

**Regulatory Announcement**

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**Company** North River Resources Plc  
**TIDM** NRRP  
**Headline** Interim Results  
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**North River Resources plc****Interim results for the 6 months ended 31 December 2007****CHAIRMAN'S STATEMENT**

Whilst our primary objective is to earn an initial interest in the Coronet Hill Tenement, the Company has been reviewing other resource projects in various commodities over the period.

During the half year to 31 December 2007 the search for other resource investments widened, however due to the pricing of assets and competition the acquisition of such projects has become more difficult.

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.

As the Stock Market and hence resource company shares have deteriorated in the last couple of months, the Board is seeing more attractively priced assets for potential purchase, hence the opportunities are looking more positive.

I look forward to advising the Shareholders of the new project in the near future.

David Christian Steinepreis  
**Non-Executive Chairman**

For further information contact:

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**UNAUDITED CONSOLIDATED INCOME STATEMENT  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2007**

	Six months ended 31 December 2007 (Unaudited)	Period ended 30 June 2007 (Audited)	Six months ended 31 December 2006 (Unaudited)
Note	£	£	£
Administrative expenses	(148,698)	(259,982)	(25,008)
<b>Group operating loss</b>	<b>(148,698)</b>	<b>(259,982)</b>	<b>(25,008)</b>

Interest payable	-	(34)	-
Interest receivable	6,461	8,062	758
<b>Loss before taxation</b>	<b>(142,237)</b>	<b>(251,954)</b>	<b>(24,250)</b>
Taxation	-	-	-
<b>Loss for the period</b>	<b>(142,237)</b>	<b>(251,954)</b>	<b>(24,250)</b>
<b>Attributable to:</b>			
Equity holders of the Company	(142,237)	(251,954)	(24,250)
	<b>(142,237)</b>	<b>(251,954)</b>	<b>(24,250)</b>
<b>Loss per share (pence)</b>			
Basic	2 (0.21)p	(0.64)p	(0.22)p
Diluted	2 (0.21)p	(0.64)p	(0.22)p

**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2007**

**Attributable to equity holders**

	Share capital £	Share premium £	Option premium £	Retained losses £	Total equity £
<b>At 1 July 2006</b>	-	-	-	-	-
Issue of share capital	68,000	686,000	-	-	<b>754,000</b>
Share issue costs	-	(202,871)	-	-	<b>(202,871)</b>
Loss for the six months ended 31 December 2006	-	-	-	(24,250)	<b>(24,250)</b>
<b>At 31 December 2006</b>	<b>68,000</b>	<b>483,129</b>	-	<b>(24,250)</b>	<b>526,879</b>

**Attributable to equity holders**

	Share capital £	Share premium £	Option premium £	Retained losses £	Total equity £
<b>At 1 July 2006</b>	-	-	-	-	-
<b>Issue of share capital</b>	68,000	686,000	-	-	754,000
Share issue costs	-	(204,762)	-	-	(204,762)
Share option charge	-	-	154,775	-	154,775
<b>Loss for the period ended</b>	-	-	-	(251,954)	<b>(251,954)</b>

30 June 2007

At 30 June 2007	68,000	481,238	154,775	(251,954)	452,059
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Attributable to equity holders

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

#### UNAUDITED CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2007

Notes	31 December 2007 (Unaudited) £	30 June 2007 (Audited) £	31 December 2006 (Unaudited) £
<b>ASSETS</b>			
<b>Non-current assets</b>			
Exploration costs	100,000	100,000	100,000
	100,000	100,000	100,000
<b>Current assets</b>			
Receivables	1,759	-	-
Cash and cash equivalents	240,589	387,797	738,378
	242,348	387,797	738,378
<b>Total assets</b>	<b>342,348</b>	<b>487,797</b>	<b>838,378</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	(32,526)	(35,738)	(311,499)
	(32,526)	(35,738)	(311,499)
<b>Total liabilities</b>	<b>(32,526)</b>	<b>(35,738)</b>	<b>(311,499)</b>
<b>Net (liabilities)/assets</b>	<b>309,822</b>	<b>452,059</b>	<b>526,879</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	483,129
Option premium reserve	154,775	154,775	-
Retained losses	(394,191)	(251,954)	(24,250)
<b>Total equity and reserves</b>	<b>309,822</b>	<b>452,059</b>	<b>526,879</b>

#### UNAUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE SIX MONTHS ENDED 31 DECEMBER 2007

Note	Six months ended 31 December 2007 (Unaudited) £	Period ended 30 June 2007 (Audited) £	Six months ended 31 December 2006 (Unaudited) £
<b>Net cash (outflow) / inflow from operating activities</b>	<b>(153,669)</b>	<b>(69,469)</b>	<b>1,076</b>
<b>Returns on investments and servicing of finance</b>			
Interest payable	-	(34)	-
Interest received	6,461	8,062	758
<b>Net cash inflow from returns on investment and servicing of finance</b>	<b>6,461</b>	<b>8,028</b>	<b>758</b>
<b>Cash flows from investing</b>			
Capitalised costs – Farm-in costs Coronet Hill	-	(100,000)	-
<b>Net cash outflow from investing</b>	<b>-</b>	<b>(100,000)</b>	<b>-</b>
<b>Cash flows from financing</b>			
Proceeds from issue of shares	-	754,000	754,000
Cost of the issue of shares	-	(204,762)	(17,456)
<b>Net cash inflow from financing</b>	<b>-</b>	<b>549,238</b>	<b>736,544</b>
<b>(Decrease) / increase in cash and cash equivalents</b>	<b>(147,208)</b>	<b>387,797</b>	<b>738,378</b>
Cash and cash equivalents at beginning of the period	387,797	-	-
<b>Cash and cash equivalents at the end of the period</b>	<b>240,589</b>	<b>387,797</b>	<b>738,378</b>

## NOTES TO THE UNAUDITED FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 31 DECEMBER 2007

### 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 2007 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 2007 and those to be used for the year ending 30 June 2008. The financial statements for the year ended 30 June 2007 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 £142,237 (30 June 2007: £251,954, 31 December 2006: £24,250) and the weighted average number of ordinary shares in issue of 68,000,000 (30 June 2007: 39,375,343, 31 December 2006: 10,847,828).

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 2007: 39,375,343, 31 December 2006: 10,847,828). 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 year end. Exchange differences resulting from the retranslation of net investments in subsidiary undertakings are treated as movements on reserves.

## 4. Expenditure commitments

Under the terms and conditions of the farm-in agreement, the Company has a commitment to contribute to the cost of exploration expenditure to earn its interest in the project. The Company can however withdraw from the farm-in agreement at any time by giving notice in writing to the farm in partner of its intention to withdraw and upon withdrawal the farm-in agreement shall terminate.

Commitments contracted for at reporting date but not recognised as liabilities and falling within one year of the date of this report are £300,000.

## 5. 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

## 6. Segment reporting

A business segment is a distinguishable component of the entity that is engaged in providing products or service 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 particular economic environment and is subject to risks and returns that are different from those of segment 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.

<b>Geographical Segment – Group</b>	<b>United Kingdom</b>	<b>Australia</b>	<b>Total</b>
<b>31 December 2007</b>	<b>£</b>	<b>£</b>	<b>£</b>

Administration expenses	(148,698)	-	(148,698)
Interest receivable	6,461	-	6,461
<b>Loss before taxation</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>

At the end of the period on 31 December 2007, the Group had not commenced commercial production from its exploration sites and therefore had no turnover in the period.

<b>Geographical Segment – Group</b>	<b>United Kingdom</b>	<b>Australia</b>	<b>Total</b>
<b>30 June 2007</b>	<b>£</b>	<b>£</b>	<b>£</b>
Administration expenses	(259,982)	-	(259,982)
Interest payable	(34)	-	(34)
Interest receivable	8,062	-	8,062
<b>Loss before taxation</b>	<b>(251,954)</b>	<b>-</b>	<b>(251,954)</b>
Farm-In costs Coronet Hill	-	100,000	100,000
Cash and cash equivalents	387,797	-	387,797
Accrued expenditure and provisions	(35,738)	-	(35,738)
<b>Net Assets</b>	<b>352,059</b>	<b>100,000</b>	<b>452,059</b>
<b>Geographical Segment – Group</b>	<b>United Kingdom</b>	<b>Australia</b>	<b>Total</b>
<b>31 December 2006</b>	<b>£</b>	<b>£</b>	<b>£</b>
Administration expenses	(25,008)	-	(25,008)
Interest receivable	758	-	758
<b>Loss before taxation</b>	<b>(24,250)</b>	<b>-</b>	<b>(24,250)</b>
Farm-In costs Coronet Hill	-	100,000	100,000
Cash and cash equivalents	738,378	-	738,378
Accrued expenditure and provisions	(311,499)	-	(311,499)
<b>Net Assets</b>	<b>426,879</b>	<b>100,000</b>	<b>526,879</b>

#### 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 2007 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.

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