Anglo Asian Mining plc / Ticker: AAZ / Index: AIM / Sector: Mining

22 September 2015

Anglo Asian Mining plc

Interim results for the six month period to 30 June 2015

Anglo Asian Mining plc ("Anglo Asian" or the "Company"), the AIM listed gold, copper and silver producer focused in Azerbaijan, is pleased to announce its interim results for the six month period ended 30 June 2015 ("H1 2015"). Note that all references to "$" are to United States dollars.

Operational overview

- Robust H1 2015 production figures from the Gedabek gold, silver and copper mine in Azerbaijan:
    - Record gold production of 35,938 ounces (H1 2014: 27,054 ounces)
    - Copper concentrate production of 689 dry metric tonnes ("dmt") (H1 2014: 646 dmt)
    - Silver production of 6,477 ounces (H1 2014: 21,924 ounces)
- Improved gold and copper sales achieved during H1 2015, despite reduced metal prices:
    - Gold sales of 33,295 ounces at an average of $1,204 per ounce (H1 2014: 23,545 ounces at an average of $1,297 per ounce)
    - Copper concentrate sales of 692 dmt (H1 2014: 567 dmt)
- H2 2015 gold production performing above management's plan – 50,779 ounces of gold produced from 1 January to 13 September 2015
- Average cash operating costs significantly reduced - produced gold (including the Government of Azerbaijan's share) at $736 per ounce, a decrease of approximately 27 per cent. compared to the comparative first half of $1,014 per ounce
- Reduction in net debt to $48.7 million at 30 June 2015 from $52.4 million at 31 December 2014 despite the on-going capital expenditure programme
- Gadir adit at Gedabek has reached the ore body - 2,116 tonnes of ore at 9.45 grammes per tonne of gold has been mined in H1 2015
- 13,850 tonnes of ore at an average grade of 6.12 grammes per tonne from the Gosha mine was processed in H1 2015
- Construction of the small scale flotation plant to improve gold and copper production is very near completion with commissioning now in progress - expected to add approximately 5,000 ounces of gold and 1,600 tonnes of copper for FY 2015

- On target to produce 70,000 ounces to 75,000 ounces of gold for FY 2015 which represents a 16 per cent. to 24 per cent. increase over FY 2014 production of 60,285 ounces

Financial overview

- Increased revenue of $41.8 million (H1 2014: $32.7 million) due to increased precious metal sales
- Gross profit of $1.9 million (H1 2014: gross loss of $0.8 million)
- Loss before taxation reduced to $4.1 million (H1 2014: $7.5 million)
- Increased operating cash flow before movements in working capital of $10.7 million (H1 2014: $2.1 million)
- Capital expenditure of $9.1 million (H1 2014: $7.1 million) mainly on deferred stripping expenditure, increasing the capacity of the tailings facility and the flotation plant
- Decreased net debt of $48.7 million as at 30 June 2015 (31 December 2014: $52.4 million)
- Cash of $1.8 million as at 30 June 2015 (31 December 2014: $0.3 million) and unused credit facilities of $1.4 million

Chairman's statement

It gives me great pleasure to report on the progress that Anglo Asian has made in the first half of 2015 as we continue to build the Company into a leading mid-tier gold, copper and silver producer in Caucasia. This has been an important time for your Company, a period which marks the start of the turnaround for Anglo Asian. Our strategic initiatives to increase production and lower operating costs are progressing well and we believe they will return the Company to profitability.

Anglo Asian has an established mining portfolio in Azerbaijan. Our producing properties are the Gedabek open cast and Gadir underground mines, both co-located at the Gedabek mine site in western Azerbaijan, and our second underground mine at Gosha, 50 kilometres from Gedabek. With these production assets, your company has become a significant producer of precious metal and copper in the region. We were therefore pleased to report record gold production of 35,938 ounces for H1 2015 marking a 52 per cent. increase in gold production from H1 2014.

The low level of metal prices, together with a number of operational challenges, saw the Company make a loss in 2014. However, we have made significant progress in operational efficiency in H1 2015, which has improved the Company’s financial performance compared to 2014. Turnover increased significantly to $41.8 million (H1 2014: $32.7 million) and the loss before taxation reduced to $4.1 million (H1 2014: $7.5 million). Cash generated from operations was $15.6 million which enabled us to fund capital expenditure of $9.1 million whilst continuing to service our borrowings and keep comfortably within our loan covenant. Our capital expenditure, which included the completion of the construction and the commissioning of the new flotation plant at Gedabek, will see a further increase in our production and result in further improvements to our financial performance in the years ahead.

A presentation on the Company and its results will be posted on the Company's web site this morning, 22 September 2015.

Gedabek and Gosha – mining and production

Gedabek is a polymetallic deposit from which Anglo Asian produces gold, copper and silver from its Gedabek open pit mining operation and co-located underground Gadir mine. Gosha is our second gold and silver mine and ore mined at Gosha is transported to Gedabek for processing due to its close proximity. Three different processing methods, agitation leaching, heap leaching (both of crushed and whole ore) and Sulphidisation, Acidification, Recycling, and Thickening ('SART') are used to produce precious metal and copper.

During the past year we have been highly active and focused on improving operational efficiency at Gedabek and Gosha. Successful initiatives have included lowering reagent use in the agitation leaching plant and more efficient deployment of the mining contractors at Gedabek. For H1 2015 we produced record gold of 35,938 ounces; 23,436 ounces from the agitation leaching plant, 12,488 ounces from heap leach operations and 14 ounces from SART. Of the 35,938 ounces, 2,182 ounces were produced from ore mined at our second deposit Gosha. We completed gold sales of 33,295 ounces of gold at an average of US$1,204 per ounce for H1 2015.

Our SART copper concentrate production plant performed well in H1 2015 and copper concentrate production for the period totaled 689 dmt containing 418 tonnes of copper. Notably, we have a strategic three year sales partnership in place with Industrial Minerals SA which commenced in May 2014 for the sale of Anglo Asian copper concentrates.

Silver production for H1 2015 totaled 6,477 ounces; with 973 ounces from the agitation leach plant, 522 ounces from heap leaching operations and 4,982 ounces from SART.

The following summary table outlines production at Gedabek for H1 2015.

Quarter ended	*Gold Produced* (ounces)*	*Gold Sales** (ounces)*	*Gold Sales Average price ($)*	*Copper Produced (tonnes)*	*Copper Concentrate Sales (dmt)*	*Silver Produced (ounces)*
31 March 2015	17,193	17,207	1,214	182	272	1,950
30 June 2015	18,745	16,088	1,193	236	420	4,527
Total H1 2015	**35,938**	**33,295**	**1,204**	**418**	**692**	**6,477**

* including Government of Azerbaijan's share
** excludes Government of Azerbaijan's share

The Q3 2015 production promises to be similarly encouraging to H1 2015 with 50,779 ounces of gold produced from 1 January to 13 September 2015 which is ahead of our production schedule.

During H1 2015, Anglo Asian stacked 220,096 (H1 2014: 265,466) tonnes of dry crushed ore on to heap leach pads with an average gold content of 1.48 (H1 2014: 1.17) grammes per tonne. The Company also stacked 378,976 (H1 2014: 95,542) tonnes of uncrushed ore on to heap leach pads with an average gold content of 0.90 (HY1 2014: 0.89) grammes per tonne.

During H1 2015, the Company processed 278,269 (H1 2014: 312,159) tonnes of ore with an average gold content of 3.50 (H1 2014: 2.70) grammes per tonne through the agitation leaching plant.

There was a 75 per cent. gold recovery in agitation leaching for H1 2015, compared to 71 per cent. for the six months to 31 December 2014. This increase in recovery was due to the composition of the ore feed which was more amenable to leaching and improved operation of the agitation leach plant. Gold doré is produced from both heap and agitated leach intermediate solutions, which are combined for final processing and also recirculated around the plant, heap leach pads and tailings dam. Heap leaching is a long term process and recoveries are therefore only estimates calculated from available metallurgical statistics.

The Company continues to place the highest priority on its environmental responsibilities. A key responsibility is secure storage of tailings produced at Gedabek. The project to approximately double the capacity of the tailings dam by raising its wall is now complete. The reed bed biological treatment system immediately downstream of the dam to process any seepage has also been completed. Work is also underway to relocate the pipes from the agitation leaching plant to the tailings dam into a fully lined trench designed to capture any seepage should any pipe rupture.

Flotation plant at Gedabek

As previously noted, following the significant increase in contained copper to 102,000 tonnes in our ore reserve estimate announced in December 2014, we commenced construction of a small scale flotation plant. Test work and engineering studies have shown that flotation should enable us to achieve much higher production of copper and precious metals at a lower cost of production.

The small scale flotation plant has the flexibility to be configured for various methods of operation. It will be able to process the current stockpiles of high copper sulphide ore. It can also treat ore feed to, or tailings from, the agitation leaching plant and, in such configurations, the plant would no longer be a pilot but an integral part of the agitation leaching plant. The plant will initially be used to process tailings from the agitation leaching plant. This material requires no further crushing or grinding and is therefore a very low cost method of production.

The commissioning of the flotation plant commenced early September 2015 with the filling of the first conditioning tank. Construction of the plant is also very nearly completed. All major items have been delivered to site and are installed. There is now only some very minor pipework and construction of gantries and walkways to be completed. First production of a concentrate for commercial sale is expected by end September 2015. The flotation plant will allow us to fully take advantage of the additional sulphide ore reserves at Gedabek and add an important new source of production and revenues for Anglo Asian. We should see an additional 5,000 ounces of gold and 1,200 tonnes of copper produced in H2 2015. Further details and photographs of the small scale flotation plant are available on our Company web site at www.angloasianmining.com/operations/new-flotation-plant/

Exploration and development

We also are continuing to develop the greater Gedabek area with the aim of delineating further resources and reserves to increase the life of mine of the operation. We are also continuing our exploration of the Ordubad property.

Financial review

Revenue of $41.8 million was generated from the sale of Anglo Asian's share of its production of doré bars and copper concentrate in the six month period to 30 June 2015. Doré sales were $40.1 million which comprised 33,295 ounces of gold and 1,281 ounces of silver at an average price of $1,204 and $17 per ounce respectively. Sales of copper concentrate were $1.7 million.

Total cost of sales for the six months ended 30 June 2015 increased by $6.4 million to $39.9 million compared to $33.5 million in 2014. Cost of sales before depreciation, deferred stripping credit and inventory movement decreased by $1.8 million to $28.1 million compared to $29.9 million in 2014. This was as a result of good cost control and the depreciation of the Azerbaijan Manat. Depreciation, deferred stripping credit and inventory movement increased by $8.2 million to $11.8 million compared to $3.6 million in 2014. This was due to higher depreciation and a lower deferred stripping credit.

Administrative expenses for the six months ended 30 June 2015 decreased to $2.8 million compared to $3.6 million in 2014. The decrease in the administrative expenses was mainly due to lower consultancy, other staff costs and depreciation of the Azerbaijan Manat. Administrative expenses comprise the cost of the Company’s office in Baku, directors and other administrative staff salaries, professional fees and the cost of maintaining the Company’s public quotation on the AIM market.

The finance costs for the six months ended 30 June 2015 of $3.0 million comprise interest on loans of US$2.5 million, interest on letters of credit and accretion expense on the rehabilitation provision of $0.5 million. There were no borrowing costs capitalised in the six months to 30 June 2015.

The income tax credit for the six months ended 30 June 2015 of $0.8 million was a deferred taxation credit in respect of the Azerbaijan operations. The Company's Azerbaijan operations are expected to incur tax losses for the full year ending 31 December 2015.

The Group produced gold at an average cash operating cost net of copper and silver by-product credits in the six month period to 30 June 2015 of $736 per ounce compared to $1,014 per ounce in the first six months of 2014 and $964 for the full year 2014. The reason for the decrease in 2015 compared to first half 2014 was that cost of sales (before depreciation) were relatively constant, as a result of operational efficiencies, and depreciation of the Azerbaijan Manat, and higher production.

The Company had as at 30 June 2015, $1.8 million cash on hand and total debt at amortised cost of $50.5 million, giving net debt of $48.7 million. The Amsterdam Trade Bank loan has a debt service cover ratio ("DSCR") covenant of 1.25, and for the 6 months to 30 June 2015, the DSCR was 2.15. The Company had unutilised credit facilities at 30 June 2015 of $1.4 million.

Capital expenditure of $9.1 million was mainly capitalised deferred stripping costs of $3.3 million; expenditure on increasing the capacity of the tailings dam and the associated reed bed biological treatment system of $3.1 million and the small scale flotation plant of $2.1 million.

Exploration and evaluation expenditure of $0.2 million was incurred in the six month period to 30 June 2015. This was mainly exploration in the Ordubad contract area.

The Group reports in US dollars and a substantial proportion of its business is conducted in either US dollars or the Azerbaijan Manat ("AZN") which has been stable at AZN 1 equaling approximately $0.95 during the six months to 30 June 2015. In addition, the Company's revenues and the majority of its interest bearing debt are denominated in US dollars. The Company believes it does not have any significant exposure to foreign exchange fluctuations although the situation is kept under review.

Corporate and social responsibility

Our health, safety, social and environmental performance forms a central part of our philosophy of continuous commitment to best in class practice. In this regard we are therefore pleased to report that no significant accidents or incidents were reported in the period under review. However, our efforts to improve this vital area will be sustained with the aim of achieving the highest international standards.

Outlook

In light of the robust H1 2015 production performance, the good production seen thus far in Q3 2015 and the imminent start of production from the flotation plant at Gedabek, we remain on target to achieve a gold production target of between 70,000 to 75,000 ounces for FY 2015. As such, we remain highly positive on the Company's FY 2015 outlook and beyond as we aim to move back into profitability once again.

I would like to take this opportunity to thank our Anglo Asian employees, partners, the Government of Azerbaijan, advisers, fellow directors and shareholders for their support as we continue to build Anglo Asian into a leading and profitable mid-tier gold, copper and silver producer in Azerbaijan and Caucasia.

Khosrow Zamani
Non-executive Chairman
21 September 2015

Anglo Asian Mining plc
Condensed group income statement
Six months ended 30 June 2015

	Notes	**6 months to 30 June 2015 (unaudited) $000**	6 months to 30 June 2014 (unaudited) $000
Revenue		**41,823**	32,706
Cost of sales		**(39,940)**	(33,538)
Gross profit / (loss)		**1,883**	(832)
Other income		**13**	20
Administrative expenses		**(2,786)**	(3,555)
Other operating expense		**(254)**	(366)
Operating loss		**(1,144)**	(4,733)
Finance income		**-**	7
Finance costs		**(2,980)**	(2,750)
Loss before tax		**(4,124)**	(7,476)
Income tax	3	**746**	586
Loss after tax		**(3,378)**	(6,890)
Loss per share for the period attributable to the equity holders of the parent		**(3,378)**	(6,890)
Basic (US cents per share)	4	**(3.02)**	(6.17)
Diluted (US cents per share)	4	**(3.02)**	(6.17)

Anglo Asian Mining plc
Condensed group statement of comprehensive income
Six months ended 30 June 2015

	6 months to 30 June 2015 (unaudited) $000	6 months to 30 June 2014 (unaudited) $000
Loss for the period	**(3,378)**	(6,890)
Total comprehensive loss for the period	**(3,378)**	(6,890)
Attributable to the equity holders of the parent company	**(3,378)**	(6,890)

Anglo Asian Mining plc
Condensed group statement of financial position
30 June 2015

	Notes	**30 June 2015 (unaudited) $000**	30 June 2014 (unaudited) $000	31 December 2014 (audited) $000
Non-current assets				
Intangible assets	5	**19,220**	20,472	20,045
Property, plant and equipment	6	**113,464**	116,976	114,431
Inventory	7	**2,071**	1,483	1,670
Other receivables	8	**818**	183	1,305
		135,573	139,114	137,451
Current assets				
Inventory	7	**28,693**	29,333	33,355
Trade and other receivables	8	**12,523**	12,038	5,350
Cash and cash equivalents		**1,784**	5,042	322
		43,000	46,413	39,027
Total assets		**178,573**	185,527	176,478
Current liabilities				
Trade and other payables	9	**(20,055)**	(17,368)	(12,216)
Interest-bearing loans and borrowings	10	**(20,325)**	(9,000)	(16,675)
		(40,380)	(26,368)	(28,891)
Net current assets		**2,620**	20,045	10,136
Non-current liabilities				
Provision for rehabilitation		**(9,223)**	(7,591)	(8,624)
Interest-bearing loans and borrowings	10	**(30,186)**	(41,800)	(36,083)
Deferred tax liability		**(16,218)**	(19,814)	(16,964)
		(55,627)	(69,205)	(61,671)
Total liabilities		**(96,007)**	(95,573)	(90,562)
Net assets		**82,566**	89,954	85,916
Equity				
Share capital	11	**1,978**	1,978	1,978
Share premium account		**32,246**	32,246	32,246
Share-based payment reserve		**698**	676	670
Merger reserve		**46,206**	46,206	46,206
Retained earnings		**1,438**	8,848	4,816
Total equity		**82,566**	89,954	85,916

Anglo Asian Mining plc
Condensed group cash flow statement
Six months ended 30 June 2015

	6 months to 30 June 2015 (unaudited) $000	6 months to 30 June 2014 (unaudited) $000
Loss before taxation	**(4,124)**	(7,476)
Adjustments for:		
Finance income	**-**	(7)
Finance costs	**2,980**	2,750
Depreciation of property, plant and equipment	**10,780**	5,865
Amortisation of mining rights and other intangible assets	**1,026**	867
Share-based payment expense	**28**	66
Operating cash flow before movements in working capital	**10,690**	2,065
(Increase) / decrease in trade and other receivables	**(1,381)**	745
Decrease in inventories	**4,261**	1,240
Increase in trade and other payables	**1,969**	5,362
Cash generated from operations	**15,539**	9,412
Income tax paid	**-**	-
Net cash generated from operating activities	**15,539**	9,412
Investing activities		
Expenditure on property, plant and equipment and mine development	**(9,141)**	(7,069)
Investment in exploration and evaluation activities	**(201)**	(182)
Interest received	**-**	7
Net cash used in investing activities	**(9,342)**	(7,244)
Financing activities		
Proceeds from issuance of shares	**-**	28
Proceeds from borrowing	**3,404**	3,028
Repayment of borrowings	**(5,772)**	(3,301)
Interest paid	**(2,367)**	(2,370)
Net cash outflow from financing activities	**(4,735)**	(2,615)
Net increase / (decrease) in cash and cash equivalents	**1,462**	(447)
Cash and cash equivalents at beginning of period	**322**	5,489
Cash and cash equivalents at end of the period	**1,784**	5,042

Anglo Asian Mining plc
Condensed group statement of changes in equity

Six months ended 30 June 2015
(Unaudited)

	Share capital $000	Share premium $000	Share-based payment reserve $000	Merger reserve $000	Retained earnings $000	Total equity $000
1 January 2015	**1,978**	**32,246**	**670**	**46,206**	**4,816**	**85,916**
Total comprehensive loss	**-**	**-**	**-**	**-**	**(3,378)**	**(3,378)**
Share based payment charge for the period	**-**	**-**	**28**	**-**	**-**	**28**
30 June 2015	**1,978**	**32,246**	**698**	**46,206**	**1,438**	**82,566**

Six months ended 30 June 2014
(Unaudited)

	Share capital $000	Share premium $000	Retained Share –based payment reserve $000	Merger reserve $000	Retained earnings $000	Total equity $000
1 January 2014	1,973	32,173	735	46,206	15,663	96,750
Total comprehensive loss	-	-	-	-	(6,890)	(6,890)
Shares issued in lieu of cash	5	73	-	-	-	78
Options exercised during the period	-	-	(28)	-	28	-
Options forfeited during the period	-	-	(47)	-	47	-
Share based payment charge for the period	-	-	16	-	-	16
30 June 2014	1,978	32,246	676	46,206	8,848	89,954

1 General information

Anglo Asian Mining plc (the "Company") is a company incorporated in England and Wales under the Companies Act 2006. The Company's ordinary shares are traded on the AIM market of the London Stock Exchange plc. The Company is a holding company. The principal activity of the Company and its subsidiaries (the "Group") is building a portfolio of mining operations within Azerbaijan.

Basis of preparation

The condensed group financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting' as issued by the International Accounting Standards Board. The information for the half year ended 30 June 2015 does not constitute statutory accounts as defined in section 435 of the Companies Act 2006. A copy of the statutory accounts for the year ended 31 December 2014 has been delivered to the Registrar of Companies. The auditor's report on those accounts was not qualified, did not include a reference to any matters to which the auditor drew attention by way of an emphasis of matter and did not contain a statement under sections 498(2) or 498(3) of the Companies Act 2006. The condensed group financial statements have not been audited.

The condensed group financial statements have been prepared under the historical cost convention except for the treatment of share based payments. The condensed group financial statements are presented in United States dollars ("$") and all values are rounded to the nearest thousand except where otherwise stated. In the condensed group financial statements "£" and "pence" are references to the United Kingdom pound sterling.

Accounting policies

The annual financial statements of Anglo Asian Mining plc are prepared in accordance with IFRSs as issued by the International Accounting Standards Board and as adopted by the European Union. The condensed group financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting' as issued by the International Accounting Standards Board.

The accounting policies adopted in the condensed group financial statements are the same as adopted in the 2014 annual report and accounts, except for the adoption of new standards and interpretations effective as of 1 January 2015:

- IAS 19 Defined benefit plans: Employee Contributions
- IFRS 2 Share-based payment – definition of vesting conditions
- IFRS 3 Business combinations – Accounting for contingent consideration in a business combination
- IFRS 8 Operating segments – Aggregation of operating segments
- IFRS 8 Operating segments – Reconciliation of the total reportable segments assets to the entities assets
- IAS 16 Property, plant and equipment and IAS 38 intangible assets – revaluation method – proportionate restatement of accumulated depreciation / amortization.
- IAS 24 Related party disclosures – Key management personnel
- IFRS 13 Fair value measurement – Scope of paragraph (portfolio exemption)
- IAS 40 Investment property – Interrelationship between IFRS 3 and IAS 40 (ancillary services)

The adoption of these standards has had no impact on the condensed group financial statements.

Going concern

The directors have prepared the condensed group financial statements on a going concern basis after reviewing the Group's cash position for the period to 31 December 2016 and satisfying themselves the Group will have sufficient funds on hand to realise their assets and meet their obligations as and when they fall due. In making this assessment, the directors have acknowledged the challenging and uncertain market in which the Group is operating. The price of gold remains depressed and the outlook remains challenging and uncertain. Key to achieving the Group's forecast cash position, and therefore its going concern assumption, is achieving forecast production, successful commissioning of the small scale flotation plant and gold price assumptions. Should there be a moderate and sustained decrease in either the production or gold price assumptions, significant doubt would be cast over the Group's short term cash position.

2 Operating segments

The Group determines operating segments based on the information that is internally provided to the Group's chief operating decision maker. The chief operating decision maker has been identified as the board of directors. The board of directors currently considers consolidated financial information for the entire Group and reviews the business based on the Group income statement and Group statement of financial position in their entireties. Accordingly, the Group has only one operating segment, mining operations. The mining operations comprise the Group's major producing assets, the Gedabek, Gadir and Gosha mines which account for all the Group's revenues and the majority of its cost of sales, depreciation and amortisation. The Group's mining operations are all located within Azerbaijan and therefore all within one geographic segment.

All sales of gold and silver bullion are made to one customer, the Group's gold refinery, MKS Finance SA, based in Switzerland. Copper concentrate is sold to Industrial Minerals SA.

3 Income tax

Income tax credit during the period represents the change in deferred tax liability during the period incurred by the RV Investment Group Services LLC (a wholly owned subsidiary of the Company) representative office registered in Azerbaijan.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax liability decreased during the period due to increase in temporary differences from increase of unused tax losses during the period.

At the statement of financial position date, the Group has unused tax losses within the Company and a subsidiary (Anglo Asian Operations Limited) available for offset against future profits. No deferred tax asset has been recognised in respect of such losses due to the unpredictability of future profit streams. Unused tax losses may be carried forward indefinitely.

4 Loss per ordinary share

	6 months to 30 June 2015 (unaudited) $000	6 months to 30 June 2014 (unaudited) $000
Loss per ordinary share		
Loss for the period	**(3,378)**	(6,890)
Basic loss per share (US cents)	**(3.02)**	(6.17)
Diluted loss per share (US cents)	**(3.02)**	(6.17)
	Number	Number
Weighted average number of shares		
For basic earnings per share	**111,683,972**	111,652,120
For diluted earnings per share	**111,683,972**	111,652,120

5 Intangible assets

	Exploration & evaluation Ordubad (unaudited) $000	Mining rights (unaudited) $000	Other intangible assets (unaudited) $000	Total (unaudited) $000
Cost				
1 January 2014	2,905	41,925	468	45,298
Additions	608	-	-	608
31 December 2014	3,513	41,925	468	45,906
Additions	201	-	-	201
30 June 2015	**3,714**	**41,925**	**468**	**46,107**
Amortisation and impairment				
1 January 2014	-	23,909	232	24,141
Charge for year	-	1,697	23	1,720
31 December 2014	-	25,606	255	25,861
Charge for period	-	1,013	13	1,026
30 June 2015	**-**	**26,619**	**268**	**26,887**
Net book value				
31 December 2014	3,513	16,319	213	20,045
30 June 2015	**3,714**	**15,306**	**200**	**19,220**

6 Property, plant and equipment

	Plant and equipment, motor vehicles and leasehold improvements (unaudited) $000	Producing mines (unaudited) $000	Assets under construction (unaudited) $000	Total (unaudited) $000
Cost				
1 January 2014	18,999	135,532	10,754	165,285
Additions	410	11,877	3,029	15,316
Transfer to producing mines	-	11,690	(11,690)	-
Increase in provision for rehabilitation	-	799	-	799
31 December 2014	19,409	159,898	2,093	181,400
Additions	169	3,953	5,506	9,628
Transfer to producing mines	-	3,059	(3,059)	-
Increase in provision for rehabilitation	-	185	-	185
30 June 2015	**19,578**	**167,095**	**4,540**	**191,213**
Depreciation and impairment				
1 January 2014	8,320	41,331	-	49,651
Charge for year	2,441	14,877	-	17,318
31 December 2014	10,761	56,208	-	66,969
Charge for period	1,095	9,685	-	10,780
30 June 2015	**11,856**	**65,893**	**-**	**77,749**
Net book value				
31 December 2014	8,648	103,690	2,093	114,431
30 June 2015	**7,722**	**101,202**	**4,540**	**113,464**

7 Inventory

Non-current assets	**30 June 2015 (unaudited) $000**	30 June 2014 (unaudited) $000	31 December 2014 (audited) $000
Cost			
Ore stockpiles	**2,071**	1,483	1,670

Current assets			
Cost			
Finished goods - bullion	**1,078**	1,858	3,211
Finished goods - metal in concentrate	**159**	340	150
Metal in circuit	**16,267**	10,851	18,559
Ore stockpiles	**2,043**	6,275	1,602
Spare parts and consumables	**9,146**	10,009	9,833
Total current inventories	**28,693**	29,333	33,355
Total inventories	**30,764**	30,816	35,025

Current ore stockpiles consist of high-grade and low-grade oxide ores that are expected to be processed during the 12 months subsequent to 30 June 2015.

Non-current ore stockpiles consist of high-grade sulphide ore that is expected to be processed more than 12 months after 30 June 2015.

Inventory is recognised at lower of cost or net realisable value.

8 Trade and other receivables

Non-current assets	**30 June 2015 (unaudited) $000**	30 June 2014 (unaudited) $000	31 December 2014 (audited) $000
Advances for fixed asset purchases	**677**	183	1,143
Loans	**141**	-	162
	818	183	1,305

Current assets			
Gold held due to the Government of Azerbaijan	**8,349**	6,296	2,557
VAT refund due	**538**	269	828
Other tax receivable	**617**	651	275
Trade receivables	**341**	112	8
Prepayments and advances	**2,628**	3,733	1,634
Loans	**50**	-	48
Advance payment for profit tax	**-**	977	-
	12,523	12,038	5,350

The VAT refunds due at 30 June 2015 and 31 December 2014 relate to VAT paid on purchases.

The gold bullion receivable on behalf of the Government of Azerbaijan relates to bullion held in the account of the Group for which the Government of Azerbaijan is the beneficial holder. The Group holds the Government's share of the product from its mining activities and from time to time transfers that product to the Government of Azerbaijan as per the

Government's request. A corresponding liability to the Government of Azerbaijan is included in trade and other payables (see note 9).

The Group does not consider any trade and other receivables as past due or impaired.

9 Trade and other payables

	30 June 2015 (unaudited) $000	30 June 2014 (unaudited) $000	31 December 2014 (audited) $000
Accruals and other payables	**6,768**	8,160	5,342
Trade creditors	**4,594**	2,547	4,106
Gold held due to the Government of Azerbaijan	**8,349**	6,296	2,557
Payable to the Government of Azerbaijan from copper concentrate joint sale	**344**	365	211
	20,055	17,368	12,216

10 Interest-bearing loans and borrowings

Amortised cost

	30 June 2015 (unaudited) $000	30 June 2014 (unaudited) $000	31 December 2014 (audited) $000
International Bank of Azerbaijan	**13,309**	12,216	13,026
Amsterdam Trade Bank	**31,899**	36,739	36,783
Atlas Copco – vendor financing	**727**	1,845	789
Yapi Kredit Bank	**434**	-	922
Pasha Bank	**2,142**	-	1,238
Reza Vaziri	**2,000**	-	-
Total interest bearing loans and borrowings	**50,511**	50,800	52,758
Loans repayable in less than one year	**20,325**	9,000	16,675
Loans repayable in more than one year	**30,186**	41,800	36,083
Total interest bearing loans and borrowings	**50,511**	50,800	52,758

Loans from the International Bank of Azerbaijan ("IBA") carry an interest rate of 12 per cent. per annum. There is no penalty for early repayment on any of the loans from IBA. The balance of the loan with IBA for plant construction is $11,364,000 as of 30 June 2015 (31 December 2014: $11,595,000). In addition, the Group has obtained a credit line facility from IBA in the amount of $500,000 on 22 February 2015. The credit line was provided at an annual interest rate of 12 per cent.

The Group made two repayments to Amsterdam Trade Bank ("ATB") during the 6 month period ended 2015 in the total amount of $4,933,000. Interest rate per the agreement with ATB is 8.25 per cent. per annum plus three months LIBOR rate. From, December 2013, the Group's cash proceeds from gold sales have been credited to the Company's current account at ATB. The amount of cash held on current account at ATB comprised $928,000 as of 30 June 2015 (31 December 2014: $63,000). According to the terms of the pledge agreement signed with ATB, the Group has pledged to ATB its present and future rights and claims against MKS Finance SA, the sole buyer of the Group's gold doré until termination of the loan agreement.

The Group revised its repayment schedule with Atlas Copco during the six month period ended 2015 and the remaining amount is to be repaid during the second half of 2015 according to the amended repayment schedule.

As of 30 June 2015, the Group utilized $2,142,000 from letter of credit line facility from Pasha Bank Azerbaijan for construction of the small scale flotation plant in Gedabek.

Reza Vaziri, President and Chief Executive Officer, agreed to provide a loan facility to the Company of $4 million. The Loan is unsecured and carries 10 per cent annual interest rate and is due to be repaid on 8 January 2016. As of 30 June 2015 the Group had utilised $2,000,000 of the loan facility from Reza Vaziri.

11 Share capital

	shares	US$000
Ordinary shares issued and fully paid:		
1 January 2014	111,397,307	1,973
Exercise of share options	150,000	3
Shares issued in lieu of cash payment	136,665	2
31 December 2014 and 30 June 2015	**111,683,972**	**1,978**

12 Contingencies and commitments

The Group undertakes its mining operations in the Republic of Azerbaijan pursuant to the provisions of the agreement on the exploration, development and production sharing for the prospective gold mining areas: Gedabek, Gosha, Ordubad Group (Piazbashi, Agyurt, Shakardara, Kiliyaki), Soutely, Kyzilbulag and Vejnali deposits dated 20 August 1997 (the "PSA"). The PSA contains various provisions relating to the obligations of the R.V. Investment Group Services LLC ("RVIG"), a wholly owned subsidiary of the Company, with regards to the exploration and development programme, preparation and timely submission of reports to the Government, compliance with environmental and ecological requirements, etc. The directors believe that RVIG is in compliance with the requirements of the PSA. The Group has submitted a development and production programme to the Ministry of Ecology and Natural Resources of the Government of Azerbaijan in accordance with the PSA requirements.

The mining licence of Gedabek expires in March 2022, with options to extend the licence by ten years conditional upon satisfaction by RVIG of certain requirements stipulated in the PSA.

RVIG is also required to comply with the clauses contained in the PSA relating to environmental damage. The directors believe RVIG is substantially in compliance with the environmental clauses contained in the PSA.

There were no operating lease commitments at 30 June 2015.

On 20 January 2012, the Group entered into a non-cash credit line agreement in the amount of $3,000,000 for letter of credits with YapiKredi Bank Azerbaijan. A new pledge agreement was signed with YapiKredi Bank Azerbaijan for guarantee of letters of credit opened under the above mentioned agreement. According to this pledge agreement, movable equipment for the amount of $3,402,000 was pledged to guarantee letters of credit opened under the agreement.

13 Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Transactions between the Group and other related parties are disclosed below.

Trading transactions

During the period, there were no trading transactions between group companies and related parties who are not members of the Group.

Other related party transactions

a) During the period $157,000 (30 June 2013: $164,000) was paid to Mr Reza Vaziri for consultancy services.
b) During the period $nil (30 June 2014: $5,000) was paid to Professor John Monhemius, a director of the Company, for consultancy services.
c) Total payments in the 6 months to 30 June 2015 of $544,000 (6 months to 30 June 2014: $700,000) were made for equipment and spare parts purchased from Proses Muhendislik Danismanlik Inshaat veTasarim Anonim Shirket ("PMDI"), the entity in which the chief technical officer of Azerbaijan International Mining Company has a direct

ownership interest. There is an outstanding advance payment to PMDI of $71,000 at 30 June 2015 (31 December 2014: $65,000).

14 Approval of condensed group financial statements

The condensed group financial statements of Anglo Asian Mining plc and its subsidiaries for the six month period ended 30 June 2015 were authorised for issue in accordance with a resolution of the directors on 21 September 2015.

****ENDS****

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