

## North River Resources plc

### Interim results for the 6 months ended 31 December 2008

#### CHAIRMAN'S STATEMENT

The Company's primary objective is to earn an initial interest in the Coronet Hill Tenement. Current work planned will focus on detailed mapping and sampling of zones of mineralisation in order to have a quantitative analysis of the size potential of mineralisation from which drilling campaign can be designed.

In addition, the Company has continued reviewing other resource projects in various commodities over the period.

The Directors together with a small group of Shareholders continue to investigate the sourcing of new projects and potential new finance for an acquisition in the resources area but market conditions continue to soften.

As market conditions, both in general and in the resources sector, continue to deteriorate, it is possible that more attractively priced assets for potential purchase will emerge.

The Board will continue to review and assess new projects and will keep shareholders apprised of progress.

David Christian Steinepreis  
**Non-Executive Chairman**

24 March 2009

For further information contact:

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**UNAUDITED CONSOLIDATED INCOME STATEMENT  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2008**

		<b>Six months ended 31 December 2008 (Unaudited)</b>	<b>Period ended 30 June 2008 (Audited)</b>	<b>Six months ended 31 December 2007 (Unaudited)</b>
	<b>Note</b>	<b>£</b>	<b>£</b>	<b>£</b>
Administrative expenses		(164,240)	(260,059)	(148,698)
<b>Group operating loss</b>		<b>(164,240)</b>	<b>(260,059)</b>	<b>(148,698)</b>
Interest paid		(61)	(118)	-
Interest received		938	9,652	6,461
Foreign exchange gain		842	-	-
Loss before taxation		(162,521)	(250,525)	(142,237)
Taxation		-	-	-
<b>Loss for the period</b>		<b>(162,521)</b>	<b>(250,525)</b>	<b>(142,237)</b>
<b>Attributable to:</b>				
Equity holders of the Company		(162,521)	(250,525)	(142,237)
<b>Loss per share (pence)</b>				
Basic	2	(0.24)p	(0.37)p	(0.21)p
Diluted	2	(0.24)p	(0.37)p	(0.21)p

**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2008**

**Attributable to equity holders**

	<b>Share capital £</b>	<b>Share premium £</b>	<b>Option premium £</b>	<b>Retained losses £</b>	<b>Total equity £</b>
<b>At 1 July 2008</b>	68,000	481,238	154,775	(502,479)	<b>201,534</b>
Loss for the six months ended 31 December 2008	-	-	-	(162,521)	<b>(162,521)</b>
<b>At 31 December 2008</b>	<b>68,000</b>	<b>481,238</b>	<b>154,775</b>	<b>(665,000)</b>	<b>39,013</b>

**Attributable to equity holders**

	<b>Share capital £</b>	<b>Share premium £</b>	<b>Option premium £</b>	<b>Retained losses £</b>	<b>Total equity £</b>
<b>At 1 July 2007</b>	68,000	481,238	154,775	(251,954)	<b>452,059</b>
Loss for the period ended 30 June 2008	-	-	-	(250,525)	<b>(250,525)</b>
<b>At 30 June 2008</b>	<b>68,000</b>	<b>481,238</b>	<b>154,775</b>	<b>(502,479)</b>	<b>201,534</b>

**Attributable to equity holders**

	<b>Share capital £</b>	<b>Share premium £</b>	<b>Option premium £</b>	<b>Retained losses £</b>	<b>Total equity £</b>
<b>At 1 July 2007</b>	68,000	481,238	154,775	(251,954)	<b>452,059</b>
Loss for the six months ended 31 December 2007	-	-	-	(142,237)	<b>(142,237)</b>
<b>At 31 December 2007</b>	<b>68,000</b>	<b>481,238</b>	<b>154,775</b>	<b>(394,191)</b>	<b>309,822</b>

**UNAUDITED CONSOLIDATED BALANCE SHEET  
AS AT 31 DECEMBER 2008**

	Notes	31 December 2008 (Unaudited) £	30 June 2008 (Audited) £	31 December 2007 (Unaudited) £
<b>ASSETS</b>				
<b>Non-current assets</b>				
Exploration costs		100,000	100,000	100,000
		<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
<b>Current assets</b>				
Receivables		-	-	1,759
Cash and cash equivalents		8,846	121,693	240,589
		<u>8,846</u>	<u>121,693</u>	<u>242,348</u>
<b>Total assets</b>		<b><u>108,846</u></b>	<b><u>221,693</u></b>	<b><u>342,348</u></b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Payables		19,833	20,159	32,526
		<u>19,833</u>	<u>20,159</u>	<u>32,526</u>
<b>Non-current liabilities</b>				
Convertible notes	4	50,000	-	-
		<u>50,000</u>	<u>-</u>	<u>-</u>
<b>Total liabilities</b>		<b><u>69,833</u></b>	<b><u>20,159</u></b>	<b><u>32,526</u></b>
<b>Net assets</b>		<b><u>39,013</u></b>	<b><u>201,534</u></b>	<b><u>309,822</u></b>
<b>EQUITY</b>				
<b>Capital and reserves attributable to equity holders</b>				
Called up share capital		68,000	68,000	68,000
Share premium account		481,238	481,238	481,238
Option premium reserve		154,775	154,775	154,775
Retained losses		(665,000)	(502,479)	(394,191)
<b>Total equity</b>		<b><u>39,013</u></b>	<b><u>201,534</u></b>	<b><u>309,822</u></b>

**UNAUDITED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2008**

	Note	Six months ended 31 December 2008 (Unaudited) £	Period ended 30 June 2008 (Audited) £	Six months ended 31 December 2007 (Unaudited) £
<b>Net cash outflow from operating activities</b>		<b>(113,724)</b>	<b>(275,638)</b>	<b>(153,669)</b>
<b>Returns on investments and servicing of finance</b>				
Interest paid		(61)	(118)	-
Interest received		938	9,652	6,461
<b>Net cash inflow from returns on investments and servicing of finance</b>		<b>877</b>	<b>9,534</b>	<b>6,461</b>
<b>Decrease in cash and cash equivalents</b>		<b>(112,847)</b>	<b>(266,104)</b>	<b>(147,208)</b>
Cash and cash equivalents at beginning of the period		121,693	387,797	387,797
<b>Cash and cash equivalents at the end of the period</b>		<b>8,846</b>	<b>121,693</b>	<b>240,589</b>

**NOTES TO THE UNAUDITED FINANCIAL INFORMATION  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2008**

**1. Basis of preparation**

This interim report, which incorporates the financial information of the Company and its subsidiary undertakings (“the Group”), has been prepared using the historical cost convention and in accordance with International Financial Reporting Standards (“IFRS”) including IAS 34 ‘Interim Financial Reporting’ and IFRS 6 ‘Exploration for and Evaluation of Mineral Resources’, as adopted by the European Union (“EU”).

These interim results for the six months ended 31 December 2008 are unaudited and do not constitute statutory accounts as defined in section 240 of the Companies Act 1985. They have been prepared using accounting bases and policies consistent with those used in the preparation of the financial statements of the Company and the Group for the year ended 30 June 2008 and those to be used for the year ending 30 June 2009. The financial statements for the year ended 30 June 2008 have been delivered to the Registrar of Companies and the auditors’ report on those financial statements was unqualified and did not contain a statement made under Section 237(2) or Section 237(3) of the Companies Act 1985.

**2. Loss per ordinary share**

The basic loss per ordinary share has been considered using the loss attributable to equity shareholders for the financial period of £162,521 (30 June 2008: £250,525, 31 December 2007: £142,237) and the weighted average number of ordinary shares in issue of 68,000,000 (30 June 2008: 68,000,000, 31 December 2007: 68,000,000).

The diluted loss per share has been considered using a weighted average number of shares in issue and to be issued of 68,000,000 (30 June 2008: 68,000,000, 31 December 2007: 68,000,000). The diluted loss per share has been kept the same as the basic loss per share as the conversion of share warrants and options decreases the basic loss per share, thus being anti-dilutive.

**3. Foreign currency transactions**

Items included in the Group’s financial information are measured using the currency of the primary economic environment in which the Group operates (“the functional currency”). The financial information is presented in Pounds Sterling (“£”), which is the functional and presentation currency of the Company and the presentation currency of the Group.

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

The assets, liabilities and the results of the foreign subsidiary undertakings are translated into sterling at the rates of exchange ruling at the period end. Exchange differences resulting from the retranslation of net investments in subsidiary undertakings are treated as movements on reserves.

**4. Convertible Notes**

	<b>31 December 2008</b> <b>(Unaudited)</b> £	<b>30 June 2008</b> <b>(Audited)</b> £	<b>31 December 2007</b> <b>(Unaudited)</b> £
Convertible notes – from director related entities, unsecured	50,000	-	-

On 24 November 2008 the Company entered into an agreement with Lagral Capital, a company associated with Glenn Whiddon, and Ascent Capital Holdings Pty Ltd, a company associated with David Steinepreis, whereby these companies will make available a £300,000 convertible loan facility to the Company. A total of £50,000 was drawn to 31 December 2008 and a further £50,000 has been drawn up to the date of this report.

**NOTES TO THE UNAUDITED FINANCIAL INFORMATION  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2008** (continued)

**5. Expenditure commitments**

On 31 October 2008 the Company and its Farm-In partner Segue Resources Limited agreed to revise the Coronet Hill Tenement Farm-In Agreement. Under the revised Farm-In Agreement, NRRPL is entitled to earn a 20% interest in the Tenement by expending such amount as the parties may agree (currently being £400,000) up to a maximum of £500,000 on the Tenement on or before 18 August 2010 (previously 27 December 2008).

Subject to having expended the initial expenditure, NRRPL is entitled to earn a further 31% interest (in aggregate a 51% interest) in the Tenement by expending a further amount equal to £2,000,000 less the initial agreed expenditure on the Tenement on or before 18 August 2012 (previously 27 December 2010).

**6. Subsidiary undertakings**

<i>Name of company</i>	<i>Country</i>	<i>Holding</i>	<i>Proportion held</i>	<i>Nature of business</i>
North River Resources Pty Ltd	Australia	Ordinary Shares	100%	Mineral exploration

**7. Material events subsequent to the end of the interim period**

There has been no matter or circumstance, other than those mentioned above, that has arisen, since the 31 December 2008 and up to the date of this report, that has significantly affected, or may significantly affect:

- the Group's operations in future financial years, or
- the results of those operations in future financial years, or
- the Group's state of affairs in future financial years.

**8. Segment reporting**

A business segment is a distinguishable component of the entity that is engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is a distinguishable component of the entity that is engaged in providing products or services within a particular economic environment and is subject to risks and returns that are different from those of segments operating in other economic environments. The Company operates in one business segment, that being, mineral exploration and evaluation and currently operates within the United Kingdom and Australia. At the end of the period on 31 December 2008, the Group had not commenced commercial production from its exploration sites and therefore had no turnover in the period.

<b>Geographical Segment – Group 31 December 2008</b>	<b>United Kingdom £</b>	<b>Australia £</b>	<b>Total £</b>
Administration expenses	(112,504)	(51,736)	(164,240)
Interest paid	(61)	-	(61)
Interest received	862	76	938
Foreign exchange gain	842	-	842
<b>Loss for the period</b>	<b>(110,861)</b>	<b>(51,660)</b>	<b>(162,521)</b>
Farm-In costs Coronet Hill	-	100,000	100,000
Cash and cash equivalents	7,067	1,779	8,846
Accrued expenditure and provisions	(14,781)	(5,052)	(19,833)
Convertible notes	(50,000)	-	(50,000)
<b>Net Assets</b>	<b>(57,714)</b>	<b>96,727</b>	<b>39,013</b>

**NOTES TO THE UNAUDITED FINANCIAL INFORMATION  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2008** (continued)

**8. Segment reporting** (continued)

<b>Geographical Segment – Group 30 June 2008</b>	<b>United Kingdom £</b>	<b>Australia £</b>	<b>Total £</b>
Administration expenses	(207,340)	(52,719)	(260,059)
Interest paid	(118)	-	(118)
Interest received	9,524	128	9,652
<b>Loss for the period</b>	<b>(197,934)</b>	<b>(52,591)</b>	<b>(250,525)</b>
Farm-In costs Coronet Hill	-	100,000	100,000
Cash and cash equivalents	120,886	807	121,693
Accrued expenditure and provisions	(18,989)	(1,170)	(20,159)
<b>Net Assets</b>	<b>101,897</b>	<b>99,637</b>	<b>201,534</b>
<b>Geographical Segment – Group 31 December 2007</b>	<b>United Kingdom £</b>	<b>Australia £</b>	<b>Total £</b>
Administration expenses	(148,698)	-	(148,698)
Interest received	6,461	-	6,461
<b>Loss for the period</b>	<b>(142,237)</b>	<b>-</b>	<b>(142,237)</b>
Farm-In costs Coronet Hill	-	100,000	100,000
Cash and cash equivalents	240,589	-	240,589
Receivables	1,759	-	1,759
Accrued expenditure and provisions	(32,526)	-	(32,526)
<b>Net Assets</b>	<b>209,822</b>	<b>100,000</b>	<b>309,822</b>