

Report of the Directors and
Unaudited Financial Statements for the Year Ended 31 December 2021
for
Angara Mining PLC

Contents of the Financial Statements
for the Year Ended 31 December 2021

	Page
Company Information	1
Operating and Financial Review	2
Report of the Directors	3
Income Statement	4
Other Comprehensive Income	5
Balance Sheet	6
Statement of Changes in Equity	7
Notes to the Financial Statements	8

Angara Mining PLC

Company Information
for the Year Ended 31 December 2021

DIRECTORS:

R Akuev
A Zinouyeu

SECRETARY:

S&J Registrars Limited

REGISTERED OFFICE:

13th Floor
5 Aldermanbury Square
London
EC2V 7HR

REGISTERED NUMBER:

05508246 (England and Wales)

ACCOUNTANTS:

Immigration Tax Partners Ltd
Unit 3, Second Floor
68 Old Brompton Road
London
SW7 3LQ

Operating and Financial Review
for the Year Ended 31 December 2021

Angara Mining Plc ("Company") was incorporated in England & Wales on 14 July 2005 and changed its name from Angara Mining Limited on 20 July 2005. On 8 November 2005, the Company was reregistered as a public limited company. The principal activity of the Company is to act as a holding company for a group of companies. On 10 August 2005, the Company acquired 100% of the equity of Brownypool Trading Limited, a company incorporated in the Republic of Cyprus. The cost of the investment was Cyprus Pounds 1,000, equivalent to USD \$2,106. On 6 September 2005 Brownypool Trading Limited acquired the entire issued share capital of VRGM, a Russian incorporated mining company for approximately USD\$1.9 million. In April 2008, a 100% Russian incorporated subsidiary of "Angara Mining Plc", 000 "Angara Management", was formed. The cost of the investment was Roubles 50,000, equivalent to USD \$1,939.

On 14 September 2010, VRGM issued new shares and Brownypool Trading Limited retained a 37.5% interest in VRGM. The directors conclude that the Company does not exert a significant influence over its investment in VRGM and therefore it is not deemed to be an associate at 31 December 2015 or 31 December 2014.

On 1 February 2015, Brownypool Trading Limited sold 24,069 shares in VRGM, representing 11.88% of the total share capital, leaving them with a 25.62% interest in VRGM.

On 19 September 2017 an application for a Members' Voluntary Liquidation ("MVL") was submitted. This application was temporarily suspended on 7 October 2017 and ultimately concluded on 24 April 2018.

Report of the Directors
for the Year Ended 31 December 2021

The directors present their report with the financial statements of the company for the year ended 31 December 2021.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a holding company for investment in subsidiaries.

DIRECTORS

The directors who have held office during the period from 1 January 2021 to the date of this report are as follows:

R Akuev - appointed 3 March 2021

A Zinouyeu - appointed 5 May 2021

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

R Akuev - Director

22 August 2022

Income Statement
for the Year Ended 31 December 2021

	Notes	31.12.21 \$	31.12.20 \$
TURNOVER		<u>-</u>	<u>-</u>
OPERATING PROFIT and PROFIT BEFORE TAXATION	5	-	-
Tax on profit	6	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR		<u>-</u>	<u>-</u>

The notes form part of these financial statements

Other Comprehensive Income
for the Year Ended 31 December 2021

	Notes	31.12.21 \$	31.12.20 \$
PROFIT FOR THE YEAR		-	-
OTHER COMPREHENSIVE INCOME		_____-	_____-
TOTAL COMPREHENSIVE INCOME			
FOR THE YEAR		_____-	_____-

Balance Sheet
31 December 2021

	Notes	\$	31.12.21 \$	\$	31.12.20 \$
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>-</u>		<u>-</u>
CAPITAL AND RESERVES					
Called up share capital	7		80,000		80,000
Retained earnings	8		<u>(80,000)</u>		<u>(80,000)</u>
SHAREHOLDERS' FUNDS			<u>-</u>		<u>-</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on 22 August 2022 and were signed on its behalf by:

R Akuev - Director

Statement of Changes in Equity
for the Year Ended 31 December 2021

	Called up share capital \$	Retained earnings \$	Total equity \$
Balance at 1 January 2020	-	(80,000)	(80,000)
Changes in equity			
Issue of share capital	80,000	-	80,000
Balance at 31 December 2020	<u>80,000</u>	<u>(80,000)</u>	<u>-</u>
Changes in equity			
Balance at 31 December 2021	<u>80,000</u>	<u>(80,000)</u>	<u>-</u>

Notes to the Financial Statements
for the Year Ended 31 December 2021

1. STATUTORY INFORMATION

Angara Mining PLC is a private company , registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The functional and presentation currency used is the USD\$. The directors have determined the USD\$ as the functional currency as this represents the currency of the primary economic environment in which the company operates.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

2. ACCOUNTING POLICIES - continued

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- the requirements of paragraph 33(c) of IFRS 5 Non Current Assets Held for Sale and Discontinued Operations;
- the requirements of paragraph 24(6) of IFRS 6 Exploration for and Evaluation of Mineral Resources;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases;
 - the requirements of paragraph 58 of IFRS 16;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
 - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
 - paragraph 50 of IAS 41 Agriculture;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets.

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the balance sheet date.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Judgements

The Company makes estimates and assumptions regarding the future. Estimates and judgments are evaluated based on prior experience and other external factors. Actual experience may deviate from these estimates and assumptions.

The directors consider that there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Key sources of estimation uncertainty

The preparation of financial statements requires the directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and operating costs during the reporting period. Actual results could differ from these estimates..

4. EMPLOYEES AND DIRECTORS

There were no staff costs for the year ended 31 December 2021 nor for the year ended 31 December 2020.

The average number of employees during the year was NIL (2020 - NIL).

	31.12.21	31.12.20
	\$	\$
Directors' remuneration	-	-

5. PROFIT BEFORE TAXATION

The profit before taxation is stated after charging:

31.12.21	31.12.20
\$	\$

6. TAXATION

Analysis of tax expense

No liability to UK corporation tax arose for the year ended 31 December 2021 nor for the year ended 31 December 2020.

7. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.21	31.12.20
			\$	\$
50,000	Ordinary	1	<u>80,000</u>	<u>80,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

8. **RESERVES**

	Retained earnings \$
At 1 January 2021	(80,000)
Profit for the year	-
At 31 December 2021	<u>(80,000)</u>

9. **OFF-BALANCE SHEET ARRANGEMENTS**

JSC "Vasilevsky Rudnik Gold Mine"

Due to the financial statements of the company not being consolidated, the company's share of the net assets in the above are not reflected on the balance sheet as at 31 December 2020.

The company indirectly holds a 25.62% share in JSC through its' immediate subsidiary Brownypool Trading Limited. As at 31 December 2018 25.62% of the current net assets of JSC stood at USD \$(2,380,882). The company's share of reported net assets of which would be included within the balance sheet of Angara Mining PLC if it were consolidated.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.