

Eurasia Mining

6th January 2026

First Ni-Cu-PGMs production targeted in 2026 from Eurasia's two large projects in the Russian Arctic. The Ukraine conflict has delayed the sale of these projects, but the move to mining should push these compelling assets smartly up the valuation curve

Eurasia Mining joined AIM in 1999 as a Russia-focused metals and mining company. Initially, in a JV with Anglo Platinum, the company undertook extensive exploration (gold, gold-copper & PGMs) in the Urals and the Kola Peninsula, which led to the West Kytlim and Monchetundra discoveries that the company subsequently acquired. Eurasia received approaches in 2020 and brought in UBS to manage the sales process. The stock touched 42p before the Ukraine conflict derailed negotiations.

• Disposal of West Kytlim to fund development of Arctic projects

The Monchetundra licence requires production to begin by the end of 2026. To get the ball rolling, Eurasia needs to fund certain elements ahead of the construction of a large mine and processing plant funded by the Sinosteel US\$175 million EPCF. Sanctions prevent funds being invested from London, so the company has no choice but to sell West Kytlim. After an official valuation of US\$251m, current Russian regulations require a 95% haircut, which leaves US\$9m. The board backs this move, which needs the approval of shareholders at a GM on 15th January 2026.

• Russian Arctic assets could be back in production in 2026

Firstly, Monchetundra, a 130koz pa PGM and nickel-copper-gold brownfield asset with a mining licence and funding in place. Contract mining, with ore processed by a third party, is proposed ahead of the construction of Eurasia's own plant. This is to be followed by NKT, a Tier-1 nickel-copper sulphide brownfield mine relaunch.

• US looks to gain economic interest in the Russian Arctic

Russian President Vladimir Putin has made the Arctic a priority and views its development as a key driver of Russia's economy. Russia needs to attract foreign investment, and Putin is offering the US a stake in the Arctic's minerals, rare earths and vast natural gas deposits. Foreign investors demand a level playing field, so it looks likely that Russia's current tough disposal rules and regulations will be abolished in the Arctic.

• Risked NPVs suggest an US\$800m+ valuation and 400% upside potential

Our conservative forecast based on DCF analysis suggests a valuation of £615.86 million. This is based on the sale of the Russian Arctic Ni-Cu-PGMs projects once the country's penalising regulations concerning foreign disposals have been abolished. We update coverage with a target price of 19.74p per share.

Table: Financial overview. Source: Company & Optimo Research

Year to end Dec	2023A	2024A	2025E	2026E
Revenue (£'000)	2,069	6,636	2,000	-
Pre-tax profit (£'000)	(6,681)	(8,647)	(90)	(1,760)
EPS (p)	(0.19)	(0.23)	(0.03)	(0.07)

This investment may not be suitable for your personal circumstances. If you are in any doubt as to its suitability you should seek professional advice. This research note does not constitute advice and your capital is at risk.

TARGET PRICE – 19.74p

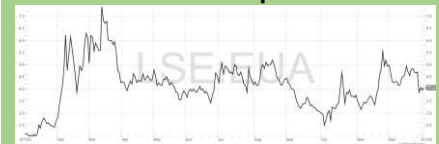


EURASIA MINING PLC

Key data

EPIC	EUA
Share price	3.95p
52 week high/low	7.4p – 2.05p
Listing	AIM
Shares in issue	2.95bn
Market Cap	£116.68m
EV	£117.62m
Sector	Mining

12-month share price chart



Research Analyst

Dr Michael Green

Contact Optimo Research

info@optimoresearch.com

IMPORTANT: Eurasia Mining is a research client of Optimo Research Ltd and OAK Securities, a trading name of Merlin Partners LLP, which is authorised and regulated by the Financial Conduct Authority (Reference Number: 449191). Optimo Research has prepared this note for publication under a research agreement with OAK Securities. For full disclaimer & risk warning information please refer to the last pages of this document.

Sacrificing a pawn to save the queen

Proposed sale of West Kytlim

The dying days of December 2025 saw Eurasia announce the proposed sale of its West Kytlim mining operations, with a statutory valuation of around US\$251 million achieved through a competitive selling process. However, under Russia's current tax regime, only 5% of this valuation is payable, so the company will receive only around US\$9 million in cash. After the statutory valuation by an approved appraiser, the US\$251 million was subject to a 60% discount, and a 35% tax was payable by the purchaser, leaving 5% to the seller. A general meeting is planned for Thursday 15th January 2026, for shareholders to vote on the transaction.

At the time, the board were at pains to point out that several factors influenced its decision to sell its 68% stake in this operating PGM and gold mine in the Urals. Most importantly, the West Kytlim operations are exposed to the risk of nationalisation, which might occur as a reciprocal reaction to the indefinite freeze of Russian assets in Europe and to the very high operational and disposal taxes.

West Kytlim represents only 0.3% of Eurasia's reserves and resources, with the company's Arctic assets accounting for the remaining 99.7%. These Arctic assets also benefit from the legally binding agreement with Far East and Arctic Development Corporation, which covers both the terms of Eurasia's investment protection in the Arctic and tax benefits that West Kytlim does not have. Wardell Armstrong's (WAI) December 2021 CPR put the NPV of the NKT Tier-1 Nickel-Copper asset at US\$1.2-1.7 billion on its own, underscoring the real priority of the company's Arctic interests.

Good progress on the Russian exit strategy

For the past five years, Eurasia has been working hard to sell its Russian assets, though the Ukrainian conflict has slowed progress. However, more recently, the business environment for selling these valuable assets appears to be changing rapidly. President Trump's second term in office has seen him prioritise improving the political relationship between the US and Russia. The focus is now firmly on Monchetundra and NKT (brownfield restart) in the Arctic.



First mover advantage in the Arctic

Early December 2025 brought news of the completion of the detailed design for Eurasia's open-pit Copper-Nickel-PGM-Gold Monchetundra (MT) asset, the company's most advanced brownfield asset in the Arctic, a crucial step towards commencing mine construction under an EPCF turnkey contract with Sinosteel. This detailed design, completed by specialist contractor Geolinvestproekt, incorporates extensive test results and modelling and is now awaiting imminent state approval. These are the same contractors who successfully completed the detailed design, obtained state approval, and oversaw the successful launch of the West Kytlim mine.

Once the Technical Project is approved by the state, which is expected imminently, MT construction can proceed under the Engineering, Procurement, Construction, and Financing (EPCF) turnkey contract signed with Sinosteel, part of China Baowu Steel Group (Baowu Group). At the time of this announcement, Christian Schaffalitzky, the Executive Chairman, noted that Eurasia had now established a first-mover advantage and a competitive edge in advancing assets to production in the Arctic. He also commented that, *"The Arctic has been called by Bloomberg as the priority area of co-operation with the United States. It was also named as the 'new Space' in terms of its vital importance for the global economy, a boost similar to the one driven by the Space development."*

NKT is a Tier-1 scale company making asset

NKT is a previously producing mine located adjacent to Eurasia's MT development. The CPR (2021) by WAI confirmed that NKT contains 350Kt of nickel, 143Kt of copper, as well as 57t of platinum group metals (PGM) and gold. NKT is regarded as a Tier-1 mine, a large, long-life, low-cost operation that generates substantial revenue and is considered economically robust.

WAI's NPV of US\$1.2-1.7 billion and 37-47% IRR were based on room-and-pillar mining, which did not include the open-pit part. Nickel is the primary metal at NKT, representing 50% of the value of the metal basket on a Net Smelter Royalty basis; this is nickel sulphide, which requires substantially lower capital expenditure than nickel laterite projects.

NKT Nickel-Copper-PGM ore was once mined and then transported just 1 km to Severonickel, one of the world's largest nickel-copper processing plants. This area has impressive infrastructure, as it was previously a producing mine, which could reduce capital expenditure by 80% and shorten the timeline for restarting production to just 1-2 years.

Strategy for Growth

The development of the Arctic is a sovereign priority in Russia and a key driver of the country's economy, as it is an underdeveloped area with high potential for oil, gas and metals. All signs point to a Peace Agreement between Russia and Ukraine being signed in Q1 2026, although President Zelenskyy is currently talking about it happening in January 2026. US officials are certainly telling him to move fast. Such a move should open the door for the Russian government to abolish these virtual 95% exit taxes for the Arctic, if the country wants to attract foreign investment in this priority region. The Russian Arctic is blessed with good infrastructure. Both Monchetundra and NKT are just 1km from the railway, with a direct connection to Murmansk, Russia's main ice-free deep-water port above the Arctic Circle. Murmansk is the primary export hub for minerals and bulk cargo from the Kola Peninsula.

Eurasia's renewed focus is firmly on its Arctic projects, which are large-scale and have tremendous reserves and resources. The company has always remained compliant with the licence agreements, which require Monchetundra to launch by the end of 2026. The team has devised a low-cost strategy to achieve this goal whilst minimising start-up costs. However, the company will need to invest funds to get this project off the ground, and the sale of West Kytlim was the only realistic alternative. There are insufficient funds in their Raiffeisenbank accounts in Russia, and, due to sanctions, the company cannot transfer funds from the UK into the country. The West Kytlim sale is important to launch in the Arctic in 2026. Eurasia has no option but to sell it, and shareholder approval must be obtained first time around.

The brownfield Monchetundra and NKT relaunch projects are in a much stronger legal position than West Kytlim ever was, as Russia has formally designated the Arctic Zone of the Russian Federation (AZRF) as a Special Economic Zone offering legally binding tax breaks and investment incentives across its Arctic territories. The board believes final approval for Monchetundra will be received in Q1 2026, allowing mine construction to begin. The US\$9 million from the disposal of West Kytlim will fund certain elements required ahead of the construction of a large mine and processing plant, which is planned to be financed by the US\$176 million Sinosteel EPCF contract. At this point, it is worth noting that Sinosteel is a Chinese state-controlled company, and there are no restrictions from the Chinese state. Sinosteel has been actively working in Russia in recent years, unaffected by global geopolitics.

Eurasia has a well-developed plan to begin mining ore that outcrops on the surface, where no overburden removal is required. The plan is to use low-cost contract mining and third-party processing. Eurasia has gained experience with contract miners in the Urals and will choose between Russian, Chinese and South African contractors through a competitive tender process. There are two third-party processing facilities nearby, and the board has been in discussions on using these facilities since 2022. There are several interested parties buying concentrate in Murmansk. Capesize and Panamax vessels carry similar concentrate out of Murmansk to China, the world's largest consumer, but the company has also been exploring a consumer base in South Africa. Eurasia has already received proposals and offtake agreements.

Eurasia is looking to sell the Arctic projects as soon as possible; however, it will wait until the 95% exit haircut is abolished before seeking to sell any more assets. There are already top-level discussions, as the country will not attract foreign investors in the Arctic if they do not get the same terms as Russian investors. The company is involved in a competitive process that includes some big names. For the first time, the list of interested parties includes large Russian strategic investors and a major Russian mining company, all attracted because the Arctic is really taking off. Monchetundra is attracting interest as it is the only Russian Arctic mining project that could enter production in 2026, as it has a mining licence in place with a much shorter development timeline. Eurasia is being supported in its strategic disposal process by the country's leading M&A advisory firm.



The sale of West Kytlim at a knockdown price will be a disappointment for all shareholders. Mandatory discounts and taxes on disposals were special rules created for foreign asset sales by companies from unfriendly countries, first introduced in 2022, just after the Russian invasion of Ukraine. The board has always sought to maximise disposal proceeds from its planned Russian disposals, which has led to the prolonged waiting game investors have watched being played out. Be that as it may, Eurasia is now on the verge of putting its Monchetundra/NKT projects into production, a move that could see the stock re-rated. Eurasia might have tried the patience of a saint, but in the past the share price has been over 40p, so it now deserves attention in our view. Despite rapidly improving fundamentals, the shares currently sit at quite a low level and we believe should attract the interest of investors

Valuation

Eurasia continues to negotiate the sale of its Russian projects. The improving geopolitical landscape holds out the promise of a new group of potential buyers and the opportunity for a fair offer to be made for these highly compelling assets. We have assessed the company's valuation based on today's stock market and have appropriately accounted for the developmental stage of the various projects. In establishing a valuation and target price for the stock, we have individually analysed and modelled the key assets: Monchetundra and NKT.

In the last couple of months, since our last update, the prices of precious metals have shown strong upward momentum but have also been highly volatile. To remain conservative, we have used the metal prices from our October 2025 update.

Metal	Grade ¹ mg/m ³	Metal prices US\$
Platinum	275	1,640
Palladium	2	1,370
Iridium	19	4,600
Osmium ²	14	38,110
Rhodium	3	7,350
Gold ⁴	7	4,000
Average price per ounce		2,014

¹ Assumed grades have been determined by comparing the current B+C₁ approved mineable reserves and past production data. ² Osmium is one of the rarest of the precious metals and the market is opaque. The current quote of Osmium Institut is shown to be US\$38,110/oz. In our analysis, we conservatively assumed 10% of this price i.e. US\$3,811/oz.

PGM and gold grades and prices used in the analysis. Source: Optimo Research

Sum-of-the parts

The NPVs for the projects have been calculated using discount rates typically applied to mining projects. The WAI CPR of 2021 used an 8.33% discount rate in its analysis of the NKT project. To take a conservative approach, we have opted for a 10% discount rate in our analysis. The following risk ratings have been assigned to projects at different development stages: Scoping Study (75%), Feasibility (60%), Fully Funded Construction (40%), Commissioning (20%), and Steady-State Production (0–5%).

We have taken the company's attributable share of the NPV(10) for each project we have risked, as suggested above. Our estimated value of the projects, combined with cash and debt, plus proceeds from the conversion of warrants and options, totals £615.86 million, which equates to 19.74p per share. We have chosen this as our new adjusted target price.



Assets	US\$ million
Monchetundra (80%) Fully funded to construction risked 40% US\$649.01m x 80% x (100-40)%=	311.53
NKT (80%) Feasibility studies risked 60% US\$1,565.16m x 80% x (100-60)% =	500.85
West Kytlim – disposal proceeds	9.00
Cash £1.25m	1.69
Debt £2.29m	(3.09)
Sub-total	819.98
£/US\$ rate 1.35	£ million
Sub-total	607.39
Per share (2,951,414,922) currently in issue	20.58p
Proceeds for the conversion of warrants and options	8.47
Total	615.86
Per share on fully diluted basis (3,119,347,499)	19.74p

Sum-of-the-parts analysis of Eurasia. Source: Optimo Research

Our target price is based on the Arctic projects being sold following a relaxation of the 95% tax haircut on disposal by a foreign company. These special rules on asset sales by companies from unfriendly countries were introduced in 2022, shortly after the Russian invasion of Ukraine. We expect them to be abolished in the fullness of time, as concerns the Arctic, which has been deemed a Special Economic Zone where foreign investment is being sought. In addition, the target price is based on the current share count and will be affected by any further fundraising activity, regardless of purpose.

We update coverage of Eurasia Mining with a new adjusted target price of 19.74p.

Financials

Year End 31 December (£'000s)	FY2023a	FY 2024a	FY 2025e	FY 2026e
Revenue	2,069	6,636	2,000	-
PTP	(6,681)	(8,647)	(90)	(1,760)
EPS (p)	(0.19)	(0.23)	(0.03)	(0.07)

Research Analyst Disclosures

Dr Michael Green BSC(Hons) PhD

Dr. Michael Green is a proactive analyst who has gained extensive knowledge of resource companies through thorough research and by meeting with management to truly understand these businesses and their challenges. He holds a BSc (Honours) and a PhD in Mining Engineering from Nottingham University.

Michael began working in the City in the 1980s as a resources analyst and specialist in sales with stockbrokers Buckmaster & Moore and then with HSBC-owned Greenwell Montagu Securities. Subsequently, he focused on growth companies and became the Head of Research at Everett Financial.

Since 2006, Michael has been an independent resources analyst. He has leveraged his skills to research mining and oil and gas companies for various clients, including stockbrokers, corporate finance boutiques, private equity firms, and independent research houses. Michael served as a Non-Executive Director of a publicly traded Central American gold mining company, which gives him a strong understanding of the challenges faced by listed companies. Most recently, in September 2024, he was appointed Head of Natural Resources at Optimo Research.

Dr Michael Green does not hold any shares in Eurasia Mining.



DISCLOSURES

Date and time of research note completion and first publication – 6th January 2026, 7am. A list of all research reports published by Optimo Research during the past 12 months, including target prices, can be found [HERE](#)

Optimo Research offers professional equity research services and the companies covered by us pay a fee in order for this research to be made available. Optimo Research may also conduct certain business which is not regulated by the Financial Conduct Authority with companies covered in our research reports, namely acting as an introducer between the companies and potential providers of capital; where this is the case, this will be disclosed.

Eurasia Mining is a research client of Optimo Research Ltd and OAK Securities, a trading name of Merlin Partners LLP, which is authorised and regulated by the Financial Conduct Authority (Reference Number: 449191). Optimo Research has prepared this note for publication under a research agreement with OAK Securities.

For certain clients, Optimo Research may take a portion of fees by way of equity payment in the respective companies we cover. If this is the case, our interests will be fully disclosed in the research report. However, as a consequence of this, our vested interest would be in an increase in value in the subject company's equity. As such, we would not be seen as being impartial in relation to the outcome of our reports.

Optimo Research has written internal procedures designed to identify, prevent, avoid and manage potential conflicts of interest that arise in connection with its research business. Optimo Research follows both a personal & company dealing policy (covering staff & research analysts) in relation to the dealing in the shares, bonds or other related instruments of companies that we cover.

Our research reports reflect the objective views of our team of analysts who are employed on a freelance contractual basis and receive a fixed fee only for the production of research reports. No part of our research analysts' compensation is directly related to the specific views expressed in this report or to the performance of the subject company's share price. No element of variable compensation is paid to Optimo's research analysts.

Optimo Research does not issue explicit "buy", "hold", "sell" or equivalent recommendations in its research reports. Our price targets/fair values are calculated by our research analysts based on an extensive analysis of the subject company, with methodologies and underlying assumptions being laid out in our reports. Our price targets/fair values should be seen as a value guide only and there is absolutely no certainty or representation on our part that they will be reached. Optimo Research may publish follow up notes on the company covered in this report but has no fixed scheduled commitment and may cease to follow this company without notice.

DISCLAIMERS & RISK WARNING

Optimo Research has made every reasonable effort to ensure the accuracy of the information in our research reports and website, although this cannot be guaranteed. Nothing in our reports should be construed as an offer or the solicitation of an offer to buy or sell securities by us and, as we have no knowledge of your individual situation and circumstances, you should not make any investment decision without consulting a fully qualified financial adviser. This research note does not constitute advice and your capital is at risk by investing in the financial instruments issued by the companies discussed.

Nothing in Optimo Research's material constitutes a representation that any investment strategy or recommendation we make is suitable or appropriate to a recipient's individual circumstances. Optimo Research material should not be regarded by recipients as a substitute for obtaining independent investment advice and/or the exercise of their own judgement.

Optimo Research does not represent or undertake that recipients of our material will generate profits, nor will it share with such recipients any investment profits, nor accept any liability for any investment losses or tax consequences that they may suffer. Neither Optimo Research nor any of its, directors, employees or agents accepts any liability for any loss or damage arising out of the use of all or any part of our material.

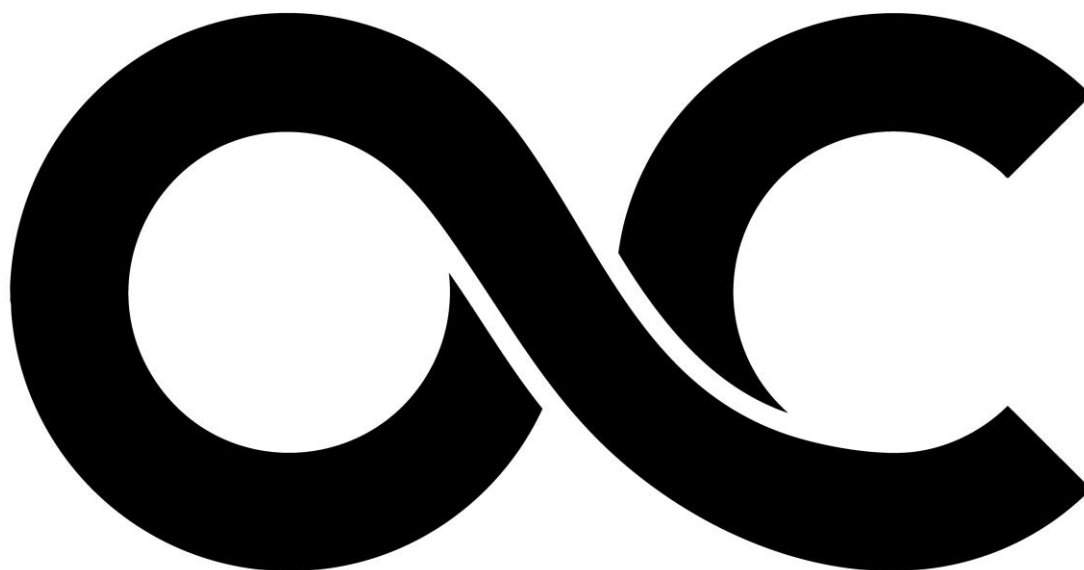
The marketability of the shares we cover can be limited and you may have difficulty buying, or selling in volume. Additionally, given the smaller capitalisation bias of our coverage, the companies we write about should be considered as high risk. Past performance is not necessarily a guide to future performance and forecasts are not a reliable indicator of future results.

LEGAL

Our reports may not be reproduced in whole or in part without prior permission from Optimo Research. Optimo Research reserves the right to grant or revoke the authority to use its website at its absolute discretion. While every reasonable precaution has been taken to ensure the accuracy, security and confidentiality of information available through the website, Optimo Research cannot be held responsible for any consequence of any action carried out by any user authorised or unauthorised.

The information provided herein, and your subsequent use of it may from time to time be subject to certain statutory or other external regulation, conditions and restrictions. All use of the information by you must comply with such regulations, conditions or restrictions applicable to the area or territory in which you shall use the information herein. None of the information published or made available via the Optimo Research website is intended to be published or made available in any jurisdiction where to do so would result in a breach of any applicable law or regulation.

This financial promotion has been approved by Optimo Research Ltd, which is authorised & regulated by the Financial Conduct Authority. FRN No. 768993. © 2026 Optimo Research Ltd



OPTIMO RESEARCH