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North River Resources Plc
30 September 2010

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30 September 2010

North River Resources plc ('North River' or 'the Company')

Interim Results

North River Resources plc, the AIM listed southern African multi-commodity resource company, announces its results for the six month period to 30 June 2010.

Overview

- Agreement over nuclear fuel licences in Namibia with Extract Resources Limited ('Extract') expanding North River's portfolio as a multi-commodity resource development company in Namibia and Southern Africa
- Advancing portfolio of Namibian assets, which have had considerable historical investment
- Defined exploration plan on-going
- Actively evaluating additional projects to build asset portfolio

Chairman's Statement

North River has continued to progress towards becoming a multi-commodity explorer and developer in southern Africa. The evaluation and exploration of assets in Namibia and Mozambique is continuing, while additional exploration ground has been added in Namibia through a JV agreement with Extract. Applications for further ground have been submitted to the relevant Namibian authorities and additional JV agreements are in negotiation with a number of counter parties.

Since acquiring its initial assets, North River has followed a development plan of assessing and developing these assets while seeking to build a portfolio of exploration ground to support future growth. The execution of this plan has resulted in North River having three highly prospective exploration projects either underway or starting (being Namib lead-zinc underground mine, Ubib and the project areas that are the subject of the agreement over nuclear fuels licences with Extract) and a very exciting twelve months of exploration work ahead of it.

Rehabilitation work is continuing at the historically producing Namib lead-zinc underground mine, where the Company intends to explore for additional polymetallic (lead, zinc, silver, indium) resources. The underground workings have been made safe and a full survey of the workings is well advanced. The survey is now at the point where probe drilling can be planned with the aim of testing resources immediately below the base of the existing workings.

At Ubib, the Company has completed a full data review and has generated a number of exploration targets. Exploration activities currently are underway to test these targets. Mapping, rock chip and soil sampling is underway and initial results have been highly encouraging, with 45 out of 163 rock chip samples at Tsabichas returning in excess of 1g/t Au with the best result being 48.9 g/t Au and the next best result being 18.9 g/t Au. The board of North River ('the Board') believes these results suggest the possibility of a sheeted vein gold system similar to the nearby Navachab mine.

The Ubib tenement extends to within 30km of Rio Tinto's Rossing Mine and Extract's Rossing South uranium projects and is considered to be prospective for uranium. In view of this, an application for an amendment to the existing licence to include nuclear fuels was lodged some time ago. This now forms part of the agreement with Extract, as detailed below and in the announcement of 21 September 2010.

Nuclear Fuels in Namibia

As announced on 21 September 2010 (the "Announcement"), under the agreement with Extract, subject to the satisfaction of certain conditions, a subsidiary of the Company, NRR Energy Minerals Limited ("NRR Energy"), will subscribe US$800,000 (the "Subscription Funds") so that each of Extract and NRR Energy will hold a 50% interest in Extract Resources (Namibia) (Proprietary) Limited ("Extract Namibia"). The principal assets of Extract Namibia are EPL 3327 and EPL 3328, pursuant to which Extract Namibia has the rights to explore for nuclear fuel minerals. Located west and north respectively of the historic tin mining centre of Uis in western Namibia, previous exploration activity, undertaken by Extract, has shown that these licences have the potential to host secondary uranium deposits associated with palaeodrainages of the Orawab and Ugab ephemeral river systems. The Subscription Funds will be used by Extract Namibia to expedite further uranium exploration of these licences.

The agreement also allows for the formation of a 50/50 unincorporated joint venture between the Company's subsidiary, West Africa Gold Exploration (Proprietary) Limited ("WAGE"), and Extract in relation to the nuclear fuel rights (if granted) in respect of EPL 3139. WAGE is the sole legal holder of EPL 3139 in Namibia and applied for the rights to explore for nuclear fuel minerals in respect of this licence on 27 March 2006. The nuclear fuel rights for EPL 3139 have yet to be granted. Subject to the terms of the agreement the Company and Extract have agreed that if WAGE is granted the nuclear fuel rights for EPL 3139, and subject to obtaining any necessary approvals and consents required for the transaction under the Namibian Minerals Act, WAGE and Extract will form an unincorporated 50/50 Joint Venture in respect of these nuclear fuel rights ("Joint Venture"). Once the Joint Venture is formed, WAGE is obligated to fund the first US$500,000 exploration of nuclear fuel rights in relation to EPL 3139 activities. EPL 3139 is located within 30km of Extract's Husab Uranium Project.

The agreement further stipulates that myself and Mr Luke Bryan, Chief Operations Officer of North River, will be appointed directors of Extract Namibia, joining Martin Spivey and Inge Zaamwani-Kamwi from Extract, who already sit on the board of Extract Namibia. It is intended that following the necessary approvals, Extract Namibia will be re-named Brandberg Energy (Proprietary) Limited.

NRR Energy will be the manager of Extract Namibia and, if formed, the Joint Venture will conduct exploration for nuclear fuel minerals activities in accordance with programmes and budgets as approved by representatives of the shareholders of Extract Namibia.

In the event of a discovery on either EPL 3327 or EPL 3328, Extract has the right to increase its holding in Extract Namibia to 65% by acquiring shares from NRR Energy at a 10% discount to the then prevailing market value. In addition, in the event of a discovery on EPL 3139, Extract has the right to increase its holding in the Joint Venture to 65% at a 10% discount to the then prevailing market value. The prevailing market value of Extract Namibia and of the Joint Venture is to be determined by an independent expert applying the valuation methods and procedures established by the Australasian Institute of Mining and Metallurgy.

The subscription by NRR Energy for shares in Extract Namibia is subject, *inter alia*, to the satisfaction of certain matters identified in the Announcement. The agreement also contains certain terms, clauses, agreements, representations and warranties from all parties that are normal for a transaction of this nature.

The Board is very excited about the opportunity presented by this transaction and believes it will enhance the Company's profile in Namibia and will, over the medium term, create value for North River's shareholders.

Mozambique

The Company is continuing its work in Mozambique through the assessment of data generated from the Mavuzi multi-commodity project which includes a previously producing uranium mine, amongst other licences. The Company is currently considering a farm-in approach on one of its licences.

Financial Results

The Company has invested considerably in the advancement of its key Namibian assets since acquisition with a view to achieving production and generating revenue in the medium term. As a result, the Company is reporting a pre-tax loss for the period of £2,126,896 (six month period to 31 December 2009: £2,309,963, twelve month period to 30 June 2009: £299,220).

Cash balances at the period end remained healthy at £4,750,144(six month period to 31 December 2009: £6,557,020, twelve month period to 30 June 2009: £35,078) following the placing of 233,333,333 new ordinary shares of 0.2 pence each in the Company in October 2009.

The placing also enabled the Company to welcome new institutions to its shareholder base, whilst maintaining strong relationships with its existing shareholders.

On 23 February 2010 the Company changed its accounting reference date from 30 June to 31 December.

Outlook

I am confident that North River now has the foundation in place to grow the Company via its exploration efforts and to build on its position as an emerging southern African focussed resource exploration and development company. As previously disclosed, the Board will continue actively to evaluate potential acquisitions, but will only enter into transactions that are clearly going to be value enhancing for the Company's shareholders.

North River has been through significant change over the last twelve months and the Board believes that the Company has now created a strong platform for future growth. North River now has new staff and offices in Namibia, the review of all material project data is nearing completion and a significant new landholding has been added through the Extract Namibia nuclear fuels transaction. In addition, the necessarily slow rehabilitation of the Namib Lead Zinc mine has nearly advanced to the point where exploration efforts can resume.

The Company has assessed a great many potential acquisitions over the past six months but, to date, none have made a compelling investment case.

I would like to take this opportunity to thank our shareholders and my fellow board members for their continued support.

David Steinepreis
Managing Director
30 September 2010

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM 1 JANUARY 2010 TO 30 JUNE 2010 (UNAUDITED)

	Note	**Unaudited period from 1 July 09 to 30 June 10**	Unaudited period from 1 July 09 to 31 Dec 09	Audited period from 1 July 08 to 30 June 09
			£	£
CONTINUING OPERATIONS				

	Note			
Revenue		**-**	-	-
Exploration expenditure		**(319,341)**	(79,339)	(27,700)
Administrative expenses before share based payments		**(939,596)**	(505,177)	(267,750)
Share based payments	15	**(859,110)**	(1,727,527)	-
Total administrative expenses		**1,798,706**	(2,232,704)	(267,750)
OPERATING LOSS	4	**(2,118,047)**	(2,312,043)	(295,450)
Interest paid		**(13,397)**	-	(4,783)
Interest received on bank deposits		**4,548**	2,080	1,013
LOSS BEFORE TAX		**(2,126,896)**	(2,309,963)	(299,220)
Taxation		**-**	-	-
LOSS FOR THE PERIOD		**(2,126,896)**	(2,309,963)	(299,220)
OTHER COMPREHENSIVE INCOME:				
Foreign exchange (loss) / gain		**(179,031)**	20,752	-
TOTAL COMPRENSIVE LOSS FOR THE PERIOD		**(2,305,927)**	(2,289,211)	(299,220)
Loss per share				
Basic and diluted - pence per share	5	**(0.36p)**	(1.31p)	(0.88p)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2010 (UNAUDITED)

	Note	**Unaudited as at 30 June 10 £**	Unaudited as at 31 Dec 09 £	Audited as at 30 June 09 £
NON-CURRENT ASSETS				
Goodwill	6	**7,879,688**	7,813,688	-
Intangible assets	7	**214,636**	229,380	-
Property, plant and equipment	8	**187,141**	188,290	-
		8,281,465	8,231,358	-
CURRENT ASSETS				
Trade and other receivables	9	**102,986**	42,103	-
Cash and cash equivalents	10	**4,750,144**	6,557,020	35,078
		4,853,130	6,599,123	35,078
TOTAL ASSETS		**13,134,595**	14,830,481	35,078

	Note			
CURRENT LIABILITIES				
Trade and other payables	11	**249,472**	314,541	82,764
Convertible loan notes	12	**250,000**	500,000	150,000
		499,472	814,541	232,764
NET ASSETS/(LIABILITIES)		**12,635,123**	14,015,940	(197,686)
EQUITY				
Called up share capital	13	**1,192,400**	1,188,000	68,000
Share premium account		**14,198,148**	14,136,548	481,238
Option premium reserve		**2,741,412**	1,882,302	154,775
Translation reserve		**(158,279)**	20,752	-
Retained earnings		**(5,338,558)**	(3,211,662)	(901,699)
TOTAL EQUITY		**12,635,123**	14,015,940	(197,686)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM 1 JANUARY 2010 TO 30 JUNE 2010 (UNAUDITED)

	Issued capital £	Share premium £	Retained earnings £	Option reserve £	Translation reserves £	Total £
PERIOD FROM 1 JANUARY 2010 TO 30 JUNE 2010 (UNAUDITED)						
As at 31 December 2009	**1,188,000**	**14,136,548**	**(3,211,662)**	**1,882,302**	**20,752**	**14,015,940**
Loss for the period	-	-	(2,126,896)	-	-	(2,126,896)
Other comprehensive income:						
Exchange losses	-	-	-	-	(179,031)	(179,031)
Total comprehensive income for the period	-	-	(2,126,896)	-	(179,031)	(2,305,927)
Shares issued	4,400	61,600	-	-	-	66,000
Share issue expenses	-	-	-	-	-	-
Share based payment charge	-	-	-	859,110	-	859,110
As at 30 June 2010	**1,192,400**	**14,198,148**	**(5,338,558)**	**2,741,412**	**(158,279)**	**12,635,123**
PERIOD FROM 1 JULY 2009 TO 31 DECEMBER 2009 (UNAUDITED)						
As at 1 July 2009	**68,000**	**481,238**	**(901,699)**	**154,775**	**-**	**(197,686)**
Loss for the period	-	-	(2,309,963)	-	-	(2,309,963)
Other comprehensive income:						
Exchange gains	-	-	-	-	20,752	20,752
Total comprehensive income for the period	-	-	(2,309,963)	-	20,752	(2,289,211)
Shares issued	1,120,000	14,480,000	-	-	-	15,600,000
Share issue expenses	-	(824,690)	-	-	-	(824,690)

Share based payment charge	-	-	-	1,727,527	-	1,727,527
As at 31 December 2009	**1,188,000**	**14,136,548**	**(3,211,662)**	**1,882,302**	**20,752**	**14,015,940**

PERIOD FROM 1 JULY 2008 TO 30 JUNE 2009 (AUDITED)

As at 1 July 2008	**68,000**	**481,238**	**(602,479)**	**154,775**	**-**	**101,534**
Total comprehensive loss for the year	-	-	(299,220)	-	-	(299,220)
As at 30 June 2009	**68,000**	**481,238**	**(901,699)**	**154,775**	**-**	**(197,686)**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD FROM 1 JANUARY 2010 TO 30 JUNE 2010 (UNAUDITED)

	Note	**Unaudited period from 1 July 09 to 30 June 10**	Unaudited period from 1 July 09 to 31 Dec 09	Audited period from 1 July 08 to 30 June 09
		£	£	£
Cash flows from operating activities				
Operating loss		**(2,118,047)**	(2,312,043)	(295,450)
Adjustments:				
Depreciation charges		**41,364**	17,396	-
Share based payments		**859,110**	1,727,527	-
Foreign exchange		**(2,321)**	-	-
		(1,219,894)	(567,120)	(295,450)
Movement in working capital				
Increase / (decrease) in debtors		**(60,883)**	(42,103)	-
(Decrease) / increase in creditors		**(65,069)**	231,777	57,940
Net movements in working capital		**(125,952)**	189,674	57,940
Net cash outflow from operating activities		**(1,345,846)**	(377,446)	(237,510)
Cash flows from investing activities				
Purchase of intangible fixed assets		**(3,513)**	(184,008)	-
Purchase of property, plant and equipment		**(19,637)**	(64,746)	-
Net cash outflow from investing activities		**(23,150)**	(248,754)	-
Cash flow from financing activities				
Repayments of convertible notes		**(250,000)**	(150,000)	-
Proceeds from issue of convertible notes		**-**	500,000	150,000
Issued shares		**-**	7,600,000	-
Issue expenses		**-**	(824,690)	-
Interest paid		**(13,397)**	-	(118)
Interest received		**4,548**	2,080	1,013

	Note			
Net cash (outflow) / inflow from financing activities		**(258,849)**	7,127,390	150,895
Increase / (decrease) in cash and cash equivalents		**(1,627,845)**	6,501,190	(86,615)
Cash and cash equivalents at beginning of the year	10	**6,557,020**	35,078	121,693
Exchange (loss) / gain on cash		**(179,031)**	20,752	-
Cash and cash equivalents at end of the year	10	**4,750,144**	6,557,020	35,078

Cash and cash equivalents comprise cash on hand and bank balances.

NOTES TO THE FINANCIAL INFORMATION
FOR THE PERIOD FROM 1 JANUARY 2010 TO 30 JUNE 2010 (UNAUDITED)

1. BASIS OF PREPARATION

The condensed consolidated financial statements are prepared in accordance with the International Financial Reporting Standard 34, Interim Financial Reporting.

These interim results for the six months ended 30 June 2010 are unaudited and do not constitute statutory accounts as defined in section 434 of the Companies Act 2006. 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 2009 and those to be used for the financial year ending 31 December 2010. The financial statements for the year ended 30 June 2009 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 498(2) or Section 498(3) of the Companies Act 2006.

2. NEW STANDARDS AND AMENDMENTS

The following amendments to standards are mandatory for the first time for financial periods commencing on or after 1 January 2009:

IAS1 (revised) 'Presentation of financial statements' includes the requirement to present a Statement of Changes in Equity as a primary statement and introduces the possibility of either a single Statement of Comprehensive Income (combining the Income Statement and a Statement of Comprehensive Income) or to retain the Income Statement with a supplementary Statement of Comprehensive Income. The directors have chosen the first option. As this standard is concerned with presentation only it does not have any impact on the results or net assets of the Group.

IFRS8 'Operating segments' replaces IAS 14 'Segment reporting'. It requires a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes. Following a review of the Group's internal management information, the Group maintains that it only has one class of business: the exploration and evaluation of mineral resources and that primary segmental reporting is determined by geography according to the location of assets.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Board of Directors.

3. SEGMENT REPORTING

For the purposes of segmental information, the operations of the Group are focused in Australia, Namibia and Mozambique and comprise one class of business: the exploration and evaluation of mineral resources.

The Company acts as a holding company.

The Group's operating loss for the period arose from its operations in Australia, Namibia and Mozambique. In addition, all the Group's assets are based in Australia, Namibia and Mozambique.

For the purposes of presenting this interim financial information the directors feel that the above abbreviated segmental reporting information is sufficient. Detailed segmental reporting disclosures, in compliance with IFRS 8 'Operating Segments', will be prepared in the Group's next consolidated financial statements, for the period ending 31 December 2010.

4. OPERATING LOSS

The consolidated operating loss before tax is stated after charging:

	Unaudited period from 1 January 10 to 30 June 10	Unaudited period from 1 July 09 to 31 Dec 09	Audited period from 1 July 08 to 30 June 09
	£	£	£
Depreciation - owned assets	**41,364**	17,396	-
Parent auditors' remuneration	**3,000**	8,000	9,500
Parent auditors' remuneration for non-audit corporate finance work	**-**	36,720	-
Subsidiary auditors' remuneration	**12,634**	12,806	-
Share based payments	**859,110**	1,727,528	-

5. EARNINGS PER SHARE

	Loss for the period from continuing operations £	**Weighted average number of shares**	**Loss per share Basic - pence per share**
Six months ended 30 June 2010	**(2,126,896)**	**595,442,623**	**(0.36) pence**
Six months ended 31 December 2009	(2,309,963)	176,554,348	(1.31) pence
Year ended 30 June 2009	(299,220)	34,000,000	(0.88) pence

Options in issue are not considered diluting to the earnings per share as the Group is currently loss making.

6. GOODWILL

In accordance with the Share Purchase Agreement (dated 5 October 2009) entered into with Kalahari Gold Ltd, Kalahari Diamonds Ltd and Kalahari Minerals plc, the Company acquired, on 20 November 2009, the entire issued share capital in, and the shareholder loans to, West Africa Gold Exploration (Namibia) Pty Ltd ("WAGE") and Namib Lead and Zinc Mining (Pty) Ltd ("NAMIB"), formerly Craton Diamonds (Pty) Ltd. The consideration paid by the Company for these two Namibian entities and the shareholder loans was satisfied by the allotment of 266,666,667 ordinary shares of £0.002 ("Ordinary Share") each at 3 pence per Ordinary Share.

Name of company	Country	Holding	Portion held	Nature of business
West Africa Gold Exploration (Namibia) (Pty) Ltd	Namibia	Ordinary shares	100%	Exploration and mining
Namib Lead and Zinc Mining (Pty) Ltd	Namibia	Ordinary shares	100%	Exploration and mining

6. GOODWILL (continued)

The acquisition of the two Namibian entities has been accounted for using acquisition accounting ("the purchase method"). The aggregate assets and liabilities were as follows:

	Book and fair values	
	£	£
Non-Current Assets		
Intangible assets	62,767	
Property, plant and equipment	158,966	221,733
Current Assets		
Trade and other receivables	143,582	
Cash and cash equivalents	138,770	282,352
Current Liabilities		
Trade and other payables		(325,528)
Total Net Current Assets		178,557
Non-Current Liabilities		
Borrowings from shareholder and related parties		(9,789,050)
Net assets acquired		(9,610,493)
Stakeholder loans acquired		9,796,805
Total assets acquired		186,312
Goodwill arising on acquisition		7,813,688
Additional goodwill from acquisition of royalty contracts (note a)		66,000
Total goodwill		7,879,688
Cost of acquiring WAGE and NAMIB		8,000,000
Costs of acquiring royalty contracts (notes a)		66,000
		8,066,000
Satisfied by:		
Shares issued as consideration shares		8,066,000

Note

Following the acquisition of WAGE, on 2 March 2010, the Company issued 2,200,000 Ordinary Shares at 3 pence per Ordinary Share to two individuals in exchange for the royalty contracts of WAGE's future earnings owned by the individuals.

It is the directors' view that whilst the acquisition of the royalty contracts increases the value of WAGE to the Group, no separately identifiable asset has been created, accordingly an increase to goodwill has been recognised.

7. INTANGIBLE ASSETS

	Exploration licenses & options £	Software £	Total £
COST			
At 1 July 2008, 31 December 2008 and 30 June 2009	-	-	-
Acquired with subsidiaries	119,384	21,668	141,052
Additions in the period	169,654	-	169,654
Disposals in the period	-	(469)	(469)
At 31 December 2009 (Unaudited)	**289,038**	**21,199**	**310,237**
Additions in the period	-	3,513	3,513
Effects of movement in foreign exchange	1,246	250	1,496
At 30 June 2010 (Unaudited)	**290,284**	**24,962**	**315,246**
DEPRECIATION			
At 1 July 2008, 31 December 2008 and 30 June 2009	-	-	-
Acquired with subsidiaries	65,253	8,985	74,238
Charge for the period	5,352	1,736	7,088
Disposals in the period	-	(469)	(469)
At 31 December 2009 (Unaudited)	**70,605**	**10,252**	**80,857**
Charge for the period	14,901	3,549	18,450
Effects of movement in foreign exchange	1,108	195	1,303
At 30 June 2010 (Unaudited)	**86,614**	**13,996**	**100,610**
At 30 June 2010 (Unaudited)	**203,670**	**10,966**	**214,636**
At 31 December 2009 (Unaudited)	218,433	10,947	229,380
At 30 June 2009 (Audited)	-	-	-

8. PROPERTY, PLANT AND EQUIPMENT

	Plant & machinery £	Fixtures & fittings £	Motor vehicles £	Total £
COST				
As at 31 December 2008 and 30 June 2009	-	-	-	-
On acquisition of subsidiary	32,835	55,394	184,040	272,269
Additions in period	168	-	28,223	28,391
Disposals in the period	-	(9,348)	-	(9,348)
At 31 December 2009 (Unaudited)	**33,003**	**46,046**	**212,263**	**291,312**
Additions in period	17,473	2,164	-	19,637
Effects of movement in foreign exchange	1,027	534	2,212	3,773
At 30 June 2010 (Unaudited)	**51,503**	**48,744**	**214,475**	**314,722**

DEPRECIATION				
As at 31 December 2008 and 30 June 2009	-	-	-	-
Accumulated depreciation on acquisition of subsidiary	16,617	32,575	55,341	104,533
Charge for the period	1,482	1,932	3,972	7,386
Disposals in the period	-	(8,897)	-	(8,897)
At 31 December 2009 (Unaudited)	**18,099**	**25,610**	**59,313**	**103,022**
Charge for the period	5,079	5,613	12,222	22,914
Effects of movement in foreign exchange	315	407	923	1,645
At 30 June 2010 (Unaudited)	**23,493**	**31,630**	**72,458**	**127,581**
NET BOOK VALUE				
At 30 June 2010 (Unaudited)	**28,010**	**17,114**	**142,017**	**187,141**
At 31 December 2009 (Unaudited)	14,904	20,436	152,950	188,290
At 30 June 2009 (Audited)	-	-	-	-

9. TRADE AND OTHER RECEIVABLES

	Unaudited at 30 June 10 £	Unaudited at 31 Dec 09 £	Audited at 30 June 09 £
Prepayments	**11,020**	14,847	-
Accounts receivable	**91,966**	27,256	-
	102,986	42,103	**-**

10. CASH AND CASH EQUIVALENTS

	Unaudited at 30 June 10 £	Unaudited at 31 Dec 09 £	Audited at 30 June 09 £
Cash at bank and in hand	**4,750,144**	6,557,020	35,078

11. TRADE AND OTHER PAYABLES

	Unaudited at 30 June 10 £	Unaudited at 31 Dec 09 £	Audited at 30 June 09 £
Trade payables	**197,353**	252,180	-
Other payables	**52,119**	62,361	82,764
	249,472	314,541	82,764

12. CONVERTIBLE LOAN NOTE

	Unaudited at 30 June 10	Unaudited at 31 Dec 09	Audited at 30 June 09
	£	£	£
Convertible loan note	**250,000**	500,000	150,000

The principal terms under which the Convertible Loan Notes were issued are as follows:

- The loan will be repaid in full on the first anniversary of grant, unless converted into Ordinary Shares at the discretion of the lenders either:
  a) On the repayment date at a conversion price of 5 pence per ordinary share
  b) In the event of an equity raising prior to the repayment date at the lower of 5 pence per Ordinary Share or at the share issue price at which the capital raising takes place.
- The Convertible Loan accrues interest at a rate of 8 per cent per annum on the sum drawn down, payable monthly in arrears.

13. ORDINARY SHARES

Authorised:

Number:	Class:	Nominal value:	**Unaudited at 30 June 10 £**	Unaudited at 31 Dec 09 £	Audited at 30 June 09 £
5,000,000,000	Ordinary	0.2p	**10,000,000**	10,000,000	10,000,000

13. ORDINARY SHARES (continued)

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	**Unaudited at 30 June 10 £**	Unaudited at 31 Dec 09 £	Audited at 30 June 09 £
596,200,000	Ordinary	0.2p	**1,192,400**	1,188,000	68,000

(31 December 2009: 594,000,000 shares of 0.2p, 30 June 2009: 68,000,000 shares of 0.1p)

In the period from 1 January 2010 to 30 June 2010 the following share issues occurred:

Following the acquisition of West Africa Gold Exploration (Namibia) Pty Ltd, on 2 March 2010 the Company issued 2,200,000 Ordinary Shares at £0.03 each to two individuals in exchange for the royalty contracts of WAGE's future earnings owned by the individuals. Following this issue the number of Ordinary Shares in issue and fully paid was increased from 594,000,000 to 596,200,000.

In the period from 1 July 2009 to 31 December 2009 the following share issues occurred:

On 26 August 2009, the Company consolidated its issued and fully paid share capital on the basis of one new ordinary share of £0.002 each for every two existing ordinary shares of £0.001 each and the directors were authorised to allot shares with a nominal value of £9,932,000 on a non pre-emptive basis.

On 24 September 2009, the number of Ordinary Shares issued and fully paid was increased from 34,000,000 Ordinary Shares to 84,000,000 Ordinary Shares by way of a placing and issue of shares under the Mozambique Licences Placing Agreement.

On 9 October 2009, the number of Ordinary Shares issued and fully paid was increased from 84,000,000 Ordinary Shares to 94,000,000 Ordinary Shares following conversion of the Convertible Loan Notes.

In accordance with the Share Purchase Agreement (dated 5 October 2009) entered into with Kalahari Gold Ltd, Kalahari Diamonds Ltd and Kalahari Minerals plc, the Company acquired, on 20 November 2009, the entire issued share capital in, and the shareholder loans to, WAGE and NAMIB, formerly Craton Diamonds (Pty) Ltd. The consideration paid by the Company for these two Namibian entities was satisfied by the allotment of 266,666,667Oordinar Shares. Following this allotment, the number of Ordinary Shares issued and fully paid up was increased from 94,000,000 to 360,666,667.

Under the Share Purchase Agreement referred to above, the Company also, on 20 November 2009, raised £7m through the issue of 233,333,333 Ordinary Shares. Following this issue, the number of Ordinary Shares issued and fully paid up was increased from 360,666,667 to 594,000,000.

14. BUSINESS COMBINATIONS

The condensed consolidated interim financial information includes the following group companies:

Company	**Country of Incorporation**	**Holding**
West Africa Gold Exploration (Namibia) (Pty) Ltd	Namibia	100%
Namib Lead and Zinc Mining (Pty) Ltd	Namibia	100%
North River Resources Pty Ltd	Australia	100%
North River Resources Ltd *	Isle of Man	100%
North River Minerals Ltd *	Isle of Man	100%

* Incorporated in the period to 31 December 2009, but were dormant as at 31 December 2009 and 30 June 2010.

15. SHARE BASED PAYMENTS

Included within administration expenses is a charge for issuing share options.

In the period from 1 January 2010 to 30 June 2010 the following share option issues occurred:

On 3 February 2010 the Company granted 18,900,000 stock options (as set out below) with a fair value estimated using the Black-Scholes option pricing model of £1,131,165. The cost of issuing share options recognised during the current period is £754,110. The balance of unamortised share options issuing cost of £377,055 will be amortised over the period to 30 June 2011.

On 3 February 2010 the Company issued 18,900,000 options which are granted as follows:

- 4,725,000 options at an exercise price of 7.5 pence per share which may be exercised from grant until 1 February 2013;
- 4,725,000 options at an exercise price of 7.5 pence per share which may be exercised at any time from 1 February 2011 until 1 February 2013;
- 4,725,000 options at an exercise price of 10 pence per share which may be exercised at any time from grant until 1 February 2015; and
- 4,725,000 options at an exercise price of 10 pence per share which may be exercised at any time from 1 February 2011 until 1 February 2015.

In the period from 1 July 2009 to 31 December 2009 the following share option issues occurred:

In the period from 1 July 2009 to 31 December 2009 the Company granted 96,000,000 stock options (as set out below) with a fair value estimated using the Black-Scholes option-pricing model of £ 1,955,000. The cost of issuing share options recognised during the current period is £105,000 (six months to 31 December 2009: £1,727,527). The balance of unamortised share options issuing cost of £122,473 will be amortised over the period to 31 December 2011.

Pursuant to an option agreement dated 24 September 2009, the Company issued 61,000,000 options at an exercise price of 5 pence per share which must be exercised by 30 June 2014.

Also on 24 September 2009, the Company issued 10,000,000 options at an exercise price of 10 pence per share which must be exercised by 30 June 2014.

On 12 October 2009 the Company issued 10,000,000 options at an exercise price of 10 pence per share which must be exercised by 30 June 2014.

On 23 November 2009 the Company issued 15,000,000 options at an exercise price of 5 pence per share which must be exercised by 23 November 2014.

16. POST BALANCE SHEET EVENTS

Subsequent to 30 June 2010 the Company repaid the balance outstanding on the Convertible Loan Note amounting to £250,000.

On 20 September 2010 the Company, via a newly incorporated subsidiary NRR Energy Minerals Limited, entered into a contract with Extract Resources Ltd for the purposes of exploring for nuclear fuel in Namibia. Further details of the agreement have been set out in the Managing Director's statement.

17. STATEMENT OF DIRECTORS' RESPONSIBILITES

The directors confirm that this condensed set of consolidated interim financial statements has been prepared in accordance with IAS 34 as adopted by the European Union.

The directors are also responsible for the maintenance and integrity of the Company website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Board

David Steinepreis
Managing Director
Dated 30 September 2010

*** * ENDS * ***

END