



Red Rock Resources plc

Interim Report

six months ended 31 December 2007



Chairman's statement

Dear Shareholder

The Company has continued to progress the strategies outlined in previous reports.

Summary

The Company reports the following developments during the six months to 31 December 2007:

- £825,000 before expenses raised from share placings, in July 2007 at 3p per share and in November 2007 at 2.5p per share;
- Completion of sale of uranium assets to ASX-listed Retail Star Limited;
- Promising iron ore exploration results from our neighbours at Mt Alfred and from Jupiter Mines Ltd, a company in which the Company holds a significant shareholding, at Mt Ida; and
- Sampling results from November exploration programme at Mt Alfred show several zones of high grade iron mineralisation.

Exploration

In October, Iron Mountain Mining Ltd ("IRM"), the Company's neighbour to the east and north-east at our 205sq km Mt Alfred tenement in the Central Yilgarn area of Western Australia (E29/581), announced sampling results defining 8.8km of mineralised strike length at the Iron Mountain, Mount Alfred, and Brooking Hills prospects within their license E29/571. At Iron Mountain, 21 rock chip samples within a sequence of Banded Iron Formation (BIF) and ferruginous sediments averaged 61.3% iron over 2km, and similarly positive indications were encountered at the other two prospects. All three prospects form a continuation of the trend that runs through the Company's Mt Alfred licence, and two are contiguous. In February 2008 IRM announced the results of a 29 hole rotary air blast (RAB) drilling programme on a 200m by 25m grid over parts of these prospects which had identified several pods of haematite mineralisation of sufficient grade and tonnage to be considered for economic exploitation. The best reported intersection was 34 metres at 62.6% iron, and 11 holes were stated to show average intersections of 6.1 metres of over 60% iron at an average grade of 61.1%.

In November, Mindax Limited ("MDX"), our neighbour to the north at Mt Alfred, which holds seven granted mining leases totalling 55sq km covering the west and east limbs and the closure to the north of the structures whose southern continuation is into the Company's and IRM's tenements, announced that 167 samples taken on 500m spaced traverses across the ironstone units had identified 4 target areas where surface grades exceeded 55%. Following further work on the aeromagnetic data, MDX identified over 17km of magnetite and potential haematite mineralisation, and a fifth haematite target north of the fold closure. In February 2008 MDX announced ambitious targets for potential high grade haematite mineralisation, and a drill programme to delineate a resource is planned for May 2008.



This activity by neighbouring tenement holders, with whom we are in regular contact, and the information we are deriving from it, has enabled the Company to intensify its programme of work on the iron ore occurrences at Mt Alfred. In November we undertook an initial sampling programme in five target areas of the Mt Alfred licence, including areas adjacent to those in which our neighbours were obtaining positive results. In January we were able to announce the results from this programme, with samples grading over 60% in the Mt Alfred West, Mt Forrest, and Brooking Hills targets within our licence. Helen Salmon from the Company and Dr Marian Skwarnecki of Coffey Mining Ltd carried out a further programme of mapping and sampling three traverses at Mt Alfred West and Mt Forrest in March 2008, taking 67 samples, the results of which are awaited.

At Mt Ida, also in the Central Yilgarn, which is now held by Jupiter Mines Ltd (“JMS”), but where the Company retains a royalty interest, JMS announced in February the results of a 119 sampling programme on two targets close to its adjacent Mt Mason discovery, where it has a current inferred resource of 2.2m tons of iron at 60.6%. 32 samples returned values over 55% iron, and JMS plans a further programme which will include the identification of further targets as well as drilling.

Elsewhere, after an initial visit in November 2007, our geologists carried out short programmes in February and March 2008 at the Company’s Tasmanian licences, Savage River North and Arthur River, results of which are awaited. This mineralised and under-explored area is not easy to access but offers polymetallic potential and the Company is exploring the area for iron and other minerals. The adjacent Savage River magnetite mine has recently been sold to Shougang Corporation, who is reported to plan a major expansion.

Other

On 6 August 2007 ASX-listed Retail Star Ltd (“RSL”) approved a transaction whereby the Company sold its Australian uranium assets to RSL. As a result, the Company became a significant shareholder in RSL. With the grant or transfer of the two Malawi licences in January and February 2008, the Company now holds 140,000,000 RSL shares. This holding represents 24.2% of RSL’s issued share capital. Subsequently, Ian Scott joined the RSL board as Managing Director. Ian’s extensive experience, including a period as Geology Manager of the Olympic Dam mine at a key period in its history, has meant that we have learnt much from his professional approach and wealth of knowledge, and look forward to the results of the exploration and drilling programmes about to commence in the Northern Territory and in Malawi.

On 28 January 2008, the Company issued 18,000,000 shares at 2p, raising £360,000 before expenses. As an exploration company without significant cash flow from operations, and aware of the tight liquidity in markets as a result of the banking crisis that has developed since mid-2007, the Company believed it prudent to accept the offer of funding when it was made.

The Company continues to seek a satisfactory outcome to the agreement with private Chinese parties in Zambia on manganese processing. On 1 April 2008, after a nine month moratorium, new licence applications will be accepted in Zambia. Following appraisal work carried out last year, we have



identified a licence area we wish to apply for. We continue to progress towards grant of our substantial manganese licences in an established producing area of Western Australia.

In late 2007 the Company began to purchase, a stake in MDX, our neighbour in the Central Yilgarn. The Company now holds 8,450,000 ordinary shares in MDX – a holding equivalent to 10.02% of MDX's issued share capital. From our position as MDX's neighbour, we considered we were well placed to perceive the true value of MDX's mineral assets, and the necessity of closer co-operation between two small companies operating in the area. Following the subsequent purchases of a 19.9% shareholding in MDX by a local investor in February 2008, this holding is showing a substantial appreciation in value from our cost price, but the Company continues to believe that the area has the potential for direct shipping haematite iron ore, that the ground held by MDX is promising, and that the market price does not reflect the long-term potential.

It remains our policy to capitalise a part of exploration expenditure where we believe the book value of the tenements is not reflective of their value and prospectivity for economic mineralisation. The implementation of this policy, in relation to each tenement, is kept under continuous review.

We expect to continue to be active in exploration at Mt Alfred, and look forward to beginning exploration at our Oakover manganese tenements.

International financial reporting standards

With effect from 1 July 2007, the Company made the transition to preparing financial statements in accordance with the International Financial Reporting Standards ("IFRS"), as adopted by the European Union. Accordingly, these interim statements reflect the assumptions made by the Board about the standards and interpretations expected to be effective, and the policies expected to be adopted, when the Company issues its first complete set of IFRS financial statements for the year ending 30 June 2008.

The unaudited results of our activities during the period ended 31 December 2007 show a loss (before) after taxation of £248,239 (2006 as adjusted, a loss of £224,03(4)5).

Andrew Bell

Executive Chairman

31 March 2008



Income statement

	Company 6 months to 31 December 2007 Unaudited	Group 6 months to 31 December 2006 Unaudited	Group Year to 30 June 2007 Unaudited
	£	£	£
Income			
Turnover	-	-	535,416
Cost of sales	-	-	(184,970)
Management services	3,133	-	-
Gross profit	3,133	-	350,446
Exploration expenses	(84,970)	(93,242)	(245,207)
Administrative expenses	(190,861)	(143,317)	(415,343)
Currency (loss)/gain	(417)	926	18,038
Operating loss	(273,115)	(235,633)	(292,066)
Share of operating loss in associates	(15,164)	(548)	(612)
Surplus on revaluation of trade investments	175,369	16,369	66,611
(Loss)/profit on sale of trade investments	(49,375)	745	745
Loss on revaluation of associate company investment	(42,260)	-	-
Interest receivable	12,177	193	7,170
Interest payable	(3,260)	(250)	(5,579)
Loss on ordinary activities before taxation	(195,628)	(219,124)	(223,731)
Tax on loss on ordinary activities	(52,611)	(4,911)	(19,983)
Loss after taxation	(248,239)	(224,035)	(243,714)
Loss per share – see note 3			
Basic	(0.10) pence	(0.13) pence	(0.13) pence

Statement of recognised income and expense

	Company 6 months to 31 December 2007 Unaudited	Group 6 months to 31 December 2006 Unaudited	Group Year to 30 June 2007 Audited
	£	£	£
Deficiency on revaluation of associated company investments	(84,520)	-	-
Loss for the financial period	(248,239)	(224,035)	(243,714)
Total recognised income and expense for the financial period	(332,759)	(224,035)	(243,714)

Balance sheet

	Company 31 December 2007 Unaudited £	Group 31 December 2006 Unaudited £	Group 30 June 2007 Unaudited £
Assets			
Non-current assets			
Investments in associates	517,594	25,702	25,638
Current assets			
Cash and cash equivalents	644,379	46,214	220,347
Trade and other receivables	439,645	136,881	1,080,013
Trade investments	1,115,568	96,744	586,459
Exploration properties	485,245	936,365	935,353
Total current assets	2,684,837	1,216,204	2,822,172
Total assets	3,202,431	1,241,906	2,847,810
Current liabilities			
Trade and other payables	(258,349)	(257,604)	(293,609)
Non-current liabilities			
Deferred taxation	(72,594)	(4,911)	(19,983)
Total liabilities	(330,943)	(262,515)	(313,592)
Net assets	2,871,488	979,391	2,534,218
Equity			
Called up share capital	256,481	171,698	235,481
Share premium account	3,143,236	1,237,344	2,665,486
Share option reserve	82,581	-	82,581
Revaluation reserve	(84,520)	-	-
Retained losses	(526,290)	(429,651)	(449,330)
Total equity	2,871,488	979,391	2,534,218

Cash flow statement

	Company 6 months to 31 December 2007 Unaudited £	Group 6 months to 31 December 2006 Unaudited £	Group Year to 30 June 2007 Unaudited £
Cash flow from operating activities			
Operating loss	(273,115)	(235,633)	(292,066)
(Increase)/decrease in debtors	(224,632)	(110,465)	(118,597)
(Decrease)/increase in creditors	(35,259)	(5,813)	255,192
Impairment of exploration properties	26,401	38,654	121,989
Exploration property sales other than for cash	-	-	(416,400)
Purchase of trade investments	(353,739)	(80,375)	(103,448)
Proceeds of trade investment sales	-	16,236	16,236
Exploration property costs	(67,815)	-	(260,493)
Cost of exploration properties disposed of	-	-	168,919
Share based payments	-	-	82,581
Currency adjustments	(7,733)	(2,729)	6,521
Cash(outflow) generated from operations	(935,892)	(380,125)	(609,566)
Cash outflows from investing activities			
Interest received	12,177	193	7,170
Interest paid	(3,260)	(250)	(5,579)
Purchase of associate company investments	(633,900)	-	-
Net cash flows used in investing activities	(624,983)	(57)	1,591
Acquisitions and disposals			
Sale of subsidiary	632,400	-	-
Cash disposed of on sale of subsidiary	(11,243)	-	-
Net cash flow from acquisitions and disposals	621,157	-	-
Cash inflows from financing activities			
Proceeds from issue of shares	525,000	100,375	1,664,375
Transaction costs of issue of shares	(26,250)	-	(72,075)
Share subscription monies/(outstanding)	865,000	-	(865,000)
Short term loans	-	225,000	-
Net cash flows from financing activities	1,363,750	325,375	727,300
Net increase in cash and cash equivalents	422,032	(54,807)	119,326
Cash and cash equivalents at the beginning of period	220,347	101,021	101,021
Cash and cash equivalents at end of period	644,379	46,214	220,347

Consolidated statement of changes in equity

for the period ended 31 December 2007

	Share capital	Share premium	Revaluation reserve	Share option reserve	Retained earnings	Total equity
	£	£	£	£	£	£
At 1 July 2006	166,679	1,141,988	-	-	(205,616)	1,103,051
Loss for the period	-	-	-	-	(224,035)	(224,035)
Issue of shares	5,019	95,356	-	-	-	100,375
Share issue expenses	-	-	-	-	-	-
At 31 December 2006	171,698	1,237,344	-	-	(429,651)	979,391
At 1 July 2006	166,679	1,141,988	-	-	(205,616)	1,103,051
Loss for the period	-	-	-	-	(243,714)	(243,714)
Issue of shares	68,802	1,595,573	-	-	-	1,664,375
Share issue expenses	-	(72,075)	-	-	-	(72,075)
Share payment reserve	-	-	-	82,581	-	82,581
At 30 June 2007	235,481	2,665,486	-	82,581	(449,330)	2,534,218
Loss for the period	-	-	-	-	(248,239)	(248,239)
Issue of shares	21,000	504,000	-	-	-	525,000
Share issue expenses	-	(26,250)	-	-	-	(26,250)
Revaluation reserve	-	-	(84,520)	-	-	(84,520)
Disposal of subsidiary	-	-	-	-	171,279	171,279
At 31 December 2007	256,481	3,143,236	(84,520)	82,581	(526,290)	2,871,488



Half-yearly report notes

1. Company and Group

As at 31 December 2007, the Company had no operating subsidiaries and therefore has not prepared Group financial statements. As at 31 December 2006 and 30 June 2007, the Company had an operating subsidiary which became dormant shortly before its sale on 6 August 2007.

The Company will report again for the year ending 30 June 2008.

2. Accounting policies

Accounting policies adopted under IFRS

These interim financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS").

The basis of preparation and accounting policies used in preparing the interim statements for the six months ended 31 December 2007 are set out below. The basis of preparation describes how IFRS has been applied under IFRS 1, the assumptions made by the Company about the Standards and interpretations expected to be effective and the policies expected to be adopted when the Company issues its first complete set of IFRS financial statements for the year ending 30 June 2008.

Statement of compliance

This consolidated financial information of Red Rock Resources plc is prepared in accordance with IFRS as adopted by the European Union with the exception of IAS 34 "Interim Financial Reporting".

Basis of preparation

The consolidated financial information has been prepared in accordance with accounting policies which will be adopted in presenting the full year annual report and financial statements. The full year annual report and financial statements will be prepared for the first time in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

As at 31 December 2007, the Company did not have any operating subsidiaries although it had one as at 30 June 2007 and expects to have others in future. The Company has applied IFRS for the six month period ended 31 December 2007, with comparative figures for the six month period ended 31 December 2006 also prepared under IFRS as adopted by the European Union.

In preparing this consolidated financial information, the Group has elected to take advantage of provisions within IFRS 1 "First-time adoption of International Financial Reporting Standards" ("IFRS 1"), which offer certain exemptions from applying IFRS to the opening IFRS balance sheet prepared at 1 July 2006. In particular:

- IFRS 3, "Business Combinations", has not been applied retrospectively to business combinations that occurred prior to 1 July 2006;
- IFRS 2, "Share-based payment", has not been applied to equity instruments that were granted on 4 August 2005 and lapsed on 31 December 2006.

The interim financial information is unaudited and does not constitute statutory financial statements within the meaning of section 240 of the Companies Act 1985.

The Group's statutory consolidated financial statements for the year ended 30 June 2007 were presented under UK GAAP, and have been delivered to the Registrar of Companies. The report of the auditors on those financial statements was unqualified and did not contain a statement under section 237 (2) or (3) of the Companies Act 1985. Comparative figures for the year ended 30 June 2007 presented here are abridged and non-statutory, have been adjusted to reflect the transition to IFRS and are unaudited.

The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments, available for sale investments and intangible assets acquired in a business combination, which have been measured at fair value. The consolidated financial statements are presented in sterling ("GBP") and all values are rounded to the nearest pound except where stated.

Significant accounting policies

The accounting policies adopted in the preparation of the interim financial statements will be consistent with those that will be followed in the preparation of the Company's annual financial statements for the year ending 31 June 2008.

3. Loss per share

	6 months to 31 December 2007 Unaudited £	6 months to 31 December 2006 Unaudited £	Year to 30 June 2007 Unaudited £
These have been calculated on a loss of:	(248,239)	(224,034)	(243,714)
The weighted average number of shares used was:	240,046,050	170,933,777	188,227,158
Share options were not dilutive during the period			
Basic loss per share:	(0.10) pence	(0.13) pence	(0.13) pence

4. Transition to IFRS

The financial information for the six months ended 31 December 2006 and the opening balance sheet at 1 July 2006 have been prepared in accordance with International Financial Reporting Standards (IFRS) for the first time. The Company's transition date to IFRS is 1 July 2006. The rules for first-time adoption of IFRS are set out in IAS 1 "First time adoption of international reporting standards". In preparing the IFRS financial information, these transition rules have been applied to the amounts reported previously under generally accepted accounting principles in the United Kingdom ('UK GAAP'). IFRS generally requires full retrospective application of the Standards and Interpretations in force at the first reporting date. However, IFRS 1 allows certain exemptions in the application of particular Standards to prior periods in order to assist companies with the transition process.

- **Changes in presentation of financial information:**

- o IAS 1: The form and presentation of the UK GAAP statements has been changed to be compliant with IAS 1.
- o IAS 7: Cash flows under IFRS are presented within the Cash Flow Statement under three main headings: cash flows from operating activities, from investing activities and from financing activities. This has resulted in some presentational changes compared to UK GAAP. There is no change to the net movement of cash and cash equivalents.

- **Changes in accounting policies:**

- o IAS 12: Under UK GAAP, deferred tax was recognised on the basis of timing differences, subject to certain exemptions. Under IAS 12, deferred tax is recognised on the basis of taxable temporary differences, subject to certain exceptions. Temporary differences include all timing differences and many permanent differences. This change has had no effect on any of the figures reported.
- o Under IAS 39, the trade investments which are deemed to be held for short term gain are taken to the profit and loss account at fair value as opposed to being held at historical cost under UK GAAP.
- o Under IAS 39, the trade investments which are not held for short term gain and are categorised as 'available-for-sale' financial assets are restated at fair value on the balance sheet date as opposed to being held at historical cost under UK GAAP. The gain or loss on revaluing the asset is held under a 'financial asset revaluation reserve' in Capital and Reserves. The changes arising are included in the restatements for IFRS.
- o Company has chosen to adopt IFRS 3. Accordingly, business combinations from the date of transition will be accounted for under IFRS 3 using the purchase method.

- **Reconciliations of UK GAAP to IFRS:**

- o For the period ended 31 December 2006 and year ended 30 June 2007 there are differences between the income statement and balance sheet amounts reported under UK GAAP and IFRS as noted on the following pages. In addition, there are differences under UK GAAP and IFRS for the opening balance sheet at 1 July 2006 on transition.
- o There is no monetary impact on the cash flow statement for these periods.

5. Disposal of subsidiary and acquisition of associate

On 6 August 2007, the Company completed the sale of its uranium asset subsidiary, Orion Exploration Pty Limited to Retail Star Limited, a company quoted on the Australian Stock Exchange. The consideration for the sale

amounted to AUD1.5m cash; the cash consideration was funded by the Company subscribing for 80m fully paid ordinary shares in Retail Star Limited at AUD0.015, 20m options at AUD0.01 per option and 20m A Performance Shares in Retail Star Limited. The Company also received 30m B Performance shares and 30m C Performance shares in Retail Star Limited; these will convert into ordinary shares upon the achievement of certain agreed objectives. The 80m shares received then amounted to 15.6% of the issued share capital of Retail Star Limited. The Company's chairman, Andrew Bell, has become chairman of Retail Star Limited.

The conditions for the conversion of 20m A performance shares were not satisfied; the attributable cost has been written off in full during the period.

The exercise price for the options over 20m new shares is AUD0.025 whereas the mid market price of Retail Star Limited shares as quoted on 31 December 2007 was AUD0.015 per share. Accordingly, the attributable cost has been charged to a revaluation reserve.

The directors of Retail Star Limited include Andrew Bell, Chairman of Red Rock Resources Limited (the "Company") and one other employee of Regency Mines plc, an associate company of the Company. Accordingly, the Company is considered to have significant influence over the conduct of Retail Star Limited which is therefore accounted for as an associate of the Company.

6. Market values of investments

As at 31 December 2007, the market values of publicly quoted investments were as follows:

- Associate company investments: £667,584 (book value £517,594)
- Trade investments: £1,102,540 (book value £1,102,540)

7. Restatement of reported figures

Company financial information as at 1 July 2006

	As originally reported under UK GAAP	Restate per note 8	Restate for IFRS	IFRS
	£	£	£	£
Balance sheet				
Non-current assets				
Intangible assets	972,290	(972,290)	-	-
Investments in associates	26,250	-	-	26,250
Total non-current assets	998,540	(972,290)	-	26,250
Current assets				
Cash and cash equivalents	101,021	-	-	101,021
Trade and other receivables	26,416	-	-	26,416
Available for sale financial assets	15,491	-	-	15,491
Exploration properties	-	972,290	-	972,290
Total current assets	142,928	-	-	1,115,218
Total assets	1,141,468	-	-	1,141,468
Current liabilities				
Trade and other payables	(38,417)	-	-	(38,417)
Total liabilities	(38,417)	-	-	(38,417)
Net assets	1,103,051	-	-	1,103,051
Capital and reserves				
Share capital	166,679	-	-	166,679
Share premium account	1,141,988	-	-	1,141,988
Retained losses	(205,616)	-	-	(205,616)
Total equity	1,103,051	-	-	1,103,051

Restatement of reported figures – continued

Consolidated financial information for the half-year ended 31 December 2006

	As originally reported under UK GAAP	Restate per note 8	Restate for IFRS	IFRS
	£	£	£	£
Balance sheet				
Non-current assets				
Intangible assets	936,365	(936,365)	-	-
Investments in associates	26,250	-	(548)	25,702
Total non-current assets	962,615	(936,365)	(548)	25,702
Current assets				
Cash and cash equivalents	46,214	-	-	46,214
Trade and other receivables	136,881	-	-	136,881
Trade investments	80,375	-	16,369	96,744
Exploration properties	-	936,365	-	936,365
Total current assets	263,470	-	16,369	1,216,204
Total assets	1,226,085	-	15,821	1,241,906
Current liabilities				
Trade and other payables	(257,604)	-	-	(257,604)
Non-current liabilities				
Deferred taxation	-	-	(4,911)	(4,911)
Total liabilities	(257,604)	-	(4,911)	(262,515)
Net assets	968,481	-	10,910	979,391
Capital and reserves				
Share capital	171,698	-	-	171,698
Share premium account	1,237,344	-	-	1,237,344
Retained losses	(440,561)	-	10,910	(429,651)
Total equity	968,481	-	10,910	979,391



Restatement of reported figures – continued

Consolidated financial information for the half-year ended 31 December 2006

	As originally reported under UK GAAP	Restate for IFRS	IFRS
	£	£	£
Income statement			
Turnover	16,236	(16,236)	-
Direct costs	(15,491)	15,491	-
Gross profit	745	(745)	-
Exploration expenses	(93,242)	-	(93,242)
Administrative expenses	(143,317)	-	(143,317)
Currency loss	926	-	926
Operating loss	(234,888)	(745)	(235,633)
Share of operating loss in associate	-	(548)	(548)
Surplus on revaluation of financial assets	-	16,369	16,369
Profit on sale of trading asset investment	-	745	745
Interest receivable	193	-	193
Interest payable	(249)	(1)	(250)
Loss on ordinary activities for the period	(234,944)	15,822	(219,124)
Deferred taxation provision	-	(4,911)	(4,911)
Loss after taxation	(234,944)	10,911	(224,035)



Restatement of reported figures – continued

Consolidated financial information for the year ended 30 June 2007

	As originally reported under UK GAAP	Restate for IFRS	IFRS
	£	£	£
Balance sheet			
Non-current assets			
Investments in associates	26,250	(612)	25,638
Total non-current assets	26,250	(612)	25,638
Current assets			
Cash and cash equivalents	220,347	-	220,347
Trade and other receivables	1,080,013	-	1,080,013
Trading asset investments	513,900	72,559	586,459
Exploration properties	935,353	-	935,353
Total current assets	2,749,613	72,559	2,822,172
Total assets	2,775,863	71,947	2,847,810
Current liabilities			
Trade and other payables	(293,609)	-	(293,609)
Non-current liabilities			
Deferred taxation	-	(19,983)	(19,983)
Total liabilities	(293,609)	(19,983)	(313,592)
Net assets	2,482,254	51,964	2,534,218
Capital and reserves			
Share capital	235,481	-	235,481
Share premium account	2,665,486	-	2,665,486
Share option reserve	82,581	-	82,581
Financial asset revaluation reserve	(5,948)	5,948	-
Retained losses	(495,346)	46,016	(449,330)
Total equity	2,482,254	51,964	2,534,218



Restatement of reported figures – continued

Consolidated financial information for the year ended 30 June 2007

	As originally reported under UK GAAP	Restate for IFRS	IFRS
	£	£	£
Income statement			
Turnover	551,652	(16,236)	535,416
Direct costs	(200,461)	15,491	(184,970)
Gross profit	351,191	(745)	350,446
Exploration expenses	(245,207)	-	(245,207)
Administrative expenses	(415,343)	-	(415,343)
Currency gains	18,038	-	18,038
Operating loss	(291,321)	(745)	(292,066)
Share of operating loss in associate	-	(612)	(612)
Surplus on revaluation of financial assets	-	66,611	66,611
Profit on sale of trading asset investment	-	745	745
Interest receivable	7,170	-	7,170
Interest payable	(5,579)	-	(5,579)
Loss on ordinary activities for the period	(289,730)	65,999	(223,731)
Taxation provision	-	(19,983)	(19,983)
Loss after taxation	(289,730)	46,016	(243,714)

8. Restatement of reported figures – notes:

During 2007, exploration properties previously reported as intangible fixed assets, were reclassified and reported as current assets. This correction has now been applied as at 30 June 2006 and 31 December 2006.

Copies of this half-yearly report are available free of charge by application in writing to the Company Secretary at the Company's business office, 115 Eastbourne Mews, Paddington, London W2 6LQ, or by email to admin@regency-mines.com.



Company information

Directors	Andrew R M Bell - Chairman Kenneth F Watson - Managing director Michael C Nott - Director Robert F Weicker - Non executive director John Watkins - Non executive director
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Secretary and registered office	Stephen F Ronaldson 55 Gower Street London WC1E 6HQ
Website	www.rrrplc.com
Auditors	Chapman Davis LLP 2 Chapel Court London SE1 1HH
Solicitors	Ronaldsons LLP 55 Gower Street London WC1E 6HQ
Nominated advisor & broker	Blomfield Corporate Finance Limited 12 Pepper Street London E14 9RP
Broker	Simple Investments 1 High Street Godalming Surrey GU7 1AZ
Bankers	Coutts & Co 440 Strand London WC2R 0QS
Registrars	Share Registrars Limited Craven House West Street Farnham Surrey GU9 7EN 01252 821390
Registered number	5225394