3	3	0	1

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report and accounts, 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.

Matter 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 their 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, 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.

Independent auditor's report (continued) to the members of Eurasia Mining Plc

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We have identified the following laws and regulations as being of significance in the context of the group:

- Bribery and corruption; and
- Mining industry and environmental factors.

We have obtained an understanding of the legal and regulatory framework applicable to the group through discussions with management, research into the industry and our experience. We have gained assurance that management ensures compliance with the framework through the following means:

- Including tests of detail within our audit approach to identify potential issues of non-compliance; and
- Obtaining internal policies and verifying the implementation thereof.

Our work was designed to identify non-compliance with such laws and regulations by inspecting transactions with government officials and bodies throughout the year, as well as with any contractors that appeared unusual or outside the usual course of operations. We have also obtained the mining licenses and inspected them for covenant compliance;

There is a collective experience of almost 30 years between the engagement partner and the managers in the group engagement team within the mining industry and listed company audits. Accordingly, the group engagement team collectively had the appropriate competence and capabilities to identify or recognize non-compliance with laws and regulations; and

We have communicated the specific audit procedures to be performed as part of the group audit to the component auditors, in order to identify any instances of non-compliance with laws and regulations that could give rise to a material misstatement of the group financial statements.

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

4 June 2021

Consolidated statement of profit or loss and other comprehensive income
for the year ended 31 December 2020

	Note	Year to 31 December 2020 £	Year to 31 December 2019 £
Sales		**937,962**	1,128,970
Cost of sales		**(1,131,954)**	(1,082,209)
Gross (loss)/profit		**(193,992)**	46,761
Administrative costs		**(1,889,793)**	(1,401,383)
Investment income		**486**	1,416
Finance cost	9	**(100,886)**	–
Other gains	10	**–**	556,938
Other losses	10	**(1,509,123)**	–
Loss before tax		**(3,693,308)**	(796,268)
Income tax expense	11	**–**	(50,890)
Loss for the period		**(3,693,308)**	(847,158)
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		**181,670**	(10,108)
Items that will be reclassified subsequently to profit and loss:			
Parent's share of foreign exchange differences on translation of foreign operations		**382,686**	(242,847)
Other comprehensive income for the period, net of tax		**564,356**	(252,955)
Total comprehensive loss for the period		**(3,128,952)**	(1,100,113)
Loss for the period attributable to:			
Equity holders of the parent		**(3,080,336)**	(948,745)
Non-controlling interest	14	**(612,972)**	101,587
		(3,693,308)	(847,158)
Total comprehensive loss for the period attributable to:			
Equity holders of the parent		**(2,697,650)**	(1,191,592)
Non-controlling interest	14	**(431,302)**	91,479
		(3,128,952)	(1,100,113)
(Loss)/profit per share attributable to equity holders of the parent:			
Basic and diluted loss (pence per share)	25	**(0.11)**	(0.04)

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

Consolidated statement of financial position
as at 31 December 2020

	Note	31 December 2020 £	31 December 2019 (restated) £
ASSETS			
Non-current assets			
Property, plant and equipment	12	**4,295,908**	3,929,037
Assets in the course of construction	12	**28,957**	35,964
Intangible assets	13	**696,504**	854,995
Total non-current assets		**5,021,369**	4,819,996
Current assets			
Inventories	16	**13,695**	1,916
Trade and other receivables	17	**285,081**	174,669
Current tax asset		**5,307**	6,590
Cash and cash equivalents		**5,404,101**	920,013
Total current assets		**5,708,184**	1,103,188
Total assets		**10,729,553**	5,923,184
EQUITY			
Issued capital	18	**37,812,856**	30,291,426
Other reserves	20	**3,981,370**	3,632,745
Accumulated losses		**(30,204,053)**	(27,157,778)
Equity attributable to equity holders of the parent		**11,590,173**	6,766,393
Non-controlling interest	14	**(1,758,862)**	(1,327,560)
Total equity		**9,831,311**	5,438,833
LIABILITIES			
Non-current liabilities			
Lease liabilities	22	**425,923**	–
Provisions	24	**50,186**	62,218
Total non-current liabilities		**476,109**	62,218
Current liabilities			
Borrowings	21	**31,684**	47,225
Lease liabilities	22	**101,007**	–
Trade and other payables	23	**287,491**	359,023
Provisions	24	**1,951**	15,885
Total current liabilities		**422,133**	422,133
Total liabilities		**898,242**	484,351
Total equity and liabilities		**10,729,553**	5,923,184

These financial statements were approved by the board on 04 June 2021 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 2020

	Note	31 December 2020 £	31 December 2019 (restated) £
ASSETS			
Non-current assets			
Property, plant and equipment	12	**1,507**	663
Investments in subsidiaries	14	**1,132,246**	1,132,246
Total non-current assets		**1,133,753**	1,132,909
Current assets			
Trade and other receivables	17	**106,042**	91,561
Other financial assets		**8,226,176**	6,689,106
Cash and cash equivalents		**5,247,106**	894,995
Total current assets		**13,579,324**	7,675,662
Total assets		**14,713,077**	8,808,571
EQUITY			
Issued capital	18	**37,812,856**	30,291,426
Other reserves	20	**3,924,026**	3,958,087
Accumulated losses		**(27,366,492)**	(25,968,492)
Total equity		**14,370,390**	8,281,021
LIABILITIES			
Current liabilities			
Trade and other payables	23	**342,687**	527,550
Total current liabilities		**342,687**	527,550
Total liabilities		**342,687**	527,550
Total equity and liabilities		**14,713,077**	8,808,571

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 £1,432,061 (2019: loss of £874,277).

These financial statements were approved by the board on June 2020 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 2020

	Share capital £	Share premium £	Deferred shares £	Other reserves £	Translation reserve £	Retained loss £	Attributable to equity holders of the parent £	Non-controlling interest £	Total £
Balance at 1 January 2019	**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**
Restatement of the retained loss account for the effect of valuations of exercised option and warrants previously recognised in share premium account	–	(310,528)	–	–	–	310,528	–	–	–
Balance at 1 January 2019 (restated)	**2,371,569**	**19,095,741**	**7,025,483**	**4,023,610**	**(82,495)**	**(26,321,988)**	**6,111,920**	**(1,419,039)**	**4,692,881**
Issue of ordinary share capital for cash	116,183	510,185	–	–	–	–	**626,368**	–	**626,368**
Issue of ordinary shares on exercise of warrants	175,747	874,256	–	–	–	–	**1,050,003**	–	**1,050,003**
Issue of shares under employee share option plan	30,258	144,224	–	–	–	–	**174,482**	–	**174,482**
Share issue cost	–	(52,220)	–	–	–	–	**(52,220)**	–	**(52,220)**
Reversal on cancellation or exercise of options and warrants	–	–	–	(112,955)	–	112,955	–	–	–
Recognition of options under employee share option plan	–	–	–	47,432	–	–	**47,432**	–	**47,432**
Transaction with owners	**322,188**	**1,476,445**		**(65,523)**	**–**	**112,955**	**1,846,065**	**–**	**1,846,065**
(Loss)/profit for the period	–	–	–	–	–	(948,745)	**(948,745)**	101,587	**(847,158)**
Other comprehensive loss	–	–	–	–	–	–	–	–	
Exchange differences on translation of foreign operations	–	–	–	–	(242,847)	–	**(242,847)**	(10,108)	**(252,955)**
Total comprehensive loss for the period ended 31 December 2019	**–**	**–**	**–**	**–**	**(242,847)**	**(948,745)**	**(1,191,592)**	**91,479**	**(1,100,113)**
Balance at 31 December 2019 (restated)	**2,693,757**	**20,572,186**	**7,025,483**	**3,958,087**	**(325,342)**	**(27,157,778)**	**6,766,393**	**(1,327,560)**	**5,438,833**

	Share capital £	Share premium £	Deferred shares £	Other reserves £	Translation reserve £	Retained loss £	Attributable to equity holders of the parent £	Non-controlling interest £	Total £
Balance at 1 January 2020	**2,693,757**	**20,572,186**	**7,025,483**	**3,958,087**	**(325,342)**	**(27,157,778)**	**6,766,393**	**(1,327,560)**	**5,438,833**
Issue of ordinary share capital for cash	33,927	7,599,661	–	–	–	–	**7,633,588**	–	**7,633,588**
Issue of ordinary shares on exercise of warrants	22,018	202,983	–	(674)	–	674	**225,001**	–	**225,001**
Issue of shares under employee share option plan	9,000	67,200	–	(14,904)	–	14,904	**76,200**	–	**76,200**
Share issue cost	–	(413,359)	–	–	–	–	**(413,359)**	–	**(413,359)**
Reversal on cancellation or exercise of options and warrants	–	–	–	(18,483)	–	18,483	–	–	–
Transaction with owners	**64,945**	**7,456,485**	**–**	**(34,061)**	**–**	**34,061**	**7,521,430**	**–**	**7,521,430**
Loss for the period	–	–	–	–	–	(3,080,336)	**(3,080,336)**	(612,972)	**(3,693,308)**
									–
Other comprehensive income									
Exchange differences on translation of foreign operations	–	–	–	–	382,686	–	**392,761**	186,411	**579,172**
Total comprehensive loss for the period ended 31 December 2020	**–**	**–**	**–**	**–**	**382,686**	**(3,080,336)**	**(2,697,650)**	**(431,302)**	**(3,128,952)**
Balance at 31 December 2020	**2,758,702**	**28,028,671**	**7,025,483**	**3,924,026**	**57,344**	**(30,204,053)**	**11,590,173**	**(1,758,862)**	**9,831,311**

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

Company statement of changes in equity
for the year ended 31 December 2020

	Share capital £	Share premium £	Deferred shares £	Other reserves £	Retained loss £	**Total £**
Balance at 1 January 2019	**2,371,569**	**19,406,269**	**7,025,483**	**4,023,610**	**(25,517,698)**	**7,309,233**
Restatement of the retained loss account for the effect of valuations of exercised option and warrants previously recognised in share premium account	–	(310,528)	–	–	310,528	–
Balance at 1 January 2019 restated	**2,371,569**	**19,095,741**	**7,025,483**	**4,023,610**	**(25,207,170)**	**7,309,233**
Issue of ordinary share capital for cash	116,183	510,185	–	–	–	**626,368**
Issue of ordinary shares on exercise of warrants	175,747	874,256	–	–	–	**1,050,003**
Issue of shares under employee share option plan	30,258	144,224	–	–	–	**174,482**
Share issue cost	–	(52,220)	–	–	–	**(52,220)**
Reversal on cancellation or exercise of options and warrants	–	–	–	(112,955)	112,955	**–**
Recognition of options under employee share option plan	–	–	–	47,432	–	**47,432**
Transactions with owners	**322,188**	**1,476,445**	**–**	**(65,523)**	**112,955**	**1,846,065**
Loss and total comprehensive income	–	–	–	–	(874,277)	**(874,277)**
Balance at 31 December 2019 (restated)	**2,693,757**	**20,572,186**	**7,025,483**	**3,958,087**	**(25,968,492)**	**8,281,021**

	Share capital £	Share premium £	Deferred shares £	Other reserves £	Retained loss £	**Total £**
Balance at 1 January 2020	**2,693,757**	**20,572,186**	**7,025,483**	**3,958,087**	**(25,968,492)**	**8,281,021**
Issue of ordinary share capital for cash	33,927	7,599,661	–	–	–	**7,633,588**
Issue of ordinary shares on exercise of warrants	22,018	202,983	–	(674)	674	**225,001**
Issue of shares under employee share option plan	9,000	67,200	–	(14,904)	14,904	**76,200**
Share issue cost	–	(413,359)	–	–	–	**(413,359)**
Reversal on cancellation or exercise of options and warrants	–	–	–	(18,483)	18,483	**–**
Transactions with owners	**64,945**	**7,456,485**	**–**	**(34,061)**	**34,061**	**7,521,430**
Loss and total comprehensive income	–	–	–	–	(1,432,061)	**(1,432,061)**
Balance at 31 December 2020	**2,758,702**	**28,028,671**	**7,025,483**	**3,924,026**	**(27,366,492)**	**14,370,390**

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

Consolidated statement of cash flows
for the year ended 31 December 2020

	Note	Year to 31 December 2020 £	Year to 31 December 2019 £
Cash flows from operating activities			
Loss for the period		**(3,693,308)**	(847,158)
Adjustments for:			
Depreciation of non-current assets	12	**205,200**	181,395
Finance costs recognised in profit or loss	21	**100,886**	–
Investment revenue recognised in profit or loss		**(486)**	(1,416)
Rehabilitation (change in estimate)/cost recognised in profit or loss		**(14,671)**	77,677
Income tax expense recognised in profit or loss		**–**	50,890
Net foreign exchange (gain)/loss	10	**1,509,123**	(556,938)
Expense recognised in respect of options under employee share option plan		**–**	47,431
		(1,893,256)	(1,048,119)
Movement in working capital			
Increase in inventories		**(12,152)**	(296)
Increase in trade and other receivables		**(130,219)**	(139,395)
Decrease in trade and other payables		**(65,555)**	82,546
Cash outflow from operations		**(2,101,182)**	(1,105,264)
Income tax paid		**–**	(41,260)
Net cash used in operating activities		**(2,101,182)**	(1,146,524)
Cash flows from investing activities			
Interest received		**486**	1,416
Purchase of property, plant and equipment	12	**(687,167)**	(191,953)
Payment for exploration and evaluation assets	13	**(9,599)**	–
Net cash generated from/(used) in investing activities		**(696,280)**	(190,537)
Cash flows from financing activities			
Proceeds from issue of equity shares		**7,934,789**	1,850,853
Share issue costs		**(413,359)**	(52,220)
Proceeds from borrowings		**300,000**	–
Repayment of borrowings		**(306,341)**	–
Repayment of lease liability		**(81,491)**	–
Interest paid		**(96,965)**	–
Net cash proceeds from financing activities		**7,336,633**	1,798,633
Net decrease in cash and cash equivalents		**4,539,171**	461,572
Effects of exchange rate changes on the balance of cash held in foreign currencies		**(55,083)**	5,765
Cash and cash equivalents at beginning of period		**920,013**	452,676
Cash and cash equivalents at end of period		**5,404,101**	920,013

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

Company statement of cash flows
for the year ended 31 December 2020

	Note	Year to 31 December 2020 £	Year to 31 December 2019 £
Cash flows from operating activities			
Loss for the period		(1,432,061)	(874,277)
Adjustments for:			
Depreciation of non-current assets		–	346
Finance costs recognised in profit or loss	21	4,586	–
Investment revenue recognised in profit or loss		416	(238)
Expense recognised in respect of options under employee share option plan		–	47,431
		(1,427,059)	(826,738)
Movement in working capital			
Increase in trade and other receivables		(14,481)	(54,621)
(Decrease)/increase in trade and other payables		(184,863)	243,392
Cash outflow from operations		(1,626,403)	(637,967)
Income tax paid		–	–
Net cash used in operating activities		(1,626,403)	(637,967)
Cash flows from investing activities			
Interest received		–	238
Amounts advanced to related party		(1,537,070)	(436,600)
Purchase of property, plant and equipment		(1,260)	–
Net cash generated from/(used) in investing activities		(1,538,330)	436,362
Cash flows from financing activities			
Proceeds from issue of equity shares		7,934,789	1,850,853
Share issue costs		(413,359)	(52,220)
Proceeds from the borrowings		300,000	–
Repayment of borrowings		(304,586)	–
Net cash proceeds from financing activities		7,516,844	1,798,633
Net decrease in cash and cash equivalents		4,352,111	724,304
Effects of exchange rate changes on the balance of cash held in foreign currencies		–	1
Cash and cash equivalents at beginning of period		894,995	170,690
Cash and cash equivalents at end of period		5,247,106	849,995

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

Notes to the consolidated financial statements
for the year ended 31 December 2020

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 Holborn, 20 St Andrew Street, EC4A 3AG, 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 2020 the Group's net current assets amounted to £ 5,434,669 (2019: £681,055). At the same time the Group had a cash balance of £5,404,101 (2019: £920,013). The Group's debt largely consisted of lease agreements set up to acquire mining machinery with a total amount of £558,614 (2019: £nil).

In 2020 the Group raised funds from exercise of warrants and options and one issue of shares on the equity markets. The total funds raised were £7.9m before fees and commissions.

A fund raising was closed on 20 May 2021 with gross proceeds of £14,126,289. These funds are available to further exploration and development at both project but chiefly for development of projects within the Rosgeo JV, and the Kola PGM district.

The Group took full control of the West Kytlim mine in 2020 and increased the scale of mining operations. The project was further capitalised with addition of purchased and leased machinery during 2020. Funds available have allowed the Company to further expand the mining fleet for the 2021 mining season, including a second washplant and supporting machinery. The mining season in 2021 started in the mid-April, which is six weeks earlier than the2020 season. This, and the addition of a second plant and a potential contractor owned and operated third washplant will ensure higher revenue for 2021.

Expenditure at Monchetundra has been modest through 2020 and thus far in 2021. Future expenditure on further licences to be evaluated for the Rosgeo JV is being considered and remains at the Board's discretion. An EPCF contract, which fully funds the development of the West Nittis and Loipishnune deposits within the Monchetundra Project can be actioned.

The Directors have concluded that the combination of these circumstances, and the Company's current cash balance, represent a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, which management have determined to be 12 months from the signing of this annual report. 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 2019
Amendments to IFRS 3 Definition of a Business

In October 2018, the IASB issued amendments to the definition of a business in IFRS 3 Business Combinations to help entities determine whether an acquired set of activities and assets is a business or not. They clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing any missing elements, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test.

Amendments to IAS 1 and IAS 8 Definition of Material

In October 2018, the IASB issued amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to align the definition of 'material' across the standards and to clarify certain aspects of the definition. The new definition states that, 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.

The adoption of these Amendments 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
- IFRS 17 – Insurance contracts
- IFRS 10 and IAS 28 (amendments) – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to IAS 1 – Classification of Liabilities as Current or Non-current
- Amendments to IFRS 3 Reference to the Conceptual Framework
- Amendments to IAS 16 Property, Plant and Equipment – Proceeds before Intended Use
- Amendments to IAS 37 Onerous Contracts – Cost of Fulfilling a Contract
- Annual Improvements to IFRS Standards 2018-2020 Cycle – Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture

Notes to the consolidated financial statements (continued)
for the year ended 31 December 2020

3 Changes in accounting policies (continued)

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

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Company in future periods, except as noted below:

Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

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 remeasurement 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 effective date of the amendments has yet to be set by the Board; however, earlier application of the amendments is permitted. The directors of the Company anticipate that the application of these amendments may have an impact on the Group's consolidated financial statements in future periods should such transactions arise.

3.3 Comparative information

Reclassification

Certain amounts in the consolidated and the Company statement of financial position at 31 December 2019 and the statement of changes in equity for the year ended 31 December 2019 were reclassified after due consideration. The restatement is due to a classification error whereby other reserves relating to share options and warrants were being transferred to share premium rather than profit and loss reserve upon exercise. The treatment of share premium is adjusted for the prior periods with amounts within other reserve being transferred to accumulated losses as opposed to share premium account. The tables below show the financial statement line items impacted by this restatement.

	Initial presentation £	Amount of reclassification £	Presentation after adjustments £
1 January 2019			
Consolidated statement of financial position			
Issued capital	28,803,321	(310,528)	28,492,793
Accumulated losses	(26,632,516)	310,528	26,321,988
Consolidated statement of changes in equity			
Share premium	19,406,269	(310,528)	19,095,741
Accumulated losses	(26,632,516)	310,528	26,321,988
31 December 2019			
Consolidated statement of financial position			
Issued capital	30,714,909	(423,483)	30,291,426
Accumulated losses	(27,581,261)	423,483	(27,157,778)
Consolidated statement of changes in equity			
Share premium	20,995,669	(423,483)	20,572,186
Accumulated losses	(27,581,261)	423,483	(27,157,778)

	Initial presentation £	Amount of reclassification £	Presentation after adjustments £
1 January 2019			
Company statement of financial position			
Issued capital	28,803,321	(310,528)	28,492,793
Accumulated losses	(25,517,698)	310,528	(25,207,170)
Company statement of changes in equity			
Share premium	19,406,269	(310,528)	19,095,741
Accumulated losses	(25,517,698)	310,528	(25,207,170)
31 December 2019			
Company statement of financial position			
Issued capital	30,714,909	(423,483)	30,291,426
Accumulated losses	(26,391,975)	423,483	(25,968,492)
Company statement of changes in equity			
Share premium	20,995,669	(423,483)	20,572,186
Accumulated losses	(26,391,975)	423,483	(25,968,492)

Within the line item on the statement of changes in equity labelled 'Reversal on cancellation or exercise of options and warrants' in 2019, the amount of £112,955 had previously been shown as a credit to share premium, and it is now being shown as a credit to retained losses. This is applicable to the consolidated and company statements of changes in equity.

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 Accounting Standards in conformity with the requirements of the Companies Act 2006.

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 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.

Notes to the consolidated financial statements (continued)
for the year ended 31 December 2020

4 Summary of significant accounting policies (continued)

4.6 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.

4.7 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 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.

4.8 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 Summary of significant accounting policies (continued)

4.9 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

Stripping activity asset costs

In alluvial mining operations, it is necessary to remove overburden and other waste in order to improve access to the ore body. Associated costs are recognised as a stripping activity asset. A stripping activity asset is initially measured at cost and subsequently carried at cost or its revalued amount less depreciation or amortisation and impairment losses.

A stripping activity asset is depreciated or amortised on a systematic basis, over the expected useful life of the identified component of the ore body that becomes more accessible as a result of the stripping activity. For some alluvial ore bodies the useful life of this asset can be several months only. The units of production method is used.

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
Plant & machinery	3-30 years
Office, fixture and fittings	3-5 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.

4.10 Intangible assets

Exploration and evaluation of mineral resources

Exploration and evaluation expenditure comprise 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 pre-feasibility 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 is successful and gets transferred into a mining project a respective intangible asset gets reclassified into a mining asset and accounted according to provision set in the note 4.9. If a project does not prove viable, all irrecoverable costs associated with the project net of any related impairment provisions are written off.

4.11 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.

Notes to the consolidated financial statements (continued)
for the year ended 31 December 2020

4 Summary of significant accounting policies (continued)

4.11 Impairment testing intangible assets and property, plant and equipment (continued)
Value in use is determined as the present value of the estimated cash flows expected to arise 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.

4.12 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.

4.13 Cash
Cash and cash equivalents comprise cash balances, call deposits and highly liquid investments with maturities of three months or less from the acquisition date that are subject to insignificant risk of changes in their fair value.

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.

4 Summary of significant accounting policies (continued)

4.14 Financial instruments (continued)

Subsequent measurement of financial assets (continued)

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.

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.

Notes to the consolidated financial statements (continued)
for the year ended 31 December 2020

4 Summary of significant accounting policies (continued)

4.14 Financial instruments (continued)

Warrants

The Company may 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 the profit and loss reserve as applicable.

4.15 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Environmental protection, rehabilitation and closure costs

Provision is made for close down, restoration and environmental rehabilitation costs (which include the dismantling and demolition of infrastructure, removal of residual materials and remediation of disturbed areas) in the financial period when the related environmental disturbance occurs, based on the estimated future costs using information available at the reporting date. The provision is discounted using a discount rate equal to yield to maturity of relevant state bonds and the unwinding of the discount is included in interest expense.

The provision is reviewed on an annual basis for changes to obligations, legislation or discount rates that impact estimated costs or lives of operations.

4.16 Leases

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
The amount expected to be payable by the lessee under residual value guarantees;
The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

The Group did not make any such adjustments during the periods presented.

4 Summary of significant accounting policies (continued)

4.16 Leases (continued)

The Group as lessee (continued)

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented within property plant and equipment in the consolidated statement of financial position.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Impairment testing intangible assets and property, plant and equipment' policy.

4.17 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 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.

5.1.1 Non-current assets held for sale and discontinued operations

As had previously been announced on 1 July 2020, a formal sale process was initiated to explore strategic options regarding the sale of the company. As at 31 December 2020, there were no binding agreements relating to the sale of business. As there was no intention to sell a specific asset or group of the business, but rather the exploration of the sale of all of the outstanding share capital of the business, it was determined that there were no assets or group of assets that would meet the criteria of discontinued operations or assets held for sale in accordance with IFRS 5 – Non-current assets held for sale and discontinued operations.

5.1.2 Provision for environmental rehabilitation

Provision is made for close down, restoration and environmental rehabilitation costs based on the estimated future costs using information available at the reporting date. Costs are estimated based are on the observable local prices, fees and already agreed contract for specific jobs. The provision is discounted using a risk-free discount rate of from 3.87% to 5.08% attributed to the Russian Federal bonds with corresponding maturity.

5.1.3 Impairment review of the mining assets

The impairment assessment of the West Kytlim mining asset was performed by calculating the higher of fair value less cost of disposal and value in use and compared against the carrying value of the mining assets. Projected cash flows from 2021 to 2030 were used to assess the fair value less costs of disposal. 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 throughout 2021-2030:

Pt grade 0.287g/m^3
Process recovery 70%
Platinum/Gold price $1,100/oz / $1,800/oz
Post-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 5% on platinum and gold prices and lower than anticipated production levels. Every 0.1% change above the said 5% would cause recognition of impairment loss in the amount of £14,414.

PGM deliveries commenced in May 2021 at a platinum price substantially higher than that modelled. Stripping of overburden to access platinum bearing gravels was carried out over the 2020/21 and will ensure better control on production levels during the current season.

Notes to the consolidated financial statements (continued)
for the year ended 31 December 2020

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.

	West Kytlim	Monchetundra	Corporate and other segments	Total
Geographical location	Urals Mountains, Russia	Kola Peninsula, Russia	–	
Activity	Operating mine and revenue generating unit	Licenced mining project	Management and investment	
2020	£	£	£	£
Non-current assets	3,999,098	669,080	353,191	5,021,369
Total assets	4,231,046	804,065	5,694,442	10,729,553
Total liability	726,276	3,590	168,376	898,242
Revenue	937,962	–	–	937,962
Loss for the year	(1,754,307)	(289,707)	(1,649,294)	(3,693,308)
2019	£	£	£	
Non-current assets	3,624,293	814,706	380,997	4,819,996
Total assets	3,731,770	825,307	1,366,107	5,923,184
Total liability	145,388	993	337,970	484,351
Revenue	1,128,970	–	–	1,128,970
Profit/(loss) for the year	300,950	7,387	(1,257,082)	(847,158)

All revenue recognised in 2020 and 2019 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:

	2020	2019
By the Company	**3**	2
By the Group	**54**	28

8 Profit/(loss) for the year

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

	Year to 31 December 2020 Group £	Year to 31 December 2020 Company £	Year to 31 December 2019 Group £	Year to 31 December 2019 Company £
Staff benefits expense:				
Wages, salaries and Directors' fees (note 26)	**1,043,461**	**581,941**	625,479	371,713
Social security costs	**120,092**	**5,034**	84,095	5,034
Value of options issued to employees	**–**	**–**	27,825	14,706
Value of options issued to non-employees	**–**	**–**	19,606	19,606
Other short-term benefits	**1,314**	**1,314**	14,669	14,669
	1,164,867	**588,289**	770,346	425,728
Depreciation	**205,200**	**416**	181,395	346
Mineral extraction tax	**57,578**	**–**	69,083	–
Audit fees payable to the Company's auditor for the audit of the Group's annual accounts	**110,000**	**110,000**	48,000	48,000

9 Finance cost

	Year to 31 December 2020 Group £	Year to 31 December 2019 Group £
Interest on obligations under finance leases	**92,379**	–
Interest on unsecured borrowings	**4,586**	–
Unwinding of discounts on provisions	**3,921**	–
	100,886	–

10 Other gains and losses

	Year to 31 December 2020 Group £	Year to 31 December 2019 Group £
Gains		
Net foreign exchange gain	–	556,938
	–	556,938
Losses		
Net foreign exchange loss	(1,509,123)	–
	(1,509,123)	–

The majority of the foreign exchange gains and losses are a result of the revaluation of monetary assets and liabilities in the subsidiary accounts as a result of movements in the Rouble exchange rates.

11 Income taxes

(a) Tax charged in the statement of profit and loss

	Year to 31 December 2020 Group £	Year to 31 December 2019 Group £
Current tax	–	50,890

There was no tax payable by the Company for the year ended 31 December 2020 (2019: £nil) due to the Company having taxable losses.

(b) Reconciliation of the total tax charge

	Year to 31 December 2020 Group £	Year to 31 December 2019 Group £
(Loss)/profit before tax	(3,693,308)	(796,268)
Current tax at 19% (2019: 19%)	(701,729)	(151,291)
Adjusted for the effect of:		
Expenses not deductible for tax purposes	–	–
Profits not subject to tax	–	–
Tax losses utilised	–	–
Unrecognised tax losses carried forward	701,729	202,181
Actual tax expense	–	50,890

The Group operates in the following jurisdictions with the following applicable tax rates:

Jurisdiction	Year to 31 December 2020	Year to 31 December 2019
United Kingdom	19%	19%
Russia	20%	20%
Cyprus	12.5%	12.5%

No tax is payable for the year ended 31 December 2020 (2019: £50,890) 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 £23,572,229 (2019: £21,468,087) 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.

Estimated unrecognised tax asset:

	31 December 2020	31 December 2019
Estimated unrecognised tax asset	4,478,724	4,078,936

Notes to the consolidated financial statements (continued)
for the year ended 31 December 2020

12 Property, plant and equipment
(a) Group property, plant and equipment

	Mining asset £	Stripping activity asset £	Property £	Plant and machinery £	Right of use assets £	Office fixture and fittings £	Total £
Cost							
Balance at 1 January 2019	3,993,607	–	23,994	106,550	–	18,853	4,143,004
Additions	111,059	–		80,894	–	–	191,953
Disposals	–	–	–	–	–	(7,838)	(7,838)
Exchange differences	281,087	–	627	8,897	–	1,231	291,842
Balance at 31 December 2019	**4,385,753**	**–**	**24,621**	**196,341**	**–**	**12,246**	**4,618,961**
Additions	118,654	148,618		338,237	682,691	–	1,288,200
Disposals	–	–		–	–	(178)	(178)
Exchange differences	(799,896)	–	(1,584)	(35,062)	–	(1,926)	(838,468)
Balance at 31 December 2020	**3,704,511**	**148,618**	**23,037**	**499,516**	**682,691**	**10,142**	**5,068,515**
Depreciation							
Balance at 1 January 2019	(387,594)	–	(899)	(76,968)	–	(16,929)	(482,390)
Disposals	–	–	–	–	–	7,838	7,838
Depreciation expense	(168,981)	–	(220)	(11,455)	–	(739)	(181,395)
Exchange differences	(26,321)	–	(75)	(6,427)	–	(1,154)	(33,977)
Balance at 31 December 2019	(582,896)	–	(1,194)	(94,850)	–	(10,984)	(689,924)
Disposals	–	–	–	–	–	178	178
Depreciation expense	(84,087)	–	(87)	(29,421)	(92,277)	672	(205,200)
Exchange differences	105,005	–	233	15,290	–	1,811	122,339
Balance at 31 December 2020	**(561,978)**	**–**	**(1,048)**	**(108,981)**	**(92,277)**	**(8,323)**	**(772,607)**
Carrying amount:							
at 31 December 2020	**3,142,533**	**148,618**	**21,989**	**390,535**	**590,414**	**1,819**	**4,295,908**
at 31 December 2019	3,802,857	–	23,427	101,491	–	1,262	3,929,037

The Group's right of use assets represents plant and machinery type assets acquired under lease terms (note 22).

The stripping asset is also a component of the mining assets; however, this is being shown separate from the mining assets for presentational purposes. There was no depreciation of the stripping asset in the current period.

(b) Assets in the course of construction

	2020 £	2019 £
Cost		
Balance at 1 January	**35,964**	33,193
Exchange differences	**(7,007)**	2,771
Balance at 31 December	**28,957**	35,964

Assets in the course of construction represent the Group's investment in the power line to deliver electricity to the West Kytlim mining site. At 31 December 2020 the power line had not been commissioned yet. The Group has intention to utilise the line in the course of expanding of its mining operations.

12 Property, plant and equipment (continued)

(c) Company's office fixture and fittings

	2020 £	2019 £
Cost		
Balance at 1 January	**2,354**	4,107
Additions	**1,260**	–
Disposal	**(1,316)**	(1,753)
Balance at 31 December	**2,298**	2,354
Depreciation		
Balance at 1 January	**(1,691)**	(3,098)
Depreciation expense	**(416)**	(346)
Disposals	**1,316**	1,753
Balance at 31 December	**(791)**	(1,691)
Carrying amount	**1,507**	663

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

13 Intangible assets

In 2020 intangible assets represented only capitalised costs associated with the Group's exploration, evaluation and development of mineral resources.

	2020 £	2019 £
Cost		
Balance at 1 January	**854,995**	802,661
Additions	**9,599**	–
Exchange differences	**(168,090)**	52,334
Balance at 31 December	**696,504**	854,995

At 31 December 2020 and 31 December 2019, 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 2020 (2019: £nil)

14 Subsidiaries

Details of the Company's subsidiaries at 31 December 2020 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

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

	2020 £	2019 £
Investment in subsidiaries (i)	**1,132,246**	1,132,246
	1,132,246	1,132,246

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.

Notes to the consolidated financial statements (continued)
for the year ended 31 December 2020

14 Subsidiaries (continued)

Subsidiaries with material non-controlling interests ("NCI")

Summary of non-controlling interest

	2020 £	2019 £
As at 1 January	(1,327,560)	(1,419,039)
NCI arising on reduction of interest in subsidiary	–	–
(Loss)/profit attributable to NCI	(612,972)	101,587
Exchange differences	181,670	(10,108)
As at 31 December	(1,758,862)	(1,327,560)

Non-controlling interest on subsidiary basis

	2020 £	2019 £
ZAO Kosvinsky Kamen	(1,055,149)	(723,495)
ZAO Terskaya Mining Company	(703,713)	(604,065)
	(1,758,862)	(1,327,560)

ZAO Kosvinsky Kamen

	2020 £	2019 £
Non-current assets	3,850,480	3,624,293
Current assets	380,566	107,477
Total assets	4,231,046	3,731,770
Non-current liabilities	6,137,681	(5,696,821)
Current liabilities	442,739	(323,434)
Total liabilities	6,580,420	(6,020,255)
Net assets	(2,349,374)	(2,288,485)
Equity attributable to owners of the parent	(1,294,225)	(1,564,990)
Non-controlling interests	(1,055,149)	(723,495)
Profit/(loss) for the year attributable to owners of the parent	(1,199,276)	161,540
Profit/(loss) for the year attributable to NCI	(555,031)	94,128
Profit/(loss) for the year	(1,754,307)	255,668
Total comprehensive income for the year attributable to owners of the parent	(904,135)	(43,698)
Total comprehensive income for the year attributable to NCI	(331,654)	94,762
Total comprehensive income for the year	(1,235,789)	51,064

ZAO Terskaya Mining Company

	2020 £	2019 £
Non-current assets	669,080	814,706
Current assets	134,985	10,601
Total assets	804,065	825,307
Non-current liabilities	1,213,855	(1,007,186)
Current liabilities	57,430	(71,200)
Total liabilities	1,271,285	(1,078,386)
Net assets	(467,220)	(253,079)
Equity attributable to owners of the parent	236,493	350,986
Non-controlling interests	(703,713)	(604,065)
(Loss)/profit for the year attributable to owners of the parent	(231,766)	(72)
(Loss)/profit for the year attributable to NCI	(57,941)	(20,121)
(Loss)/profit for the year	(289,707)	(12,734)
Total comprehensive income for the year attributable to owners of the parent	(114,493)	(9,451)
Total comprehensive income for the year attributable to NCI	(99,648)	(3,283)
Total comprehensive income for the year	(214,141)	(12,734)

15 Other financial assets

	2020 Group £	2020 Company £	2019 Group £	2019 Company £
Current				
Loans to subsidiaries	–	8,226,176	–	6,689,106
	–	8,226,176	–	6,689,106

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

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.

16 Inventories

	2020 Group £	2020 Company £	2019 Group £	2019 Company £
Stores	13,695	–	1,916	–
	13,695	–	1,916	–

Inventories held by the Group represent stores, stated at the lower of cost and net realisable value.

17 Trade and other receivables

	2020 Group £	2020 Company £	2019 Group £	2019 Company £
Trade receivables	–	–	–	–
Prepayments	75,041	22,365	41,800	39,437
Other receivables	210,040	59,942	132,869	33,566
Due from subsidiaries	–	23,735	–	18,558
	285,081	106,042	174,669	91,561

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.

18 Issued capital

	2020 Restated	2019 Restated
Issued and fully paid ordinary shares with a nominal value of 0.1p		
Number	2,758,701,681	2,693,756,753
Nominal value (£)	2,758,702	2,693,757
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 (£)	28,028,671	20,572,186
Total issued capital (£)	37,812,856	30,291,426

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.

Notes to the consolidated financial statements (continued)
for the year ended 31 December 2020

18 Issued capital (continued)

Issue of ordinary share capital in 2020:

	Price in pence per share	Number	Nominal value £
As at 1 January 2020		2,693,756,753	2,693,757
12 February 2020 – Exercise of warrants	1.00	20,000,000	20,000
12 February 2020 – Exercise warrants	1.24	2,017,871	2,018
12 February 2020 – Exercise options	0.90	8,000,000	8,000
12 February 2020 – Exercise options	0.42	1,000,000	1,000
18 August 2020 – Share placing for cash	22.5	33,927,057	33,927
		64,944,928	**64,945**
As at 31 December 2020		**2,758,701,681**	**2,758,702**

19 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 2020	Number of options as at 31 December 2019
Share options			
2 November 2022	0.42	**55,000,000**	56,000,000
2 November 2022	0.60	**40,000,000**	40,000,000
2 November 2022	0.90	**35,000,000**	43,000,000
	0.60	**130,000,000**	139,000,000
Warrants			
15 May 2020	1.00	–	20,000,000
16 May 2020	1.00	–	10,000,000
17 September 2021	1.24	–	2,017,871
	–	–	32,017,871
Weighted average exercise price	–	–	0.69
Total contingently issuable shares at 31 December	–	–	171,017,871

All the listed options ad warrants were exercisable as at 31 December 2020 (2019 – all).

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)	Average exercise price	2020 No. of share options	Average exercise price	2019 No. of share options
Share options				
At 1 January	**0.62**	**139,000,000**	0.61	171,257,748
Exercised	**0.42**	**(1,000,000)**	0.42	(14,257,748)
Exercised	**0.60**	**–**	0.60	(13,000,000)
Exercised	**0.9**	**(8,000,000)**	0.9	(5,000,000)
At 31 December	**0.6**	**130,000,000**	0.62	139,000,000

No options were granted by the Group in 2020 (2019 – nil) to the Directors, Group employees and consultants to the Group. 21,000,000 options have been authorised in 2018 to be granted at later date. 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 achieved 0.6p or above for 10 consecutive days, or at the latest 31 December 2018. The options vested on 22 November 2018.
- 48,000,000 options issued with exercise price of 0.9p vesting at the date when VWAP achieved 0.9p or above for 10 consecutive days, or at the latest 30 June 2019. The options vested on 30 June 2019.

All options granted in 2018 expire on 02 November 2022.

19 Share based payments (continued)

Warrants

No warrants were granted by the Group in 2020 (2019 – nil).

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

(Price expressed in pence per share)	2020 Average exercise price	2020 No. of warrants	2019 Average exercise price	2019 No. of warrants
Warrants				
At 1 January	1.02	32,017,871	0.66	207,764,955
Granted	–	–	–	–
Exercised	1.00	(20,000,000)	0.60	(166,666,666)
Exercised	1.24	(2,017,871)	0.41	(6,053,612)
Exercised	–	–	0.83	(3,026,806)
Expired	1.00	(10,000,000)	–	–
At 31 December	–	–	1.02	32,017,871

20 Other reserves

	2020 Group £	2020 Company £	2019 Group £	2019 Company £
Capital redemption reserve	3,539,906	3,539,906	3,539,906	3,539,906
Foreign currency translation reserve:				
At 1 January	(325,342)	–	(82,495)	–
Recognised in the period	382,686	–	(242,847)	–
At 31 December	57,344	–	(325,342)	–
Share-based payments reserve:				
At 1 January	418,181	418,181	483,704	483,704
Recognised in the period	(18,483)	(18,483)	47,432	47,432
Utilised on exercise of warrants	(15,578)	(15,578)	(112,955)	(112,955)
At 31 December	384,120	384,120	418,181	418,181
	3,981,370	3,924,026	3,632,745	3,958,087

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.

Notes to the consolidated financial statements (continued)
for the year ended 31 December 2020

21 Borrowings

	2020 Group £	2020 Company £	2019 Group £	2019 Company £
Current borrowings				
Unsecured loan	31,684	–	47,225	–
	31,684	–	47,225	–

In 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 RR0.9 million by 31 December 2020. As the contractor's arrangements had been discontinued the Group has no intention to utilise any more funds from this facility. The loan is for repayment in 2021.

Within 2020 the Group had drawn and then repaid £300,000 under terms of the Credit Line for US$1m, provided by Dmitry Suschov being a Non-Executive Director at the drawdown time and the largest shareholder in the business. The loan interest was accrued at 9%.

Reconciliation of movements in borrowings

	2020 Group £	2020 Company £	2019 Group £	2019 Company £
At 1 January	47,225	–	43,586	–
Borrowed	300,000	–	–	–
Interest accrued	4,586	–	–	–
Interest paid in cash	(4,586)	–	–	–
Principle paid in cash	(306,341)	–	–	–
Exchange differences	(9,200)	–	3,639	–
At 31 December	31,684	–	47,225	–

22 Lease liabilities

Leases

The Group leases certain of its plant and equipment. The average lease term is 4.5 years (2019: no lease). The Group has option to purchase the equipment for a nominal amount at the maturity of the finance lease. The Group's obligation under finance leases are secured by the lessor's title to the leased assets.

Interest rates underlying all obligations under finance leases are fixed at respective contract dates ranging from 21.9% to 23.5% per annum.

	Minimum lease payments		Present value of minimum lease payments	
	2020 £	2019 £	2020 £	2019 £
Less than one year	201,392	–	101,007	–
Between one and five years	572,791	–	425,923	–
More than five years	–	–	–	–
	774,183	–	526,929	–
Less future finance charges	(247,254)	–	–	–
Present value of minimum lease payments	526,929	–	526,929	–

Reconciliation of movements in lease liabilities

	2020 Group £	2020 Company £	2019 Group £	2019 Company £
Lease acquired	601,033	–	–	–
Interest accrued	92,379	–	–	–
Interest paid in cash	(92,379)	–	–	–
Principle paid in cash	(81,491)	–	–	–
Exchange differences	7,387	–	–	–
At 31 December	526,929	–	–	–

22 Lease liabilities (continued)

Short-term leases

Short-term 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.

	2020 Group £	2020 Company £	2019 Group £	2019 Company £
Payments recognised as an expense:				
Minimum lease payments	**12,708**	**–**	16,817	3,941
Noncancellable operating lease commitments:				
No longer than one year	**9,531**	**–**	12,946	–
	9,531	**–**	12,946	–

The short-term lease commitments represent full commitment by the Company under office lease arrangements.

23 Trade and other payables

	2020 Group £	2020 Company £	2019 Group £	2019 Company £
Trade payables	**–**	**–**	–	–
Accruals	**101,090**	**82,630**	321,797	308,285
Social security and other taxes	**18,559**	**3,745**	11,361	3,396
Other payables	**167,842**	**57,729**	25,865	17,286
Due to related party	**–**	**198,583**	–	198,583
	287,491	**342,687**	359,023	527,550

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

24 Provision

	2020 £	2019 £
Long term provision:		
Environment rehabilitation	**50,186**	62,218
Short term provision:		
Environment rehabilitation	**1,951**	15,885
	52,137	78,103

Movement in provision is as follows:

	2020 £	2019 £
At 1 January	**78,103**	–
Recognised in the period	**15,545**	77,677
Utilised in the period	**(11,986)**	–
Reduction resulting from re-measurement or settlement without cost	**(19,301)**	–
Unwinding of discount and effect of changes in the discount rate	**3,921**	–
Exchange differences	**(14,145)**	426
At 31 December	**52,137**	78,103

Provision is made for the cost of restoration and environmental rehabilitation of the land disturbed by the West Kytlim mining operations, based on the estimated future costs using information available at the reporting date.

The provision is discounted using a risk-free discount rate of from 3.87% to 5.08% (2019: 5.08% to 5.82%) depending on the commitment terms, attributed to the Russian Federal Bonds.

Provision is estimated based on the sub-areas within general West Kytlim mining licence the company has carried down its operations on by the end of the reporting period. Timing is stipulated by the forestry permits issued at the pre-mining stage for each of sub-areas. Actual costs in respect of the long-term provision recognised in 2020 will be incurred within 2021-2022.

Notes to the consolidated financial statements (continued)
for the year ended 31 December 2020

25 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.

	2020 £	2019 £
(Loss)/profit attributable to equity holders of the Company	**(3,080,336)**	(948,745)
Weighted average number of ordinary shares in issue	**2,733,821,972**	2,480,335,330
Basic loss per share (pence)	**(0.11)**	(0.04)

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

Number of exercisable instruments:	2020 £	2019 £
Share options	**130,000,000**	139,000,000
Warrants	**–**	32,017,871
	130,000,000	179,017,871

There is no dilutive effect of share options or warrants (2019: Nil) as the group was in a loss position.

26 Related party transactions

Transactions with subsidiaries

In the normal course of business, the Company provides funding to its subsidiaries for reinvestment into exploration projects .

	2020 £	2019 £
Receivables from subsidiaries	**23,735**	18,558
Loans provided to subsidiaries	**8,226,176**	6,689,106
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.

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 2019:

	2020 £	2019 £
Short-term benefits	**254,575**	314,508
Value of the options issued in 2018	**–**	9,804
	254,575	324,312

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 2020 (2019: £nil).

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

Name	Position	Salaries and allowances £	Directors fees £
C. Schaffalitzky	Executive Chairman	85,008	–
J. Nieuwenhuys	Executive Director	107,067	–
I. Rawlinson	Non-Executive Director	–	17,500
G. FitzGerald	Non-Executive Director	–	28,750
D. Suschov	Non-Executive Director	–	16,250
		192,075	**62,500**

Within 2020 the Group had drawn and then repaid £300,000 under terms of the Credit Line for US$1m, provided by Dmitry Suschov being a Non-Executive Director at the drawdown time and the largest shareholder in the business. The loan interest was accrued at 9%.

27 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 Rub16.68m (approximately £160,000) to be paid by November 2023.

During 2020 the Group entered into several lease agreements to lease mining plant and equipment. As at 31 December 2020 the average lease term was 4.5 years and present value of minimum lease payments £526,929 (2019: £nil).

The Group has no other material commitments.

28 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 and fixed rate borrowings. 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:

GBP	Average rate		Reporting date spot rate	
	2020	2019	**2020**	2019
USD	1.284	1.276	1.365	1.321
RUB	92.79	82.61	102.04	82.16

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.

	Equity £	Strengthening Profit or loss £	Equity £	Weakening Profit or loss £
31 December 2020				
USD (5% movement)	29,075	7,628	(26,308)	(6,902)
RUB (5% movement)	135,129	108,443	(122,265)	(98,115)
31 December 2019				
USD (5% movement)	38,255	11,634	34,615	(10,527)
RUB (5% movement)	116,637	(14,709)	(105,529)	13,310

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 has interest-bearing loans and lease liabilities disclosed in the notes 21 and 22. 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.

Notes to the consolidated financial statements (continued)
for the year ended 31 December 2020

28 Risk management objectives and policies (continued)

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:

	2020 Group £	2020 Company £	2019 Group £	2019 Company £
Non-current loans and advances	–	–	–	–
Current loans and advances	–	8,226,176	–	6,689,106
Trade and other receivables	285,081	106,042	181,259	91,561
Cash and cash equivalents	5,404,101	5,247,106	920,013	894,995
	5,689,182	13,579,324	1,101,272	7,675,662

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 2020 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 within 12 months £	2 to 5 years £	Non-current later than 5 years £
2020			
Borrowings	31,684	–	–
Lease liabilities	201,392	572,791	–
Trade and other payables	287,491	–	–
	520,567	572,791	–
2019			
Borrowings	47,225	–	–
Trade and other payables	359,023	–	–
	406,248	–	–

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

	Current within 12 months £	2 to 5 years £	Non-current later than 5 years £
2020			
Trade and other payables	342,687	–	–
	342,687	–	–
2019			
Trade and other payables	524,154	–	–
	524,154	–	–

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.

28 Risk management objectives and policies (continued)

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:

	2020 Group £	2020 Company £	2019 Group £	2019 Company £
Total borrowings	**558,614**	**–**	47,225	–
Less cash and cash equivalents	**(5,404,101)**	**(5,247,106)**	(920,013)	(894,995)
Net debt	**–**	**–**	–	–
Total equity	**11,590,173**	**14,370,390**	6,766,393	8,281,021
Total capital	**11,590,173**	**14,370,390**	6,766,393	8,281,021
Gearing	**0%**	**0%**	0%	0%

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.

29 Events after the consolidated statement of financial position date

There have been no adjusting events after the consolidated statement of financial position date and the following non-adjusting events;

- A Joint Venture was entered into with Rosgeo, a Russian registered and state funded exploration Company, in March 2021. The Joint Venture is outside of and separate to ownership of the Company's two key assets at Monchetundra and West Kytlim. The Rosgeo JV allows Eurasia to gain a 75% equity stake in each of nine new assets with the remaining 25% equity stakes to be held by Rosgeo. Eurasia will be the operator of the JV and will develop the additional assets at its discretion.
- The Company established a Representative Office in Tokyo Japan in March 2021 to be overseen by newly appointed Director Tamerlan Abdikeev.
- The Company received an expression of interest regarding a potential substantial asset sale in May 2021.
- The Company exited the Code compliant Formal Sale Process on 12 May 2021.
- A fund raising was completed in May 2021, by issuance of 53,306,751 ordinary shares to a single institutional investor at the then market price of 26.5p, raising gross proceeds of £14,126,289. An associated warrant is included per ordinary share, at the same price and with a 3 year term. It is intended that these funds, and future potential warrant funds, will be chiefly directed to exploration and development of projects within the Rosgeo JV.

Company Information

Head Office
Clubhouse Holborn
20 St Andrew Street
London EC4A 3AG
UK

Telephone: +44 (0)20 7932 0418
E-mail: info@eurasiamining.co.uk
www.eurasiamining.co.uk

Registered Office
International House
142 Cromwell Road
London SW7 4EF
UK

Russian Office
Office 219/4
36 Engels Street
Ekaterinburg, 620075
Russia

Telephone: +7 (343) 304 61 53

Company Number: 3010091

ADVISERS

Registrars
Link Asset Services
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU

Auditors
Grant Thornton UK LLP
30 Finsbury Square
London EC2A 1AG

Solicitors
Gowling WLG (UK) LLP
4 More London Riverside
London SE1 2AU

Nominated Adviser and Stockbrokers
SP Angel
35 Maddox Street
Mayfair
London W1S 2PP

Design and Production
www.carrkamasa.co.uk

Eurasia Mining Plc
Clubhouse Holborn
20 St Andrew Street
London EC4A 3AG

Telephone: +44 (0)20 7932 0418
E-mail: info@eurasiamining.co.uk
www.eurasiamining.co.uk