

30 September 2015

North River Resources plc
(‘North River’ or ‘the Company’)
Interim Results for the six months ended 30 June 2015

North River Resources plc, the AIM quoted resource company focussed on the Namib Lead-Zinc Project (‘Namib Project’) in Namibia, is pleased to provide its unaudited interim results for the six months ended 30 June 2015.

Highlights:

- **Significant progress made in developing Namib into an economically robust and operationally efficient mining operation**
- **Strengthened Board through appointments of James Beams to Chief Executive Officer, and Keith Marshall and Ken Sangster as Non-Executive Directors to support the project through its next stage of development**
- **Further metallurgical testwork led to an updated process flow sheet**
- **Ongoing and proactive engagement with the Namibian Ministry of Mines, including a Ministerial visit to mine site, in line with goal to receive Mining Licence**
- **Phase One Fundraising launched – focused on providing all shareholders with an opportunity to participate**

CEO’s Statement

North River is focused on developing its flagship Namib Lead Zinc Project in Namibia into an economically robust and operationally efficient mining operation. Our activities during the period have been undertaken with this vision firmly in mind. To this end, we have undertaken supplementary metallurgical studies, overseen by new, highly qualified members of the Board who were appointed in January 2015; engaged regularly and proactively with Namibia’s Ministry of Mines to progress our Mining Licence application; and focused on delivering a financing plan to enable us to take the project forward to a point of making an investment decision.

The Namib Project entails re-opening a previously producing mine and construction of a new plant to process 250,000 tonnes of ore per annum over an initial 3.5 year mine life and we are confident that this can be extended considerably by increasing the resource through drilling. The Namib Project currently has reserves of 585,000 tonnes @ 6.2% zinc, 2.9% lead and 46 g/t silver and total underground resources of 1,250,000 tonnes @ 6.5% zinc, 2.5% lead and 43.7 g/t silver. Located 20km inland from Swakopmund in Namibia, the project is very well situated, with excellent surrounding infrastructure. Namibia has a well established mining industry and good access to local mining suppliers and support services.

I joined North River in January 2015, shortly after the publication of the Definitive Feasibility Study (‘DFS’). At the same time, North River welcomed Keith Marshall, a mining engineer who has previously held senior mine leadership roles with Rio Tinto PLC, and Ken Sangster, a metallurgist with 49 years’ experience in the mining industry, as Non-Executive Directors. These senior appointments were designed to support the next phase of development at Namib and we have benefited greatly from their expertise during our work in the period to refine both the mine plan and the process flow sheet.

The Board identified where additional technical evaluation work was required to define a mine plan and processing plant design to a level of confidence to support a project investment decision. Supplementary metallurgical testwork was undertaken which identified the optimised grind size and new reagent regime, and from this a robust processing methodology was developed which can operate with consistent results with a wide range of mineral composition. This significantly strengthens the bankability of the Namib Project.

With this process now complete, we are now positioned to undertake initial Front End Engineering & Design ('FEED'). While these additional activities will lead to a stronger and more robust project they have, together with the fact that the Mining Licence has not yet been received, led to a revised development timeframe for the Namib Project.

In light of the revised development timeframe, the Independent Directors concluded that a number of project milestones required under the July 2014 Investment Agreement with Greenstone Resources L.P. ('Greenstone') were no longer achievable before the long-stop date in that agreement of 4 October 2015. As a result, the Company and Greenstone agreed in July 2015 to terminate the July 2014 Investment Agreement. Greenstone remains a committed shareholder and supportive of the Company's revised plans for the Namib Project.

The Company estimates that a total of US\$25 - US\$30 million in funding will be required to bring the Namib Project into production. In August, we announced an initial near term financing plan to raise US\$4 million ('Phase One Fundraising') to progress the Namib Project to a construction decision. The Phase One Financing consists of US\$1.2 million of Convertible Loan Notes issued to Greenstone followed, on 15 September 2015, by the launch of an Open Offer and Placing for the remaining US\$2.8 million. This was fully underwritten by Greenstone, subject to certain conditions. This structure provides all our valued shareholders with an opportunity to participate in the future of our Company's development, and we look forward to providing shareholders with an update when this process is complete.

The Phase One Fundraising will enable us to undertake the FEED; early development of the Namib Project's North decline; sourcing of plant and equipment; on-going underground development programme required to establish access for the next phase of resource expansion drilling; and early stage recruitment of technical and operational staff. We acquired the first loader in the period after bringing the underground development activities in-house and are now focusing on mining development productivity.

Full construction financing ('Phase Two Fundraising') will follow the receipt of the Mining Licence and completion of the FEED, with its related updated cost estimates for the Namib Project.

Our commitment to bringing the Namib Project into production is clear. During the period we hosted a site visit for the Minister of Mines and Energy in Namibia, the Honorable Obeth Kandjoze, the Governor of the Erongo Region, the Honorable Cleophas Mutjavikua and a large delegation from the Mining Ministry. The visit included very constructive discussions on the development plans for the Namib Project.

Financial Review:

North River is reporting a loss before taxation of £1,377,787 (30 June 2014: loss of £1,726,901). The Company's cash position at the end of the period was £602,093 (30 June 2014: £528,796).

Outlook:

I would like to thank our shareholders for their support and patience during what has been a period of adjustment for North River. The Company's goal of bringing the Namib Project into production in the most economically and operationally efficient way possible has been further facilitated by our work during the period. The coming months will see us secure the remaining US\$2.8 million of the Phase One Fundraising to support the next steps towards taking the project into construction.

I would like to reiterate that shareholder engagement is important to us, and I look forward to holding our next Investor Call on Thursday 3 November 2015.

James Beams
Chief Executive Officer
30 September 2015

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**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM 1 JANUARY 2015 TO 30 JUNE 2015**

	Note	Unaudited Period from 1 January to 30 June 2015 £	Unaudited Period from 1 January to 30 June 2014 £	Audited Year to 31 December 2014 £
CONTINUING OPERATIONS				
Other operating income		-	-	189
Exploration and evaluation expenditure		(692,150)	(1,128,187)	(2,178,666)
Administrative expenses		(688,554)	(601,164)	(1,147,659)
OPERATING LOSS		(1,380,704)	(1,729,351)	(3,326,136)
Interest payable on short term borrowings		(134)	(14)	(267)
Interest receivable on bank deposits		3,051	2,464	5,926
LOSS BEFORE TAX		(1,377,787)	(1,726,901)	(3,320,477)
Taxation		-	-	-
LOSS FOR THE PERIOD		(1,377,787)	(1,726,901)	(3,320,477)
OTHER COMPREHENSIVE INCOME:				
Exchange differences on translating foreign operations		(8,958)	(6,475)	(43,570)

TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(1,386,745)	(1,733,376)	(3,364,047)
Loss per share				
Basic and diluted – pence per share	3	(0.07p)	(0.13p)	(0.22p)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015**

	Note	Unaudited 30 June 2015 £	Unaudited 30 June 2014 £	Audited 31 Dec 2014 £
NON-CURRENT ASSETS				
Goodwill	4	7,738,986	7,738,986	7,738,986
Intangible assets	5	62,072	68,377	64,938
Property, plant and equipment	6	198,872	98,844	143,857
Investment in associated company	7	113,182	113,182	113,182
		8,113,112	8,019,389	8,060,963
CURRENT ASSETS				
Trade and other receivables		286,779	581,072	444,817
Cash and cash equivalents		602,093	528,796	1,904,860
		888,872	1,109,868	2,349,677
TOTAL ASSETS		9,001,984	9,129,257	10,410,640
CURRENT LIABILITIES				
Trade and other payables		305,044	1,064,988	326,955
TOTAL LIABILITIES		305,044	1,064,988	326,955
NET ASSETS		8,696,940	8,064,269	10,083,685
EQUITY				
Share capital	8	3,831,750	2,702,034	3,831,750
Share premium	8	21,258,590	18,738,219	21,258,590
Share-based payments reserve		-	466,645	115,645
Translation reserve		(155,461)	(109,408)	(146,503)
Retained losses		(16,237,939)	(13,733,221)	(14,975,797)
TOTAL EQUITY		8,696,940	8,064,269	10,083,685

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM 1 JANUARY 2015 TO 30 JUNE 2015**

	Share capital £	Share premium £	Retained losses £	Share-based payment reserve £	Translation reserve £	Total equity £
PERIOD FROM 1 JANUARY 2015 TO 30 JUNE 2015 (UNAUDITED)						
At 1 January 2015	3,831,750	21,258,590	(14,975,797)	115,645	(146,503)	10,083,685
Loss for the period	-	-	(1,377,787)	-	-	(1,377,787)
Other comprehensive income						
Currency translation losses	-	-	-	-	(8,958)	(8,958)
Total comprehensive loss	-	-	(1,377,787)	-	(8,958)	(1,386,745)
Shares issued	-	-	-	-	-	-
Share issue expenses	-	-	-	-	-	-
Transfer of expired share options	-	-	115,645	(115,645)	-	-
At 30 June 2015	<u>3,831,750</u>	<u>21,258,590</u>	<u>(16,237,939)</u>	<u>-</u>	<u>(155,461)</u>	<u>8,696,940</u>

PERIOD FROM 1 JANUARY 2014 TO 30 JUNE 2014 (UNAUDITED)

At 1 January 2014	2,240,495	17,875,349	(15,984,120)	4,444,445	(102,933)	8,473,236
Loss for the period	-	-	(1,726,901)	-	-	(1,726,901)
Other comprehensive income						
Currency translation losses	-	-	-	-	(6,475)	(6,475)
Total comprehensive loss	-	-	(1,726,901)	-	(6,475)	(1,733,376)
Shares issued	461,539	938,461	-	-	-	1,400,000
Share issue expenses	-	(75,591)	-	-	-	(75,591)
Transfer of expired share options	-	-	3,977,800	(3,977,800)	-	-
At 30 June 2014	<u>2,702,034</u>	<u>18,738,219</u>	<u>(13,733,221)</u>	<u>466,645</u>	<u>(109,408)</u>	<u>8,064,269</u>

YEAR ENDED 31 DECEMBER 2014 (AUDITED)

At 1 January 2014	2,240,495	17,875,349	(15,984,120)	4,444,445	(102,933)	8,473,236
Loss for the period	-	-	(3,320,477)	-	-	(3,320,477)
Other comprehensive income						
Currency translation losses	-	-	-	-	(43,570)	(43,570)
Total comprehensive loss	-	-	(3,320,477)	-	(43,570)	(3,364,047)
Shares issued	1,591,255	3,458,832	-	-	-	5,050,087
Share issue expenses	-	(75,591)	-	-	-	(75,591)
Transfer of expired share options	-	-	4,328,800	(4,328,800)	-	-
At 31 December 2014	<u>3,831,750</u>	<u>21,258,590</u>	<u>(14,975,797)</u>	<u>115,645</u>	<u>(146,503)</u>	<u>10,083,685</u>

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM 1 JANUARY 2015 TO 30 JUNE 2015**

	Unaudited Period from 1 January 2015 to 30 June 2015 £	Unaudited Period from 1 January 2014 to 30 June 2014 £	Audited Year to 31 December 2014 £
Cash flows from operating activities			
Operating loss	(1,380,704)	(1,729,351)	(3,326,136)
Adjustments:			
Depreciation and amortisation charges	<u>34,747</u>	29,084	62,551
	(1,345,957)	(1,700,267)	(3,263,585)
Movements in working capital			
Decrease/(increase) in receivables	158,038	(423,538)	(287,284)
(Decrease)/increase in payables	<u>(21,911)</u>	751,708	13,675
Net movements in working capital	136,127	328,170	273,609
Net cash used in operating activities	<u>(1,209,830)</u>	<u>(1,372,097)</u>	<u>(3,537,194)</u>
Investing activities			
Purchase of intangible assets	-	(1,899)	-
Purchase of plant and equipment	<u>(94,427)</u>	-	(77,462)
Net cash used in investing activities	<u>(94,427)</u>	<u>(1,899)</u>	<u>(77,462)</u>
Financing activities			
Issued shares	-	1,400,000	5,050,087
Issue expenses	-	(75,591)	(75,591)
Interest paid	(134)	(14)	(267)
Interest received	<u>3,051</u>	2,464	5,926
Net cash from financing activities	<u>2,917</u>	<u>1,326,859</u>	<u>4,980,155</u>
(Decrease) / increase in cash and cash equivalents	(1,301,340)	(47,137)	1,365,499
Cash and cash equivalents at beginning of year	1,904,860	577,551	577,551
Exchange differences	<u>(1,427)</u>	<u>(1,618)</u>	<u>(38,190)</u>
Cash and cash equivalents at end of period	<u>602,093</u>	<u>528,796</u>	<u>1,904,860</u>

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

**NOTES TO THE UNAUDITED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED 30 JUNE 2015**

1. BASIS OF PREPARATION

These half year accounts are prepared in accordance with the historical cost convention and in accordance with the International Financial Reporting Standards ("IFRS"), as adopted by the European Union, including IFRS 6 'Exploration for and Evaluation of Mineral Resources' and IAS 34 "Interim Financial Reporting".

These half year accounts for the six months ended 30 June 2015 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 31 December 2014 and expected to be adopted in the financial year ending 31 December 2015.

The half year accounts include unaudited comparative figures for the half year ended 30 June 2014 and comparatives for the year ended 31 December 2014 that have been extracted from the audited financial statements for that year.

The financial statements for the year ended 31 December 2014 have been delivered to the Registrar of Companies and the auditor's 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. The auditors' report included an 'emphasis of matter' in connection with the Group's going concern and licence renewal position.

No new IFRS standards, amendments or interpretations became effective in the six months to the 30 June 2015 which had a material effect on this consolidated interim financial information.

The Group's financial risk management objectives and policies are consistent with those disclosed in the 2014 annual report.

Going concern

The Directors believe that the Group will be able to raise as required, sufficient cash to enable it to continue its operations, and continue to meet, as and when they fall due, its planned and committed exploration and development activities (see note 12) and liabilities for at least the next twelve months from the date of approval of these condensed half year accounts. For this reason the Directors continue to adopt the going concern basis in preparing the accounts.

Applications for the Namib Lead Mining Licence and the renewal of several exploration EPLs in the Licence Areas have been made and are awaiting confirmation. If the Mining Licence is not received or the EPLs are not renewed then the Directors would have to reconsider the position of the Group and the resulting ability to continue operations as planned. The Directors believe that all outstanding licence confirmations will be received within the normal time duration for these applications.

2. SEGMENT REPORTING

For the purposes of segmental information, the operations of the Group are focussed in the United Kingdom, 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 the United Kingdom, Namibia and Mozambique. In addition, all of the Group's assets are based in the United Kingdom, Namibia and Mozambique.

Geographical Segment – Group Six months ended 30 June 2015 (UNAUDITED)

	United Kingdom	Namibia	Mozambique	Total
	£	£	£	£
Exploration & evaluation expenditure	-	(692,150)	-	(692,150)
Administration expenses	(615,429)	(73,125)	-	(688,544)
Interest paid	-	(134)	-	(134)
Interest received	650	2,401	-	3,051
Loss before taxation	(614,779)	(763,008)	-	(1,377,787)

Trade and other receivables	203,715	57,950	25,114	286,779
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Cash and cash equivalents	563,613	26,199	12,281	602,093
Accrued expenditure and provisions	(195,449)	(109,595)	-	(305,044)
Goodwill	-	7,738,986	-	7,738,986
Investment in associate company	-	-	113,182	113,182
Intangible assets	5,577	-	56,495	62,072
Plant and equipment	975	197,897	-	198,872
Net assets	578,431	7,911,437	207,072	8,696,940

At the end of June 2015, the Group had not yet commenced commercial production from its exploration sites and therefore had no turnover for the period.

Geographical Segment – Group Six months ended 30 June 2014 (UNAUDITED)

	United Kingdom	Namibia	Mozambique	Total
	£	£	£	£
Exploration & evaluation expenditure	-	(1,128,187)	-	(1,128,187)
Administration expenses	(486,771)	(114,393)	-	(601,164)
Interest paid	-	(14)	-	(14)
Interest received	963	1,501	-	2,464
Loss before taxation	(485,808)	(1,241,093)	-	(1,726,901)
Trade and other receivables	259,705	296,253	25,114	581,072
Cash and cash equivalents	265,261	251,254	12,281	528,796
Accrued expenditure and provisions	(593,219)	(471,769)	-	(1,064,988)
Goodwill	-	7,738,986	-	7,738,986
Investment in associate company	-	-	113,182	113,182
Intangible assets	9,933	1,949	56,495	68,377
Plant and equipment	5,140	93,704	-	98,844
Net assets	(53,180)	7,910,377	207,072	8,064,269

Geographical Segment – Group Year ended 31 December 2014 (Audited)

	United Kingdom	Namibia	Mozambique	Total
	£	£	£	£
Other income	-	189	-	189
Exploration & evaluation expenditure	-	(2,178,666)	-	(2,178,666)
Administration expenses	(940,861)	(206,798)	-	(1,147,659)
Interest paid	-	(267)	-	(267)
Interest received	1,623	4,303	-	5,926
Loss before taxation	(939,238)	(2,381,239)	-	(3,320,477)
Trade and other receivables	217,988	201,715	25,114	444,817
Cash and cash equivalents	1,762,632	129,947	12,281	1,904,860
Accrued expenditure and provisions	(220,409)	(106,546)	-	(326,955)
Goodwill	-	7,738,986	-	7,738,986
Investment in associate company	-	-	113,182	113,182
Intangible assets	7,755	688	56,495	64,938
Plant and equipment	2,755	141,102	-	143,857
Net assets	1,770,721	8,105,892	207,072	10,083,685

3. LOSS 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 2015 (Unaudited)	<u>(1,377,787)</u>	<u>1,915,875,310</u>	<u>(0.07) pence</u>
Six months ended 30 June 2014 (Unaudited)	<u>(1,726,901)</u>	<u>1,302,298,915</u>	<u>(0.13) pence</u>
Year ended 31 December 2014 (Audited)	<u>(3,320,477)</u>	<u>1,499,075,167</u>	<u>(0.22) pence</u>

The diluted loss per share has been calculated using a weighted average number of shares in issue and to be issued and has been kept the same as the conversion of share options decreases the basic loss per share, thus being anti-dilutive.

4. GOODWILL

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 Lead”). 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 each (“Ordinary shares”) at a price of 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
		Unaudited At 30 June 2015 £	Unaudited At 30 June 2014 £	Audited At 30 Dec 2014 £
Goodwill		<u>7,738,986</u>	<u>7,738,986</u>	<u>7,738,986</u>

Goodwill impairment review

The Directors are of the opinion that the Goodwill acquired in respect of WAGE and Namib Lead in November 2009 represents the value of the licence areas held by WAGE and Namib Lead at 30 June 2015. However, this goodwill has been written down by £92,782 in prior years being the value of the Ubib Exclusive Prospecting Licences (EPL) 3139 which, was relinquished in April 2013.

5. INTANGIBLE ASSETS

	Exploration licences £	Software £	Total £
COST			
At 31 December 2013 (Audited)	137,605	38,021	175,626
Effects of foreign exchange	(3,109)	(861)	(3,970)
At 30 June 2014 (Unaudited)	134,496	37,160	171,656
Effects of foreign exchange	(32)	(9)	(41)
At 31 December 2014 (Audited)	134,464	37,151	171,615
Effects of foreign exchange	(5,159)	(1,429)	(6,588)
At 30 June 2015 (Unaudited)	129,305	35,722	165,027
AMORTISATION			
At 31 December 2013 (Audited)	81,110	22,094	103,204
Charge for the period	-	3,916	3,916
Effects of foreign exchange	(3,109)	(732)	(3,841)
At 30 June 2014 (Unaudited)	78,001	25,278	103,279
Charge for the period	-	3,450	3,450
Effects of foreign exchange	(32)	(20)	(52)
At 31 December 2014 (Audited)	77,969	28,708	106,677
Charge for the period	-	2,861	2,861
Effects of foreign exchange	(5,159)	(1,424)	(6,583)
At 30 June 2015 (Unaudited)	72,810	30,145	102,955
NET BOOK VALUE			
At 30 June 2015 (Unaudited)	56,495	5,577	62,072
At 30 June 2014 (Unaudited)	56,495	11,882	68,377
At 31 December 2014 (Audited)	56,495	8,443	64,938

6. PROPERTY, PLANT AND EQUIPMENT

	Plant & machinery £	Fixtures & fittings £	Motor vehicles £	Total £
COST				
At 31 December 2013 (Audited)	94,511	36,137	179,681	310,329
Additions in the period	567	1,332	-	1,899
Effects of foreign exchange	(3,624)	(752)	(6,887)	(11,263)
At 30 June 2014 (Unaudited)	91,454	36,717	172,794	300,965
Additions in the period	72,761	2,802	-	75,563
Effects of foreign exchange	(763)	(36)	(70)	(869)
At 31 December 2014 (Audited)	163,452	39,483	172,724	375,659
Additions in the period	89,052	5,375	-	94,427
Effects of foreign exchange	(10,815)	(1,432)	(11,430)	(23,677)
At 30 June 2015 (Unaudited)	241,689	43,426	161,294	446,409
DEPRECIATION				
At 31 December 2013 (Audited)	50,565	24,830	108,093	183,488
Charge for the period	10,528	4,509	10,132	25,169
Effects of foreign exchange	(2,046)	(576)	(3,914)	(6,536)
At 30 June 2014 (Unaudited)	59,047	28,763	114,311	202,121
Charge for the period	14,155	4,567	11,294	30,016
Effects of foreign exchange	(157)	(28)	(150)	(335)
At 31 December 2014 (Audited)	73,045	33,302	125,455	231,802
Charge for the period	19,362	3,113	9,411	31,886
Effects of foreign exchange	(5,997)	(1,286)	(8,868)	(16,151)
At 30 June 2015 (Unaudited)	86,410	35,129	125,998	247,537
NET BOOK VALUE				
At 30 June 2015 (Unaudited)	155,279	8,297	35,296	198,872
At 30 June 2014 (Unaudited)	32,407	7,954	58,483	98,844
At 31 December 2014 (Audited)	90,407	6,181	47,269	143,857

7. INVESTMENT IN ASSOCIATED COMPANY

The following entity meets the definition of an associate and has been equity accounted in the consolidated interim financial information:

Company	Country of Incorporation	Group interest at 30 June 13
North River Resources (Murrupula) Limitada	Mozambique	40%

North River Resources (Murrupula) Limitada ('Murrupula') is a company that was registered in Mozambique on 27 January 2011. The Group's interest in Murrupula is jointly held by North River Resources plc and NRR Mozambique Limited. It is also the beneficial owner of an exploration licence in Mozambique. The licence and Murrupula are the subject of a Heads of Agreement between Baobab Resources Limited ("Baobab") and North River Resources plc. Under this agreement Baobab is entitled to a 60% participation interest in Murrupula. Baobab have completed the agreed level of exploration work. Legal control over Murrupula has not yet passed to Baobab, however, effective control has passed. Accordingly, these consolidated financial statements have been prepared on the basis that control has passed and that Murrupula is treated as an associate as from 1 October 2011.

8. SHARE CAPITAL

Allotted, issued and fully paid:

Number	Class	Nominal value	Unaudited At 30 June 2015 £	Unaudited At 30 June 2014 £	Audited At 31 December 2014 £
1,915,875,310	Ordinary	0.2p	3,831,750	2,702,034	3,831,750

Date of issue	Detail of issue	Number of Ordinary shares	Share capital £	Share premium £
As at 31 December 2013		1,120,247,632	2,240,495	17,875,349
29 January 2014	Drill-for-Equity agreement	29,166,667	58,333	116,667
29 January 2014	Placing for feasibility study	170,833,333	341,667	683,333
21 March 2014	Placing to provide working capital	30,769,232	61,539	138,461
	Cost of issuing capital in the period	-	-	(75,591)
As at 30 June 2014		1,351,016,864	2,702,034	18,738,219
15 July 2014	Placing to Greenstone Resources LP	33,333,333	66,667	133,333
17 July 2014	Placing to Greenstone Resources LP	270,588,464	541,177	1,082,354
17 November 2014	Placing to Greenstone Resources LP	260,936,649	521,873	1,304,683
As at 31 December 2014		1,915,875,310	3,831,750	21,258,590
		-	-	-
As at 30 June 2015		1,915,875,310	3,831,750	21,258,590

9. SUBSIDIARY ENTITIES

The consolidated interim financial information includes the following group companies:

Company	Country of Incorporation	Holding	Nature of business
NRR Energy Minerals Limited	United Kingdom	100%	Holding company
NRR Mozambique Limited	United Kingdom	100%	Holding company
West Africa Gold Exploration (Namibia) (Pty) Ltd	Namibia	100%	Exploration and mining
Namib Lead and Zinc Mining (Pty) Ltd	Namibia	100%	Exploration and mining
North River Resources Namibia (Pty) Ltd	Namibia	100%	Administration
North River Resources (Mavuzi) Limitada	Mozambique	100%	Inactive

NRR Energy Minerals Limited and NRR Mozambique Limited act as holding companies to associates, joint venture companies and subsidiaries in Namibia and Mozambique respectively.

10. SHARE-BASED PAYMENTS**Share options outstanding**

	Unaudited 6 months ended 30 June 2015	Unaudited 6 months ended 30 June 2014	Audited Year ended 31 Dec 2014
Opening balance	9,100,000	105,100,000	105,100,000
Expired in the period	(9,100,000)	(81,000,000)	(96,000,000)
Closing balance	-	24,100,000	9,100,000

There are no share options outstanding as at 30 June 2015.

All share options were fully expensed in prior periods.

11. CONTROL

No one party is identified as controlling the Group.

12. EXPLORATION EXPENDITURE COMMITMENTS

Restoration commitments

The Company has no obligations to undertake any rehabilitation or restoration activity on the licences currently held.

Existing Exploration Licences in Namibia

The Group has a number of exploration licences in Namibia. There is a commitment to spend £1.5 million on these licences through 2015 and into 2016. There is scope in the Mines and Minerals Act for expenditure to be altered by the Company and still keep the licences in good standing. The commitments are based on a positive outcome for all stages of work within the period of tenure of each licence. It should also be noted that if the project has negative results in the first 6 months of the licence tenure – then the project can be terminated without further expenditure.

Existing Exploration Licences in Mozambique

The Group has a 40% interest in a licence in Mozambique, through its associated company North River Resources (Murrupula) Limitada. The cost of maintaining this licence is not significant to the Group and will be borne by North River Resources plc (see Note 8).

13. SUBSEQUENT EVENTS

Board Changes:

On 2 July 2015 Mr James Beams was appointed to the Board as an Executive Director and on 10 July 2015 Ms Ding Chan was appointed to the Board as a Non-executive Director. Ms Ding Chan represents the interests of China General Nuclear Power Company, replacing Non-executive Chairman Mr Zuoyuan He who resigned from the Board on the same date.

Further Metallurgical Testwork significantly strengthens the Namib Lead Zinc Project's Bankability:

On 22 July 2015 the Company announced results of optimisation work to give an improved ore processing flow sheet and increased confidence in expected concentrate grades and recoveries with the following results:

- Lead concentrate grade of 62.2% with a 91.1% recovery, and
- Zinc concentrate grade of 52.4% with a 89.2% recovery.

Namib Lead Zinc Project Development and Funding Update:

On 22 July 2015 the Company announced that the Company and Greenstone Resources L.P. agreed to terminate the Investment Agreement signed in July 2014 as the Board believed that a number of Project Milestones would not be completed by the long stop date in order to release the final funding tranches. However, Greenstone has indicated that it remains a committed shareholder and is supportive of the Company's plans for the Namib Lead Zinc Project.

The Company estimates a total funding requirement of between US\$25m and US\$30m through to expected project commissioning. It is planned to structure this financing in two phases:

Phase One Fundraising, totalling US\$4.0m, comprises an initial US\$1.2m in convertible loan notes placed with Greenstone Resources L.P. on 8 September 2015 and a Fully Underwritten Open Offer and Placing, as announced on 15 September 2015, raising US\$2.8m. The Open Offer entitles Eligible Shareholders the opportunity to apply for 2 Open Offer Shares for every 3 Existing Ordinary Shares. This fundraising will enable the Company to continue to work towards securing the Mining Licence and a financing plan to fund construction as well as delivering an economically and operationally robust project through the following work programmes:

- Initial Front End Engineering & Design ("FEED")
- Early development of the Namib Project North decline
- Sourcing of plant and equipment
- On-going underground development programme required to establish access for the next phase of resource expansion drilling
- Recruitment of technical and operational staff at the Namib Project

Phase Two Fundraising will cover the cost of construction and an ongoing resource expansion drilling programme.

14. AVAILABILITY OF INTERIM REPORT

A copy of these results will be made available for inspection at the Company's registered office during normal business hours on any week day. The Company's registered office is at One America Square, Crosswall, London, EC3N 2SG.

A copy can also be downloaded from the Company's website at www.northriverresources.com. North River is registered in England and Wales with registered number 05875525.