Alba Mineral Resources Plc

Final results for the year ended 30 November 2008

CHAIRMAN'S STATEMENT

The Board of Alba Mineral Resources plc (the "Company" or "Alba", and collectively with its Subsidiary Companies, the "Group") is pleased to report the results for the year ended 30 November 2008. They incorporate the results of its subsidiary companies Aurum Mineral Resources Limited ("AMR"), Mauritania Ventures Limited ("MVL") and Alba Mineral Resources Sweden AB ("Alba Sweden") (collectively the "Subsidiary Companies").

INTRODUCTION

Alba is a committed, technically driven explorer with a commodity focus on uranium, nickel and gold. Alba currently has a number of well researched wholly owned properties and joint venture interests.

The Company's overall corporate and exploration strategy will continue to be one of developing a portfolio of well-researched, promising and prospective exploration properties that will be pursued further, either in the Company's own right or in conjunction with other parties. To create and realise value, projects may be disposed of (in whole or part), spun off into a separate company, joint ventured to include a cash consideration and/or maintaining a 'Net Smelter Return' or developed into operating mines.

RESULTS AND DIVIDENDS

The loss for the period, after taxation, attributable to equity holders amounted to £1,020,523 (2007: £437,296 loss). As part of the process of finalising the financial statements for the year, the Board reviewed the carrying value of the Company's exploration projects. In the current market climate the Board felt that it was prudent to write down the carrying value, which accounted for £683,005 of the loss in the current year (2007: £57,517).

The directors do not recommend the payment of a dividend (2007: £nil).

REVIEW OF ACTIVITIES

Mauritania

Two periods of fieldwork in the first half of 2008 resulted in the discovery of ore-grade concentrations of uranium at, or near to, the ground surface in one of the Company's exploration permits in northern Mauritania. This work was a follow-up to the interpretation of remote sensing and airborne geophysics data to identify potential uranium-bearing deposits. Other concentrations encountered were considered not to be of significant area to merit additional work at this stage. Initial laboratory results of the first field programme (RNS released on 7 July 2008) showed that uranium concentrations up to 783 ppm U (or 0.09 % U_3O_8) were present. Subsequent analysis of weathered rock in a shallow (120 cm) pit 2 km to the northeast of the previous maximum uranium concentration returned uranium concentrations up to 2455 ppm (or 0.29 % U_3O_8). A total of nineteen mineralized grab and channel samples were collected from pits up to 165 cm in depth, which varied from 202 to 2455 ppm uranium and had an average uranium concentration of 720 ppm uranium (or 0.085% U_3O_8).

Fieldwork indicated that sporadic uranium mineralization is present over a north-northeast trending area approximately 4 km in length and up to 1 km wide. Uranium mineralization occurs as the mineral tyuyamunite (hydrated calcium uranyl vanadate), which has been documented from several other occurrences in Mauritania.

Low-grade uranium ore typically ranges from 300 to 20,000 ppm uranium. For example, 16 of the World's 20th largest uranium deposits grade from ~300 to 4,500 ppm uranium (or 0.04 to 0.53% U_3O_8).

With the favourable results of fieldwork in northern Mauritania the Company is actively seeking additional investment and joint venture partners to help advance the projects. It is hoped that additional fieldwork can be conducted in the second half of 2009.

Mauritania Ventures Limited has relinquished six licences (previously 311, 312, 313, 314, 315 and 603) due to disappointing exploration results. MVL now has one prime uranium exploration permit in Mauritania, which covers an area of 1,496 square km. An additional five permits, totalling approximately 7,500 square km, are pending in the south of the country in an area considered prospective for Iron Oxide-Copper-Gold (IOCG) mineralization.

Sweden: Reduction in exploration licences
In an effort to reduce overheads, Alba's Swedish subsidiary will relinquish seven of the nine licences currently held by the company. A technical review of the exploration data acquired to date indicates that no further work should be conducted on the relinquished licences. The licences retained (Kleva and Rössjon) hold the best potential for the discovery of economic concentrations of Ni-Cu-Co mineralisation.

Scotland: Gold and silver exploration licences
The Board has decided not to reapply to renew the four Crown Mineral Licences that are held under agreement with the Crown Estate Commissioners for the forthcoming year. The four licences in question are at Aberfeldy and Ochil Hills, both in Perthshire, Kilmelford in Argyllshire and at Arthrath in Aberdeenshire. The Board feels that the licence costs for gold and silver of these grass root projects is prohibitive under the current economic climate.

Scotland: Maintenance of Arthrath Ni-Cu-PGE Project
The maintenance of the Arthrath Ni-Cu-PGE Project in Aberdeenshire remains an important component for the Company in 2009. The project area is held under private mineral right agreements with individual landowners and the arrangements are currently ongoing. The Company continues to seek joint venture partners to realise the potential of this large, yet poorly explored magmatic Ni-Cu-PGE exploration target. Future financing continues to remain a key issue to take this project forward.

Ireland: Renewal of precious and base metal exploration licences
The Company continues to carry out very limited precious metal exploration on its Bohaun Block. Stream sediment sampling completed in early 2007 identified an anomalous area in the extreme west of the licence block with concentrations of up to 113 ppb gold. Follow-up prospecting in the area identified multiple auriferous float occurrences and importantly located a one-metre wide mineralized sulphide (galena, pyrite and minor chalcopyrite) vein in bedrock. A channel sample across this vein returned an assay of 31.8 ppm gold, or approximately 1 ounce per tonne. Alba is currently seeking a joint venture partner for this project.

Having completed the required work programme and expenditure on the remaining two base metal licences near Limerick, the Directors have deciding to retain the licence and decide at a later date what work should be carried out. Joint venture partners are being sought.

OUTLOOK

As a result of the time and cost involved in maintaining the Company's licences and exploration activities, the Company's working capital position has been adversely affected. In these circumstances the Company continues to manage cash tightly. In this respect, the auditors report contained in the full report and accounts, whilst not qualified, draws attention to material uncertainty relating to the ability of the Company and the Group to continue as going concerns in the event that the Company is unable to raise additional capital

This year has been difficult for the sector but we can take some consolation that despite the financial constraints placed on the Company we have shown that our technical ability to identify good targets remains sound. The ore-grade uranium concentrations identified in northern Mauritania are testament to this. Work carried out on gold mineralisation in Ireland is promising with one sample containing 31.8 g/t gold. However, in an effort to reduce overheads and exploration expenditure we have decided to relinquish eleven licences from our diverse commodity portfolio in Scotland and Sweden and six in Mauritania.

We plan to focus our exploration efforts on uranium exploration in Mauritania and gold in western Ireland within the constraints of the financial resources available to the Company and the Company will be looking to raise additional funds in the foreseeable future to enable it to continue to advance the development of its project portfolio. At the time of writing the Company is in discussions with certain providers of finance to provide short term funding for the group, but terms have not yet been agreed.

During this accounting period being reported on, no directors' fees have been drawn. All available funds have been spent to preserve our assets and maintain our listing.

Michael Nott

Chairman and Managing Director
27 May 2009

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 NOVEMBER 2008

	2008	2007
	£	£
Revenue	-	-
Cost of sales	-	-
Gross loss	-	-
Other administrative expenses	(344,761)	(389,280)
Impairment of deferred exploration expenditure	(683,005)	(57,517)
Administrative expenses	(1,027,766)	(446,797)
Operating loss	(1,027,766)	(446,797)
Finance income	909	4,135
Loss before tax	(1,026,857)	(442,662)
Taxation	-	-
Loss for the year	(1,026,857)	(442,662)
Attributable to:		
Equity holders of the parent	(1,020,523)	(437,296)
Minority interests	(6,334)	(5,366)
	(1,026,857)	(442,662)
Loss per ordinary share		
Basic and diluted	1.1 pence	0.7 pence

CONSOLIDATED BALANCE SHEET

30 NOVEMBER 2008

	2008	2007
	£	£
Non-current assets		
Intangible fixed assets	563,881	896,712
Property, plant and equipment	3,166	7,234
Total non-current assets	567,047	903,946
Current assets		
Trade and other receivables	5,278	100,692
Cash and cash equivalents	48,799	323,684
Total current assets	54,077	424,376
Current liabilities		
Trade and other payables	232,813	238,595
Financial liabilities	190,030	60,005
Total current liabilities	422,843	298,600
Net assets	198,281	1,029,722
Capital and reserves		
Called up share capital	930,701	880,701
Share premium account	908,400	908,400
Retained losses	(2,016,745)	(996,222)
Merger reserve	200,000	200,000
Foreign currency reserve	144,907	(509)
Equity attributable to equity holders of the parent	167,263	992,370
Minority interest	31,018	37,352
Total equity	198,281	1,029,722

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 NOVEMBER 2008

	2008	2007
	£	£
Cash flows from operating activities		
Operating loss	(1,027,766)	(446,797)
Depreciation	4,747	4,541
Impairment of deferred exploration expenditure	769,059	94,397
Foreign exchange revaluation adjustment	(567)	-
Decrease in creditors	(5,782)	(42,172)
Decrease in debtors	95,414	57,370
Net cash used in operating activities	(164,895)	(332,661)
Cash flows from investing activities		
Payments to acquire property, plant and equipment	(388)	(7,336)
Payments for deferred exploration expenditure	(290,536)	(240,794)
Interest received	909	4,135
Net cash used in investing activities	(290,015)	(243,995)
Cash flows from financing activities		
Proceeds from borrowings	130,025	60,005
Proceeds from issue of share capital	50,000	332,767
Net cash generated from financing activities	180,025	392,772
Net decrease in cash and cash equivalents	(274,885)	(183,884)
Cash and cash equivalents at beginning of period	323,684	507,568
Cash and cash equivalents at end of period	48,799	323,684

NOTES

1. Basis of preparation

The financial information set out above does not constitute the Group's statutory accounts within the meaning of section 240 of the Companies Act 1985. The balance sheet at 30 November 2008 and the profit and loss account and cash flow statement for the year then ended have been extracted from the Group's audited financial statements. The auditors report on those financial statements is unqualified and does not contain statements under s.237(2) or (3) Companies Act 1985.These financial statements will be delivered to the Registrar of Companies and shareholders in due course.

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 attributed to ordinary shareholders of £1,020,523 (2007: £437,296) by the weighted average number of shares of 89,741,243 (2007: 67,673,662) in issue during the year. The calculation of the average number of shares in issue is based on the new number of shares in issue following the sub-division and conversion referred to in note 25, that took place after the year end. 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 is therefore not dilutive under the terms of IAS 33 "Earnings per Share".

4. Posting to shareholders

The statutory accounts for the Group were posted to shareholders on 27 May 2009.

Enquiries:

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