Unaudited interim financial statements

for the period 1 July to 31 December 2008

Registered number: 3954224 (England and Wales)

Interim results

30 March 2009

Weatherly International plc
("Weatherly" or the "Company")

Weatherly International plc today announces its unaudited interim results for the six months ended 31 December 2008.

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Summary highlights
for the six months ended 31 December 2008

Financial

- Turnover of US$77.3 million
- Cash at bank US$3.5 million as at 31 December 2008
- Net assets of US$30.8 million

Corporate and operational

- All mining operations suspended and placed on care and maintenance following steep decline in the copper price
- Namibia Custom Smelters (NCS) continues to operate and upgrade the Tsumeb smelter
- Total smelter production of 8,673 tonnes of blister copper and throughput of 48,490 copper concentrate tonnes
- Completion of US$11.3 million loan facility (of which US$ 1.0 million remains committed but undrawn) and extension of ore processing contracts with Chelopech Mining EAD and Louis Dreyfus Commodities to December 2013
- Terms of the convertible loan notes renegotiated

Chairman's statement

I am pleased to present Weatherly's interim results for the six months ended 31 December 2008.

As described below, following dramatic falls in the copper price, the Board took the decision in late 2008 to close Weatherly's mining operations and place the mines on care and maintenance. Weatherly continues to operate the Tsumeb smelter under Namibia Custom Smelters to process imported concentrates, and has successfully negotiated a US$11.3 million loan facility that will provide funding for the smelter's expansion and its ongoing requirements, as well as for redundancy payments. As at the date of this report, US$1.0 million of this facility remains committed but undrawn.

In addition to the cessation of mining activities, further measures have been taken to reduce overheads at our operations office in Namibia and at our head office in London.

Revenue in the six months to 31 December 2008 increased to US$77.3 million from US$41.5 million in the corresponding prior year period. This was primarily due to the agreements to process third party concentrates, which were not in place during the prior six month period. Weatherly recorded a gross loss for the six months of US$11.5 million compared to a gross profit of US$4.9 million for the same period in 2007. The significantly weaker performance resulted from sharply lower copper prices and higher one-time operational costs associated with the closure of our mines - specifically redundancy costs and development costs that would otherwise have been capitalised had the Board not decided to write off these assets.

The net loss for the period of US$15.4 million, or US 3.69 cents per share, included an expense of US$3.0 million reflecting an adjustment to the fair value of the company's share options in Emerging Metals Limited (EML) which are valued on a marked-to-market basis; a profit on the exercise of copper put options of US$2.7 million; and deferred revenue of US$4.9 million released in relation to the initial value of the sale of the slag dumps to EML following that company's admission to AIM on 1 July 2008. A fair value adjustment of US$5.8 million was also made in order to reflect the decrease in value of the company's shareholding in EML, although this was recognised through equity rather than the income statement.

The sharp decline in world copper prices from circa US$8,000 per tonne in June 2008 to circa US$3,000 in November 2008, well below Weatherly's production cost of approximately US$5,000 per tonne, called into question the viability of the company's mining operations. Weatherly undertook a number of cost cutting measures which initially included closing Tsumeb West in October 2008 and placing the Matchless mine on care and maintenance in November, as well as making redundancies at Otjihase and Tschudi. However, continuing falls in the copper price compelled us to place these last two mines on care and maintenance also, with operations ceasing on 20 December 2008. All mine closures were conducted in an orderly manner with appropriate compensation being paid to redundant employees.

Weatherly Mining Namibia's production for the period was as follows:

MINING PRODUCTION	**6 months ended 31 December 2008**			
	Milled	Grade	Recovery	Copper
Area	(t)	(%)	(%)	(t)
Central Operations	316,080	1.24	91.85	3,597
Northern Operations	148,490	1.17	67.32	1,166
Total copper blister (tonnes)	**464,570**	**1.22**	**84.20**	**4,763**

Smelter throughput of copper feed materials for the period is shown in the table below:

COPPER FEED TONNES	6 months ended 31 December 2008			6 months ended 31 December 2007			6 months ended 30 June 2008			Year ended 30 June 2008
Period	Q3	Q4	6 months	Q3	Q4	6 months	Q1	Q2	6 months	Year
Weatherly concentrates (includes local purchases)	12,779	11,809	24,588	7,821	10,895	18,716	9,763	11,195	20,958	39,674
Third party concentrates	9,582	14,320	23,902	13,313	7,624	20,937	5,314	10,909	16,223	37,160
Third party blister and matte	-	-	-	1,115	2,750	3,865	1,891	193	2,084	5,949

Smelter production of blister copper (98.6% copper) for the period is shown in the table below:

COPPER BLISTER TONNES	6 months ended 31 December 2008			6 months ended 31 December 2007			6 months ended 30 June 2008			Year ended 30 June 2008
Period	Q3	Q4	6 months	Q3	Q4	6 months	Q1	Q2	6 months	Year
Weatherly concentrates (includes local purchases)	2,579	1,927	4,506	1,880	2,196	4,076	2,020	2,249	4,269	8,345
Third party concentrates	1,476	2,691	4,167	3,145	1,871	5,016	943	1,826	2,769	7,785
Third party blister and matte	-	-	-	468	1,155	1,623	794	81	875	2,498
Total copper blister (tonnes)	**4,055**	**4,618**	**8,673**	**5,493**	**5,222**	**10,715**	**3,757**	**4,156**	**7,913**	**18,628**

Starting in April 2009 it is proposed to report production numbers quarterly.

In November 2008, with the rapid fall in copper prices, a full review of its cash resources in progress, and a potential claim lodged against the company, Weatherly requested that trading of its shares on AIM be temporarily suspended. The company subsequently implemented an extensive programme of cost reductions, secured the substantial long-term loan facility referred to above, and conducted a thorough investigation into the potential claim. Trading in Weatherly's ordinary shares resumed on AIM following publication of the company's annual report on 26 February 2009.

As a result of the decisive and carefully considered measures it has taken during the period, the Board is cautiously confident that Weatherly is now well positioned to survive the current market conditions, and to generate significant shareholder value from its existing assets and future opportunities when market conditions improve.

Wolf Martinick
30 March 2009

Condensed consolidated income statement
for the period 1 July to 31 December 2008

	Note	6 months to 31 Dec 2008 US$,000 Unaudited	6 months to 31 Dec 2007 US$,000 Unaudited	Year ended 30 June 2008 US$,000 Audited
Revenue		77,259	41,542	105,449
Cost of sales		(88,789)	(36,649)	(100,393)
Gross (loss)/profit		**(11,530)**	**4,893**	**5,056**
Other income	2	8,082	12	1,331
Administrative expenses		(4,596)	(5,262)	(11,736)
Loss on sales of assets		-	(180)	(187)
Release of environmental liability		-	-	2,178
Fair value of financial instruments through profit and loss	7	(2,994)	-	1,666
Impairment of assets		-	-	(50,837)
Operating loss		**(11,038)**	**(537)**	**(52,529)**
Finance costs - environmental provision		-	(361)	(116)
Foreign exchange loss		(1,741)	-	(720)
Finance costs	3	(2,695)	(590)	(1,253)
Finance income		36	324	549
Loss on ordinary activities before income tax		**(15,438)**	**(1,164)**	**(54,069)**
Income tax expense		-	-	-
Loss on ordinary activities after income tax		**(15,438)**	**(1,164)**	**(54,069)**
Allocated as follows:				
Loss attributable to shareholders of parent entity		(14,973)	(1,145)	(52,393)
Minority interest		(465)	(19)	(1,676)
		(15,438)	**(1,164)**	**(54,069)**
Loss per share				
Basic (US cents per share)	9	(3.69)	(0.29)	(13.15)
Diluted (US cents per share)	9	(3.69)	(0.29)	(13.15)

Condensed consolidated balance sheet
as at 31 December 2008

	Note	As at 31 Dec 2008 US$,000 Unaudited	As at 31 Dec 2007 US$,000 Unaudited	As at 30 June 2008 US$,000 Audited
Assets				
Non-current assets				
Property, plant and equipment	4	54,019	116,742	65,238
Investment properties	5	1,078	1,556	1,282
Intangible assets	6	1,800	6,175	560
Investments	7	819	-	9,575
Total non-current assets		57,716	124,473	76,655
Current assets				
Inventories		16,599	2,282	8,779
Trade and other receivables		4,438	21,140	23,780
Cash and cash equivalents		3,530	7,292	5,385
Total current assets		24,567	30,714	37,944
Total assets		**82,283**	**155,187**	**114,599**
Current liabilities				
Trade and other payables		27,705	19,552	35,742
Deferred revenue		1,385	-	-
Unsecured creditors subject to a compromise on acquisition		1,712	2,701	1,523
Bank borrowings		-	3,369	-
Total current liabilities		30,802	25,622	37,265
Non-current liabilities				
Trade and other payables		-	-	123
Unsecured creditors subject to a compromise on acquisition		948	6,281	2,370
Loans		19,773	-	12,469
Deferred revenue	8	-	-	4,944
Provisions		-	4,816	133
Total non-current liabilities		20,721	11,097	20,039
Total liabilities		**51,523**	**36,719**	**57,304**
Net assets		**30,760**	**118,468**	**57,295**
Equity				
Issued capital		3,520	3,519	3,519
Share premium reserve		71,729	71,702	71,702
Merger reserve		18,471	18,471	18,471
Capital redemption reserve		454	454	454
Share-based payments reserve		1,080	625	775
Other reserves		(1,471)	-	4,291
Foreign exchange reserve		(13,597)	4,674	(7,435)
Retained earnings		(49,414)	16,807	(34,441)
Equity attributable to shareholders of the parent company		30,772	116,252	57,336
Minority interests		(12)	2,216	(41)
		30,760	**118,468**	**57,295**

Condensed consolidated statement of changes in equity
for the period 1 July to 31 December 2008

	Issued capital	Share premium	Merger reserve	Capital redemption reserve	Share-based payment reserve	Foreign exchange reserve	Other reserve	Retained earnings	Subtotal	Minority interest	Total equity
	Unaudited $,000	Unaudited $,000	Unaudited $,000	Unaudited $,000	Unaudited $,000	Unaudited $,000	Unaudited $,000	Unaudited $,000	Unaudited $,000	Unaudited $,000	Unaudited $,000
At 1 July 2007	**3,043**	**53,665**	**18,471**	**454**	**271**	**3,100**	**-**	**17,952**	**96,956**	**2,235**	**99,191**
Exchange differences on translation of foreign operations	-	-	-	-	-	1,574	-	-	1,574		**1,574**
Net income recognised directly into equity	-	-	-	-	-	1,574	-	-	1,574	-	1,574
Loss for the period	-	-	-	-	-	-	-	(1,145)	(1,145)	(19)	**(1,164)**
Total recognised income and expense	**-**	**-**	**-**	**-**	**-**	**1,574**	**-**	**(1,145)**	**429**	**(19)**	**410**
Issue of shares	476	18,037	-	-	-	-	-	-	**18,513**	-	**18,513**
Share-based payments	-	-	-	-	354	-	-	-	**354**	-	**354**
Equity component of compound financial instrument	-	-	-	-	-	-	-	-	**-**	-	**-**
At 31 December 2007	**3,519**	**71,702**	**18,471**	**454**	**625**	**4,674**	**-**	**16,807**	**116,252**	**2,216**	**118,468**
Exchange differences on translation of foreign operations	-	-	-	-	-	(12,109)	-	-	(12,109)	(599)	**(12,708)**
Fair value movement in investments	-	-	-	-	-	-	4,760	-	4,760	-	**4,760**
Net income recognised directly into equity	-	-	-	-	-	(12,109)	4,760	-	(7,349)	(599)	(7,948)
Loss for the period	-	-	-	-	-	-	-	(51,248)	(51,248)	(1,658)	**(52,906)**
Total recognised income and expense	**-**	**-**	**-**	**-**	**-**	**(12,109)**	**4,760**	**(51,248)**	**(58,597)**	**(2,257)**	**(60,854)**
Issue of shares			-	-	-	-	-	-	-	-	**-**
Share-based payments	-	-	-	-	150	-	-	-	150	-	**150**
Equity component of compound financial instrument	-	-	-	-	-	-	(469)	-	(469)	-	**(469)**
At 30 June 2008	**3,519**	**71,702**	**18,471**	**454**	**775**	**(7,435)**	**4,291**	**(34,441)**	**57,336**	**(41)**	**57,295**
Exchange differences on translation of foreign operations	-	-	-	-	-	(6,162)	-	-	(6,162)	494	**(5,668)**
Fair value movements in investments	-	-	-	-	-	-	(5,762)	-	(5,762)	-	**(5,762)**
Net income recognised directly into equity	-	-	-	-	-	(6,162)	(5,762)	-	(11,924)	494	(11,430)
Loss for the period	-	-	-	-	-	-	-	(14,973)	(14,973)	(465)	**(15,438)**
Total recognised income and expense	**-**	**-**	**-**	**-**	**-**	**(6,162)**	**(5,762)**	**(14,973)**	**(26,897)**	**29**	**(26,868)**
Issue of shares	1	27	-	-	-	-	-	-	28	-	**28**
Share-based payments	-	-	-	-	305	-	-	-	305	-	**305**
Equity component of compound financial instrument	-	-	-	-	-	-	-	-	-	-	**-**
At 31 December 2008	**3,520**	**71,729**	**18,471**	**454**	**1,080**	**(13,597)**	**(1,471)**	**(49,414)**	**30,772**	**(12)**	**30,760**

Condensed consolidated cash flow statement
for the period 1 July to 31 December 2008

	Note	6 months to 31 Dec 2008 US$,000 Unaudited	6 months to 31 Dec 2007 US$,000 Unaudited	Year to 30 June 2008 US$,000 Audited
Cash flows from operating activities				
Loss for the period		(15,438)	(1,164)	(54,069)
Adjusted by:				
Depreciation and amortisation		3,219	4,312	5,138
Share-based payment expenses		305	354	504
(Profit)/loss on sale of assets		-	180	(1,991)
Charge for environmental provision		-	361	-
Impairment of assets		-	-	50,837
Deferred revenue released to profit and loss		(4,944)	-	-
Fair value adjustment of EML options	7	2,994	-	(2,899)
Fair value adjustment of put options		-	-	1,233
Finance costs	3	2,695	590	1,253
Finance income		(36)	(324)	(549)
		(11,205)	**4,309**	**(543)**
Movements in working capital				
Increase in inventories		(7,820)	(778)	(7,275)
(Increase)/decrease in trade and other receivables		18,592	(11,413)	(14,537)
Increase/(decrease) in trade and other payables		(5,556)	9,964	26,030
Net cash from/(used in) operating activities		**(5,989)**	**2,082**	**3,675**
Cash flows used in investing activities				
Interest received		36	324	549
Payments for intangibles, property, plant and equipment		(3,198)	(23,696)	(35,795)
Proceeds from sales of property, plant and equipment		-	494	601
Proceeds from sale of Tsumeb dumps		-	-	2,886
Net cash used in investing activities		**(3,162)**	**(22,878)**	**(31,759)**
Cash flows from financing activities				
Proceeds from issue of equity shares		-	20,007	20,007
Associated costs of issue of equity shares		-	(1,494)	(1,494)
Financing of creditors compromise on acquisition		(913)	(2,683)	(7,391)
Interest and finance charges		(1,719)	(590)	(1,253)
Commodity contracts		-	(1,234)	(1,234)
Proceeds from convertible note		750	-	11,250
Proceeds from loans		5,004	-	-
Net cash from financing activities		**3,122**	**14,006**	**19,885**
Decrease in cash		**(6,029)**	**(6,790)**	**(8,199)**
Reconciliation to net cash				
Cash at beginning of period		5,385	12,076	12,076
Decrease in cash		(6,029)	(6,790)	(8,199)
Foreign exchange gains/(losses)		4,174	(1,363)	1,508
Net cash at end of period		**3,530**	**3,923**	5,385
Cash at bank		3,530	7,292	5,385
Bank overdraft		-	(3,369)	-
Net cash at end of period		**3,530**	**3,923**	**5,385**

Notes to the consolidated financial statements
for the period 1 July to 31 December 2008

1. a. Basis of preparation

The unaudited interim consolidated financial statements which are for the six month period ended 31 December 2008 have been prepared in accordance with the recognition and measurement principles of reporting standards that are either already in issue, as adopted by the European Union (EU) and effective at 30 June 2009, or are expected to be adopted and effective at 30 June 2009.

The interim consolidated financial statements do not include all of the information required for full annual financial statements. The financial information set out in this interim report does not constitute statutory accounts as defined in Section 240 of the Companies Act 1985. The group's statutory financial statements for the year ended 30 June 2008 have been filed with 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 accounting policies applied in this interim report are consistent with those applied in the financial statements for the year ended 30 June 2008.

b. Nature of operations and general information

Weatherly International plc and subsidiaries' ("the group's") principal activities include the mining, smelting and sale of copper.

Weatherly International plc is the group's ultimate parent company. It is incorporated and domiciled in the United Kingdom. The address of Weatherly International plc's registered office, which is also its principal place of business, is Marble Arch Tower, 55 Bryanston Street, London W1H 7AJ. The company's shares are listed on the Alternative Investment Market of the London Stock Exchange.

Weatherly International's consolidated interim financial statements are presented in United States dollars (US$), which is also the functional currency of the parent company.

These consolidated condensed interim financial statements have been approved for issue by the Board of Directors on 30 March 2009.

Notes to the consolidated financial statements
for the period 1 July to 31 December 2008

2. Other income

	6 months to 31 Dec 2008 US$,000 Unaudited	6 months to 31 Dec 2007 US$,000 Unaudited	Year ended 30 June 2008 US$,000 Audited
Profit from exercise of put options [1]	2,734	-	-
Deferred revenue released to profit and loss [2]	4,944	-	-
Other income	404	12	1,331
Total other income	**8,082**	**12**	**1,331**

[1] Weatherly exercised copper put options that had a strike price of US$5,000 per tonne. These options were in the money for October 2008, November 2008 and December 2008. As of 1 January 2009 Weatherly did not hold any further options.

[2] Weatherly recognised deferred revenue relating to the initial value attributed to EML at 30 June 2008. EML listed on AIM on 1 July 2008 which triggered the release of the entire EML deferred revenue balance, as a result of the revenue recognition criteria being met.

3. Finance costs

	6 months to 31 Dec 2008 US$,000 Unaudited	6 months to 31 Dec 2007 US$,000 Unaudited	Year ended 30 June 2008 US$,000 Audited
Concentrate purchase funding	1,767	-	102
Convertible note interest	540	-	159
Unwinding of creditors' compromise [1]	248	434	711
Other interest	140	156	281
Total finance costs	**2,695**	**590**	**1,253**

[1] The unwinding of creditors' compromise relates to the change in the net present value the 311 creditors' compromise agreement that was entered into at acquisition of Ongopolo Mining Ltd. This change is classified as a finance cost.

Notes to the consolidated financial statements
for the period 1 July to 31 December 2008

4. Property, plant and equipment

	Freehold property US$,000	Plant and machinery US$,000	Development costs US$,000	Total US$,000
Six months ended 31 December 2008				
Cost or valuation:				
At 1 July 2008	38,916	40,760	40,395	120,071
Additions	-	1,935	-	1,935
Disposals	-	-	-	-
Transfer	-	-	-	-
Exchange adjustment	(6,054)	(6,351)	(6,439)	(18,844)
At 31 December 2008	32,862	36,344	33,956	103,162
Depreciation:				
At 1 July 2008	(3,205)	(11,233)	(40,395)	(54,833)
Provided during the year	(1,080)	(2,092)	-	(3,172)
Disposals	-	-	-	-
Impairment loss	-	-	-	-
Exchange adjustment	511	1,912	6,439	8,862
At 31 December 2008	(3,774)	(11,413)	(33,956)	(49,143)
Net book value at 31 December 2008	29,088	24,931	-	54,019
Six months ended 31 December 2007				
Cost or valuation:				
At 1 July 2007	46,476	35,280	19,697	101,453
Additions	122	5,649	16,851	22,622
Disposals	-	(180)	-	(180)
Exchange adjustment	1,974	1,338	492	3,804
At 31 December 2007	48,572	42,087	37,040	127,699
Depreciation:				
At 1 July 2007	(2,805)	(3,739)	-	(6,544)
Provided during the year	(1,437)	(2,875)	-	(4,312)
Disposals	-	-	-	-
Impairment loss	-	-	-	-
Exchange adjustment	(34)	(67)	-	(101)
At 31 December 2007	(4,276)	(6,681)	-	(10,957)
Net book value at 31 December 2007	44,296	35,406	37,040	116,742
Year ended 30 June 2008				
Cost or valuation:				
At 1 July 2007	46,476	35,280	19,697	101,453
Additions	613	13,330	21,292	35,235
Disposals	(637)	(2,025)	-	(2,662)
Transfer	(2,000)	(1,089)	3,089	-
Exchange adjustment	(5,536)	(4,736)	(3,683)	(13,955)
At 30 June 2008	38,916	40,760	40,395	120,071
Depreciation:				
At 1 July 2007	(2,805)	(3,739)	-	(6,544)
Provided during the year	(845)	(4,070)	(135)	(5,050)
Disposals	-	127	-	127
Impairment loss	-	(4,390)	(40,272)	(44,662)
Exchange adjustment	445	839	12	1,296
At 30 June 2008	(3,205)	(11,233)	(40,395)	(54,833)
Net book value at 30 June 2008	35,711	29,527	-	65,238

Notes to the consolidated financial statements
for the period 1 July to 31 December 2008

5. Investment properties

	Total US$,000
Six months ended 31 December 2008	
Cost or valuation:	
At 1 July 2008	1,363
Acquisition of subsidiary undertaking	-
Exchange adjustment	(182)
At 31 December 2008	1,181
Depreciation:	
At 1 July 2008	(81)
Provided during the year	(34)
Exchange adjustment	12
At 31 December 2008	(103)
Net book value at 31 December 2008	1,078
Six months ended 31 December 2007	
Cost or valuation:	
At 1 July 2007	1,534
Exchange adjustment	69
At 31 December 2007	1,603
Depreciation:	
At 1 July 2007	-
Provided during the year	(46)
Exchange adjustment	(1)
At 31 December 2007	(47)
Net book value at 31 December 2007	1,556
Year ended 30 June 2008	
Cost or valuation:	
At 1 July 2007	1,534
Exchange adjustment	(171)
At 30 June 2008	1,363
Depreciation:	
At 1 July 2007	-
Provided during the year	(88)
Exchange adjustment	7
At 30 June 2008	(81)
Net book value at 30 June 2008	1,282

Notes to the consolidated financial statements
for the period 1 July to 31 December 2008

6. Intangible assets

	Computer software US$,000	Exploration US$,000	Mining licences US$,000	Total US$,000
Six months ended 31 December 2008				
Net book value:				
At 1 July 2008	65	495	-	560
Additions	-	1,263	-	1,263
Amortisation	(13)	-	-	(13)
Exchange adjustment	(10)	-	-	(10)
Net book value at 31 December 2008	42	1,758	-	1,800
Six months ended 31 December 2007				
Net book value:				
At 1 July 2007	-	-	6,175	6,175
Additions	-	-	-	-
Net book value at 31 December 2007	-	-	6,175	6,175
Year ended 30 June 2008				
Net book value:				
At 1 July 2007	-	-	6,175	6,175
Additions	65	495	-	560
Impairment loss	-	-	(6,175)	(6,175)
Net book value at 30 June 2008	65	495	-	560

7. Investments

	As at 31 December 2008 US$,000	As at 31 December 2007 US$,000	As at 30 June 2008 US$,000
Shares in EML	793	-	6,555
Options in EML	26	-	3,020
	819	**-**	**9,575**

Fair value of investment is calculated as follows

As at 31 December 2008

	Number of shares or options	£ per share/ option	Exchange rate US$/£	Fair value US$,000
Shares in EML [1]	21,899,698	0.0250	1.4479	793
Options in EML [2]	13,705,179	0.0013	1.4479	26
	35,604,877			819

As at 30 June 2008

	Number of shares	£ per share/ option	Exchange rate US$/£	Fair value US$,000
Shares in EML [1]	21,899,698	0.1500	1.9954	6,555
Options in EML [2]	13,705,179	0.1104	1.9954	3,020
	35,604,877			9,575

Notes to the consolidated financial statements
for the period 1 July to 31 December 2008

7. **Investments** (continued)

1. Price per share is represented by the last sale price for the period. (EML listed on AIM on 1 July 2008, the closing prices on that day was used as a proxy for 30 June 2008.)

2. Price per option is valued by an independent consultant using the Black Scholes model, the below schedule lists the assumptions used in the model.

	31 December 2008	30 June 2008
Dividend yield (%)	-	-
Expected volatility (%)	27.6104	18.7526
Risk-free interest rate (%)	2.4165	5.2010
Share price at grant date £	0.0500	0.0500
Share price (market value) £	0.0250	0.1500
Exercise price £	0.0500	0.0500
Fair value £	0.0013	0.1104
Number outstanding	13,705,179	13,705,179

The following represents the movements in the investment.

As at 31 December 2008

	Balance at 30 June 2008	Fair value to profit and loss account	Fair value to equity reserve account	Balance at 31 December 2008
	US$,000	US$,000	US$,000	US$,000
EML shares	6,555	-	(5,762)	**793**
EML options	3,020	(2,994)	-	**26**
	9,575	**(2,994)**	**(5,762)**	**819**

As at 30 June 2008

	Acquired during year	Fair value to profit and loss account	Fair value to equity reserve account	Foreign exchange difference	Balance at 30 June 2008
	US$,000	US$,000	US$,000	US$,000	US$,000
EML shares	2,161	-	4,760	(366)	**6,555**
EML options	354	2,899	-	(233)	**3,020**
	2,515	**2,899**	**4,760**	**(599)**	**9,575**

Notes to the consolidated financial statements
for the period 1 July to 31 December 2008

8. Deferred revenue – non-current

	As at 31 December 2008	As at 31 December 2007	As at 30 June 2008
	US$,000	US$,000	US$,000
Tsumeb slag dumps			
Cash	-	-	2,886
EML shares	-	-	2,161
EML options	-	-	354
Foreign exchange	-	-	(457)
Total deferred revenue - non current	**-**	**-**	**4,944**

The following represents the movements in deferred revenue.

As at 31 December 2008

	Balance at 1 July 2008	Released to the profit and loss account	Balance at 31 December 2008
	US$,000	US$,000	US$,000
Cash	2,886	(2,886)	**-**
EML shares	2,161	(2,161)	**-**
EML options	354	(354)	**-**
Foreign exchange	(457)	457	**-**
	4,944	**(4,944)**	**-**

As at 30 June 2008

	Acquired during year	Foreign exchange difference	Balance at 30 June 2008
	US$,000	US$,000	US$,000
Cash	2,886		**2,886**
EML shares	2,161	-	**2,161**
EML options	354	-	**354**
Foreign exchange		(457)	**(457)**
	5,401	**(457)**	**4,944**

Notes to the consolidated financial statements

for the period 1 July to 31 December 2008

9. Loss per share

	6 months to 31 Dec 2008 US$,000 Unaudited	6 months to 31 Dec 2007 US$,000 Unaudited	Year ended 30 June 2008 US$,000 Audited
Loss for the period attributable to equity	(14,973)	(1,145)	(52,393)
Basic loss per share (US cents)	(3.69)	(0.29)	(13.15)
Diluted loss per share (US cents)	(3.69)	(0.29)	(13.15)
Issued ordinary shares at start of the period	405,327,066	356,146,555	356,646,567
Shares issued during the period	98,361	48,375,010	48,680,499
Issued ordinary shares at end of the period	405,425,427	404,521,565	405,327,066
Weighted average number of ordinary shares in issue during the period - basic earnings per share	405,400,837	391,979,359	398,431,898
Effect of share options in issue	-	8,196,042	7,330,789
Weighted average number of ordinary shares fully diluted at end of the period - diluted earnings per share	405,400,837	400,175,401	405,762,687

Where a loss has been incurred for the period, the diluted loss per share does not differ from the basic loss per share as the exercise of share options would have the effect of reducing the loss per share and is therefore not dilutive under the terms of IAS 33.

10. Post balance sheet events

Board change
As part of the extensive restructuring of the company, Paul Craven stepped down from his position as Chief Financial Officer and Director on 9 February 2009.

Contingent liability
As disclosed in the annual report, a potential claim of £3.5 million has been made against the company and the status of the claim remains unchanged. However, the claimant is seeking a high rate of interest which will also be contested.