

**ALBA MINERAL RESOURCES PLC  
HALF-YEARLY UNAUDITED RESULTS  
FOR THE SIX MONTHS ENDED 31 MAY 2010**

**CHAIRMAN'S STATEMENT**

**Introduction**

Alba Mineral Resources plc ("Alba" or the "Company" and collectively with its subsidiary companies "the Group") holds a portfolio of mineral properties in Mauritania (uranium), Scotland (nickel-copper) and Ireland (gold and base-metals). The projects are at different stages of development and range from early exploration targets to more advanced drill-ready projects.

**Results for the Period**

The Group made a loss attributable to equity holders of the parent for the period, after taxation, of £96,391. The basic and diluted loss per share was 0.1 pence. The Group had cash balances of £12,096 at the period end.

**Review of Activities**

Our activities in the first half of the year have been primarily focused on securing additional funding for the Group. During the period the Company secured unsecured loan facilities of £100,000 from the directors and certain major shareholders convertible, at the lenders option, into ordinary shares of the Company at 1 pence per share. As at 31 May 2010 no funds had been drawn down under these facility agreements. Subsequent to 31 May 2010, £27,500 has been drawn down.

In addition, a loan was secured to fund the drilling of an exploration hole on our Limerick licence in Ireland. The initial results of this exploration hole are discussed below.

**Limerick Licence**

In May 2010 a 178 m deep hole was drilled on the company's Limerick base metal licence. The hole was drilled to test the stratigraphy in the licence and also determine the cause of a large northeast-trending zinc soil anomaly detected by a previous operator. The drillhole encountered a 163.25m sequence of variably dolomitized Waulsortian Limestone Formation before passing into the underlying Argillaceous Bioclastic Limestone (ABL) Formation. The contact between the Waulsortian Limestone Formation and the ABL is the target horizon at the Xstrata/Minco and Connemara/Teck basemetal properties approximately 11 km to the northeast. Xstrata/Minco recently released an inferred resource of 24.1 million tons with an average grade of 7.85% zinc and 1.35% lead on their property. Minor iron oxide mineralization (oxidized pyrite) was noted from the Waulsortian Limestone Formation and pyrite observed in the ABL, whilst the core was logged. Assays from the core are pending.

Preliminary interpretation of the core suggests that the zinc soil anomaly might be related to the presence of dolomite in the core. Dolomite alteration in the carbonate rocks of the Irish Midland is often, although not exclusively, associated with base metal mineralization.

The company is currently engaged in negotiations with a third party relating to a possible joint venture on the Limerick property.

**Outlook**

It seems inevitable that there will be minimal exploration work undertaken by the Company during the balance of 2010, unless additional funds can be raised. The Company's working capital position continues to be adversely affected and the Company is still seeking to raise further funds in the near term. The Company continues to look to secure joint venture agreements where possible to fund exploration programs and its financial position is under constant review. Our exploration programmes can only be financed within our financial constraints. As our exploration activities are limited currently, there is an increased risk that we may not be able to fulfill our obligations under existing licences, which may then be forfeited.

The Board believes that if the Company can overcome its immediate funding requirements it will be better placed to grow both organically and by acquisition.

**Mike Nott  
31 August 2010  
Chairman**

**UNAUDITED CONSOLIDATED INCOME STATEMENT  
FOR THE SIX MONTHS ENDED 31 MAY 2010**

	Unaudited 6 mths ended 31 May 2010	Unaudited 6 mths ended 31 May 2009	Audited Year ended 30 Nov 2009
	£	£	£
<b>Revenue</b>	-	-	-
<b>Cost of sales</b>	-	-	-
<b>Gross profit</b>	-	-	-
Administrative expenses	(96,430)	(96,487)	(194,727)
<b>Operating loss</b>	(96,430)	(96,487)	(194,727)
Investment revenue	-	-	-
<b>Loss before taxation</b>	(96,430)	(96,487)	(194,727)
Taxation (note 2)	-	-	-
<b>Loss for the period</b>	<u>(96,430)</u>	<u>(96,487)</u>	<u>(194,727)</u>
<b>Attributable to:</b>			
Equity holders of the parent	(96,391)	(95,557)	(192,367)
Minority interest	(39)	(930)	(2,360)
<b>Loss for the period</b>	<u>(96,430)</u>	<u>(96,487)</u>	<u>(194,727)</u>
Loss per ordinary 1p share (note 3)			
- basic and diluted	0.1 pence	0.1 pence	0.2 pence

**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MAY 2010**

	<b>Unaudited 31 May 2010</b>	<b>Unaudited 31 May 2009</b>	<b>Audited 30 Nov 2009</b>
	£	£	£
<b>Non-current assets</b>			
Intangible assets - deferred exploration costs	658,485	600,358	619,992
Property, plant and equipment	-	1,223	-
	<u>658,485</u>	<u>601,581</u>	<u>619,992</u>
<b>Current assets</b>			
Trade and other receivables	69,796	87,769	16,952
Cash and cash equivalents	12,096	19,640	14,831
	<u>81,892</u>	<u>107,409</u>	<u>31,783</u>
<b>Total assets</b>	<u>740,377</u>	<u>708,990</u>	<u>651,775</u>
<b>Current liabilities</b>			
Trade and other payables	(478,168)	(399,166)	(349,940)
Borrowings	(268,834)	(208,030)	(212,030)
<b>Total liabilities</b>	<u>(747,002)</u>	<u>(607,196)</u>	<u>(561,970)</u>
<b>Net assets</b>	<u>(6,625)</u>	<u>101,794</u>	<u>89,805</u>
<b>Equity and liabilities</b>			
Share capital	947,951	930,701	947,951
Share premium account	977,401	908,400	977,401
Merger reserve	200,000	200,000	200,000
Other reserve	144,907	144,907	144,907
Profit and loss account	(2,305,503)	(2,112,302)	(2,209,112)
Equity attributable to equity holders of the parent	<u>(35,244)</u>	<u>71,706</u>	<u>61,147</u>
Minority interest	28,619	30,088	28,658
<b>Total equity and liabilities</b>	<u>(6,625)</u>	<u>101,794</u>	<u>89,805</u>

**UNAUDITED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE SIX MONTHS ENDED 31 MAY 2010**

	Unaudited 6 mths ended 31 May 2010 £	Unaudited 6 mths ended 31 May 2009 £	Audited Year ended 30 Nov 2009 £
<b>Net cash used in operating activities</b>	(21,046)	(10,682)	(82,879)
<b>Investing activities</b>			
Purchase of intangible assets	(38,493)	(36,477)	(59,340)
<b>Net cash used in investing activities</b>	<u>(38,493)</u>	<u>(36,477)</u>	<u>(59,340)</u>
<b>Financing activities</b>			
Proceeds from issue of share capital	-	-	86,251
Proceeds from borrowings	56,804	18,000	22,000
<b>Net cash generated from financing activities</b>	<u>56,804</u>	<u>18,000</u>	<u>108,251</u>
Net decrease in cash and cash equivalents	(2,735)	(29,159)	(33,968)
Cash and cash equivalents at the beginning of the period	14,831	48,799	48,799
Cash and cash equivalents at the end of the period	<u>12,096</u>	<u>19,640</u>	<u>14,831</u>
Operating loss	(96,430)	(96,487)	(194,727)
Depreciation and amortisation	-	1,943	3,166
Impairment of deferred exploration expenditure	-	-	3,229
(Increase)/decrease in trade and other receivables	(52,844)	(82,491)	117,127
Increase/(decrease) in trade and other payables	128,228	166,353	(11,674)
<b>Net cash used in operating activities</b>	<u>(21,046)</u>	<u>(10,682)</u>	<u>(82,879)</u>

## NOTES TO THE HALF-YEARLY FINANCIAL INFORMATION

### 1. Basis of preparation

The Group consolidates the financial statements of the Company and its subsidiary undertakings.

The financial information has been prepared under the historical cost convention in accordance with International Financial Reporting Standards (IFRSs). The financial information set out in this half-yearly report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The same accounting policies, presentation and methods of computation are followed in this interim condensed consolidated report as were applied in the Group's annual financial statements for the year ended 30 November 2009. The auditor's report on those financial statements was unqualified and did not contain any statements under section 498(2) or section 498(3) of the Companies Act 2006.

### 2. Taxation

No charge for corporation tax for the period has been made due to the expected tax losses available.

### 3. Loss per share

Basic loss per share is calculated by dividing the loss attributable to ordinary shareholders of £96,391 (May 2009: £95,557; November 2009: £192,367) by the weighted average number of shares of 110,320,416 (May 2009: 93,070,100; November 2009: 99,214,048) in issue during the period. The diluted loss per share calculation is identical to that used for basic loss per share as the exercise of warrants would have the effect of reducing the loss per ordinary share and therefore is not dilutive under the terms of Financial Reporting Standard 22 "Earnings Per Shares".

For further information please visit the Company's website, [www.albamineralresources.com](http://www.albamineralresources.com) or contact:

**Alba Mineral Resources plc**

Mike Nott, Chairman

Tel: +44 (0) 20 7495 5326

**Astaire Securities plc**

Stuart Lane

Tel: +44 (0) 20 7492 4750