Alba Mineral Resources plc
("Alba" or "the Company")

Half Yearly Report - 31 May 2007

CHAIRMAN'S STATEMENT

Introduction

The Group holds, or has applied for, exclusive rights to explore a portfolio of mineral exploration properties. These are primarily nickel and gold exploration projects in Scotland and Ireland, which are at different stages of development, from conceptual exploration targets to more advanced drill-ready projects.

The Group has also acquired nine exploration licences in Sweden, which form part of a collaboration Agreement with Altius Minerals Corporation and has co-founded Mauritania Ventures Limited to acquire exploration permits in Mauritania and prospect for uranium and Iron Oxide-Copper-Gold (IOCG). Three permits have been granted and ten are pending. Ground-based exploration commenced earlier this year on the three permits currently held.

Results for the Period

The Group made a loss for the period, after taxation, of £207,320 after receiving interest of £4,123 and having paid administrative expenses of £213,053. The basic and diluted loss per share was 0.3 pence. The Group had cash balances of £155,092 at the period end.

Review of Activities

On 3 January 2007 the Company announced that the exploration efforts on its existing project portfolio would be within the constraints of the financial resources available and that the Company would be seeking to raise additional funds to actively pursue and explore these existing projects.

On 27 April 2007 the Company announced that it is continuing to seek additional funding to pursue these objectives and until this funding is in place the Company will, in the short term, downgrade active fieldwork exploration on the existing licences and permits, whilst maintaining the portfolio of assets. Alba will continue the programme of desktop research, analysis and studies using its existing in-house team.

Whilst the Company has not completed an additional fund raising at this time, discussions are being held with third parties to raise short term funds to alleviate the immediate capital restraints. The Board has taken steps to reduce ongoing expenditure and is considering the disposal of peripheral non-core assets.

Outlook

The Company believes it will be able to complete the short term fund raising referred above to allow it to continue to develop its existing assets and evaluate other opportunities.

Mike Nott
30 August 2007
Chairman

CONSOLIDATED PROFIT AND LOSS ACCOUNT

	Unaudited 6 mths ended 31 May 2007 £	Unaudited 6 mths ended 31 May 2006 £	Audited Year ended 30 Nov 2006 £
Turnover	-	-	-
Cost of sales	-	-	-
Gross profit	-	-	-
Administrative expenses	-213,053	-177,641	-388,892
Operating loss	-213,053	-177,641	-388,892
Interest receivable and investment income	4,123	8,843	15,860
Loss on ordinary activities before taxation	-208,930	-168,798	-373,032
Tax on ordinary activities (note 2)	-	-	-
Loss on ordinary activities after taxation	-208,930	-168,798	-373,032
Minority interest	1,610	3,027	7,282
Loss for the period	-207,320	-165,771	-365,750
Loss per ordinary 1p share (note 3)			
- basic	0.3 pence	0.3 pence	0.5 pence
- diluted	0.3 pence	0.3 pence	0.5 pence

CONSOLIDATED BALANCE SHEET

	Unaudited 31 May 2007	Unaudited 31 May 2006 £	Audited 30 Nov 2006
Fixed assets			
Intangible assets	802,732	480,383	627,381
Tangible fixed assets	11,084	5,476	4,439
Goodwill	122,934	141,373	122,934
	936,750	627,232	754,754
Current assets			
Debtors	82,860	155,679	158,062
Cash at bank and in hand	155,092	350,186	507,568
	237,952	505,865	665,630
Creditors: amounts falling due within one year	-244,015	-267,567	-280,767
Net current (liabilities)/assets	-6,063	238,298	384,863
Total assets less current liabilities	930,687	865,530	1,139,617
Capital and reserves			
Called up share capital	666,201	603,126	666,201
Share premium account	790,133	374,887	790,133
Merger reserve	200,000	200,000	200,000
Profit and loss account	-766,246	-358,947	-558,926
Minority interest	41,108	46,973	42,718
Foreign currency translation reserve	-509	-509	-509
	930,687	865,530	1,139,617

CONSOLIDATED CASH FLOW STATEMENT

	Unaudited 6 mths ended 31 May 2007 £	Unaudited 6 mths ended 31 May 2006 £	Audited Year ended 30 Nov 2006 £
Net cash outflow from operating activities	-155,471	-170,724	-351,682
Returns on investments			
Interest received	4,123	8,843	15,860
Capital expenditure			
Purchase of intangible assets	-193,791	-186,120	-235,365
Purchase of tangible assets	-7,337	-5,577	-708
Acquisitions			
Net cash balances acquired with subsidiary	-	-	-3,552
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Net cash outflow before financing	-352,476	-353,578	-575,447
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Financing			
Issue of shares net of costs	-	-	928,013
Issue of shares of subsidiary undertaking to minority interests	-	50,000	-
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(Decrease)/increase in cash in the period	-352,476	-303,578	352,566
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Reconciliation of operating loss to net cash outflow from operating activities			
Operating loss	-213,053	-177,641	-388,892
Depreciation and amortisation	19,132	19,172	38,648
Decrease/(increase) in trade debtors	75,202	-92,603	-94,986
(Decrease)/increase in trade creditors	-36,752	80,348	93,548
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Net cash outflow from operating activities	-155,471	-170,724	-351,682
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NOTES

1. Basis of preparation

The interim report for the six month period ended 31 May 2007 is unaudited and does not constitute statutory accounts within the meaning of section 240 of the Companies Act 1985. It has been prepared under the historical cost convention and on a basis consistent with the accounting policies for the year ended 30 November 2006.

The financial information relating to the year ended 30 November 2006 has been extracted from the statutory accounts for that period, a copy of which has been delivered to the Registrar of Companies. The auditors report on those financial statements was unqualified and did not contain a statement under section 237 (2) of the Companies Act 1985.

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

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 £207,320 (May 2006: £165,771; November 2006: £365,750) by the weighted average number of shares of 66,620,100 (May 2006: 60,312,600; November 2006: 66,620,100) 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 contact:

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