ALBA MINERAL RESOURCES PLC

HALF-YEARLY UNAUDITED RESULTS

FOR THE SIX MONTHS ENDED 31 MAY 2014

CHAIRMAN'S STATEMENT

Introduction

Alba Mineral Resources plc ("Alba" or the "Company" and collectively with its subsidiary companies "the Group") holds mineral properties and projects in Mauritania (uranium) and Ireland (base-metals).

Results for the Period

The Group made a loss attributable to equity holders of the parent for the period, after taxation, of £64,648. The basic and diluted loss per share was 0.02 pence.

Review of Activities

Ireland

After the period end, Teck Ireland Limited ("Teck") gave notice of its withdrawal from the exploration option and joint venture agreement ("JV") with Alba.

The Board believes there is merit in retaining the licence even though the JV has been dissolved and at this time the licence is in good standing.

Mauritania

The Group holds one exploration permit, No 1328, in northern Mauritania for uranium and radioactive materials. The permit covers an area of 545 km^2 and lies within the eastern half of a former permit where we had previously announced several uranium anomalies. The Board continues to review exploration models on the permit area and is considering its options with regards to funding the next stage of exploration.

Fund Raising

On 4 March 2014 the Group successfully completed a fund raising of £230,718 (before expenses) through the subscription of 92,287,300 ordinary shares at a subscription price of 0.25 pence per share. These funds will be used to provide working capital, develop the Group's asset portfolio and investigate further opportunities. The Company also created and issued new warrants to subscribe for 66,143,650 ordinary shares. The new warrants are exercisable at a price of 0.3 pence per share at any time between (i) the date falling 12 months from 27 March 2014 and (ii) the date falling 7 years after admission of the trading of the shares on AIM.

On 29 May 2014 Group raised a further £60,000 through the subscription of 24,000,000 new ordinary shares at a price of 0.25 pence per ordinary share. The Company also created and issued new warrants to subscribe for 12,000,000 ordinary shares. The new warrants are exercisable at a price of 0.3 pence per share at any time between (i) the date falling 12 months from 28 May 2014 and (ii) the date falling 7 years after admission of the trading of the shares on AIM.

Post Period End

After the period end the Company announced that it has signed a binding Heads of Agreement with Horse Hill Developments Ltd ("HHDL") for Alba to invest in a UK onshore oil and gas project. The Horse Hill-1 well, which is scheduled to be completed by the end of August 2014, is planned to test several conventional stacked oil and gas targets in the proven productive Portland Sandstone, Corallian Sandstone and Great Oolite Limestone levels in the well-defined Horse Hill prospect in the Weald Basin situated in Surrey, England.

Alba has a binding agreement in place to acquire a 5% interest in HHDL, a special purpose company, which has the right to acquire a 65% participating interest and operatorship of Petroleum Exploration and Development Licence No. 137 ("PEDL 137"). The total consideration payable by the Company is £300,000. An initial non-refundable deposit of £10,000 is payable upon signing, with completion subject to the execution of definitive documentation which the parties are in the process of finalising. Upon completion, Alba will make a further payment of £40,000, with the balance of £250,000 payable in line with the cash calls required for the drilling of the well.

The 99.29 square kilometres (24,535 acre) PEDL 137 licence, held by a subsidiary of Magellan Petroleum Corporation, is located in the Weald Basin in Surrey. The Horse Hill prospect lies about 3 kilometres from Gatwick Airport and covers an area of up to 16 square kilometres in the south-west of PEDL 137. The Collendean Farm-1 well was drilled by Esso in 1964 on the north-eastern edge of the Horse Hill structure and found good oil shows.

The participants in the Horse Hill-1 well are HHDL as operator with a 65% farm in interest and Magellan Petroleum Corporation with a 35% interest. HHDL has the right to earn the 65% participating interest in PEDL 137 by completing the proposed well at the property.

Site construction and preparatory operations have now commenced on the Horse Hill site, in preparation for the drilling of the proposed 2,594 metre (8,512 feet) Horse Hill-1 well. The well is targeting a number of conventional stacked oil and gas targets.

Outlook

The fresh injection of capital now gives us the opportunity to develop and enhance the Group’s project portfolio.

George Frangeskidis
21 July 2014
Chairman

For further information please visit the Company's website, www.albamineralresources.com or contact:

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UNAUDITED CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 31 MAY 2014

	Unaudited 6 mths ended 31 May 2014 £	Unaudited 6 mths ended 31 May 2013 £	Audited Year ended 30 Nov 2013 £
Revenue	-	-	-
Cost of sales	-	-	-
Gross profit	-	-	-
Administrative expenses	(65,826)	(25,762)	(85,023)
Exceptional items	-	-	592,688
Administrative expenses	(65,826)	(25,762)	507,665
Operating (loss)/profit	(65,826)	(25,762)	507,665
Finance costs	(9)	(8,232)	(8,232)
(Loss)/profit before taxation	(65,835)	(33,994)	499,433
Taxation (note 3)	-	-	-
(Loss)/profit for the period	(65,835)	(33,994)	499,433
Attributable to:			
Equity holders of the parent	(64,648)	(33,965)	497,680
Minority interest	(1,187)	(29)	1,753
(Loss)/profit for the period	(65,835)	(33,994)	499,433
(Loss)/earnings per ordinary 0.1p share (note 5)			
- basic and diluted	(0.02) pence	(0.02) pence	0.31 pence

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2014

	Unaudited 31 May 2014 £	Unaudited 31 May 2013 £	Audited 30 Nov 2013 £
Non-current assets			
Intangible assets - deferred exploration costs	611,646	664,412	605,956
	611,646	664,412	605,956
Current assets			
Trade and other receivables	25,650	100,989	21,300
Cash and cash equivalents	220,794	3,942	216
	246,444	104,931	21,516
Total assets	858,090	769,343	627,472
Current liabilities			
Trade and other payables	(62,819)	(818,477)	(61,164)
Borrowings	(251,024)	(374,259)	(233,823)
Total liabilities	(313,843)	(1,192,736)	(294,987)
Net assets	544,247	(423,393)	332,485
Equity			
Share capital	1,169,255	989,401	1,052,968
Share premium account	1,429,229	1,138,701	1,268,834
Merger reserve	200,000	200,000	200,000
Other reserve	140,400	110,734	139,485
Profit and loss account	(2,422,940)	(2,889,937)	(2,358,292)
Equity attributable to equity holders of the parent	515,944	(451,101)	302,995
Minority interest	28,303	27,708	29,490
Total equity	544,247	(423,393)	332,485

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT
FOR THE SIX MONTHS ENDED 31 MAY 2014

	Unaudited 6 mths ended 31 May 2014 £	Unaudited 6 mths ended 31 May 2013 £	Audited Year ended 30 Nov 2013 £
Net cash (used in)/generated from operating activities	(81,651)	8,595	(37,828)
Investing activities			
Purchase of intangible assets	(5,690)	(19,447)	(7,518)
Net cash used in investing activities	(5,690)	(19,447)	(7,518)
Financing activities			
Proceeds from issue of shares	290,718	18,000	22,000
Funds from/(repayment of) borrowings	17,201	(3,768)	23,000
Net cash generated from financing activities	307,919	14,232	45,000
Net increase/(decrease) in cash and cash equivalents	220,578	3,380	(346)
Cash and cash equivalents at the beginning of the period	216	562	562
Cash and cash equivalents at the end of the period	220,794	3,942	216
Operating (loss)/profit	(65,826)	(25,762)	507,665
Foreign exchange revaluation adjustment	915	(59,679)	(32,139)
(Increase)/decrease in trade and other receivables	(4,350)	10,305	2,690
(Decrease)/increase in trade and other payables	(12,390)	83,731	(516,044)
Net cash (used in)/generated from operating activities	(81,651)	8,595	(37,828)

NOTES TO THE HALF-YEARLY FINANCIAL INFORMATION

1. Basis of preparation

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

The financial information has been prepared under the historical cost convention in accordance with International Financial Reporting Standards (IFRSs). The financial information set out in this half-yearly report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The same accounting policies, presentation and methods of computation are followed in this interim condensed consolidated report as were applied in the Group's annual financial statements for the year ended 30 November 2013. The auditor’s report on those financial statements was unqualified and did not contain any statements under section 498(2) or section 498(3) of the Companies Act 2006. The auditor’s report for the year ended 30 November 2013 did include emphasis of matter paragraphs relating to the uncertainty as to whether the Group can raise sufficient funds to continue to develop the Group’s exploration assets.

2. Going Concern

After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to meet its current committed expenditure and recurring outgoings for the foreseeable future, although the funding is not sufficient to continue to develop the Group’s exploration assets, the directors continue to adopt the going concern basis of accounting in preparing the financial statements

3. Taxation

No charge for corporation tax for the period has been made due to the expected tax losses available.

4. Continuation of exploration activities

Notwithstanding the Directors’ going concern considerations set out above, to continue to develop the Group’s exploration assets, with a carrying value of £611,646 and support the Company’s value of the investment in subsidiaries supported by those assets, with a carrying value of £1,633,863, the Group is dependent on securing further funds to continue exploration activities.

If it is not possible to raise sufficient funds, the carrying value of the exploration assets of the Group and the investment of the Company in its subsidiaries are likely to be impaired.

5. (Loss)/earnings per share

Basic loss per share is calculated by dividing the loss attributable to ordinary shareholders of £64,648 (May 2013: £33,965; November 2013: £497,680 profit) by the weighted average number of shares of 260,355,087 (May 2013: 150,558,878; November 2013: 162,876,894) 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”.