Alecto Minerals plc / EPIC: ALO / Market: AIM / Sector: General Financial
29 September 2011

Alecto Minerals plc ('Alecto' or the 'Company')
Interim Results

Alecto Minerals plc, the AIM listed resource company, is pleased to announce its interim results for the six months ended 30 June 2011.

Overview

- Progress in commencing exploration across highly prospective portfolio of gold and base metal assets in Mauritania and Ethiopia
- Phases one and two complete at Mauritanian gold and base metal licences – results from phase two expected shortly
- Acquired a 1,953 sq km gold exploration licence located in a mineral-rich region of Ethiopia – defined exploration programme being developed
- Ongoing review of additional assets which may offer potential synergies with the Company's current resource portfolio

Alecto Managing Director Damian Conboy said, "We have developed the Company over the past 12 months and believe that we are now positioned in two prime mineralised regions with exposure to gold, base metals and uranium. We have been advancing our portfolio over the period to strengthen our understanding of the assets, as well as evaluating potentially complementary assets, and in line with this, we look forward to updating the market at the appropriate time."

Chairman's Statement

Over the past six months we have commenced exploration programmes across our portfolio of highly prospective gold and base metal assets in Mauritania and Ethiopia. Our key focus has been on advancing our three gold and base metal licences totalling 1,902 sq km in the Mauritanide belt of Mauritania as well as a 1,953 sq km gold licence in the Aysid-Metekel region of north western Ethiopia. We also own two uranium licences totalling 1,592 sq km in North East Mauritania, which are on hold whilst we focus on our other assets. In addition, our experienced management team continues to evaluate other resource assets in Africa that may offer potential synergies with the Company.

Mauritania

The prospectivity of our Mauritanian licences, namely the Chegar (756 sq km), Wad Armour (613 sq km) and Zreibya (459 sq km) gold and base metal licences, has been underpinned by leading independent consultants, SRK Exploration Services ('SRK ES'). Exploration has focussed on advancing the licences to a drill ready status and in line with this, since commencing work at the projects at the end of February 2011, SRK ES has completed two phases of exploration at the sites.

Phase one, consisting of geochemistry, reconnaissance visits and mapping work, delineated two well defined copper anomalies: the East-West trending 'Chiron' containing anomalous copper values over an 800 metre strike; and the North West-South East trending 'Oued d'Amour', which was found to contain anomalous copper values over a 900 metre strike length. The prospectivity of these targets was further bolstered by the analysis of airborne magnetic data indicating strong structural control. The presence of significant gold path finder minerals at Wad Amour and Zreibya using a handheld XRF, was also encouraging.

Subsequent to this, additional soil sampling, trenching and ground geophysics have been completed as part of phase two. Analysis has been delayed due to the assays being held up in customs, however, we hope to be in a position to announce the results soon.

We are confident in the prospectivity of our position in Mauritania, which is an exciting country to operate in. Kinross Gold Corp., Canada's third largest precious metals producer, recently acquired Red Back Mining Inc. which owns the 6.5 Moz (open along strike) Tasiast Gold Mine, highlighting the economic potential of the area. In addition, First Quantum Minerals, which holds the Guelb Moghrein deposit in Mauritania, has resumed copper and gold production.

Ethiopia

The acquisition of a 1,953 sq km gold exploration licence in May 2011, marked our move into the Arabian-Nubian shield on the Western Akobo Greenstone belt, a prime mineralised region with extensive artisanal workings. Gold exploration in Ethiopia is still at a relatively early stage, although in recent years, activity has increased substantially. Our licence is located approximately 50 km north and north east respectively of the highly prospective Towchester and Brantham tenements owned by AIM and ASX quoted Nyota Minerals Limited. In addition, the Fiti skarn gold deposit, which was discovered by MIDROC Gold Mine plc, owner-operator of the Lege Dembi gold mine in southern Ethiopia, is circa 80 km away.

Since acquiring the licence, we have recently completed an initial reconnaissance exploration programme including regional stream sediment, soil and rock chip sampling. We are now compiling and analysing the data, alongside results from reconnaissance work carried out by the previous owners, in order to establish a staged exploration campaign appropriate to the geology of the region, which we look forward to unveiling shortly.

Ghana

In April 2011, we signed a Share Purchase Agreement to acquire, in stages, 80% of the share capital of Rancho Ghana Limited, which holds a 191.1 sq km gold

exploration licence in the Ashanti Gold Belt in Ghana. We remain in negotiations with the vendors regarding a revision of the existing work programme to reduce expenditure commitments. Although we have received a letter stating that the prospecting licence has been granted, we are currently assessing all options.

Other Interests

We hold a 20% interest in Bulgarian Mining Corporation Ltd ('BMC'), which is evaluating uranium assets in Bulgaria, as well as a 9.73% interest in a shell company, Charles Street Capital plc, which is focussed on acquiring mineral assets.

Financial Results

In line with management expectations and in view of the fact that Alecto is an exploration company, the Company does not have any revenues and is reporting a loss for the six months ended 30 June 2011 of £513,262 (2010: 389,812).

Our cash position at 30 June 2011 was £1,324,018.

Outlook

Alecto has made encouraging progress over the past six months, having laid many of the fundamental foundations to underpin our future growth and build a portfolio. With our prospective portfolio of diverse assets, located in relatively under-explored, mineral-rich regions of Africa, we look forward to the future with increased optimism. We anticipate publishing the results from phase two of the exploration campaign at our Mauritanian assets shortly, as well as details of a phased programme at our Ethiopian asset. Additionally, we continue to review a number of complementary assets, with the aim of strengthening what we consider to be an exciting portfolio.

Finally, I would like to take this opportunity to thank both our team and shareholders for their support over the period.

Malcolm James
Chairman
29 September 2011

For further information, please visit www.alectominerals.com or contact:

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Condensed Consolidated Statement of Comprehensive Income

	Notes	6 months to 30 June 2011 Unaudited £	6 months to 30 June 2010 Unaudited £
Continuing operations			
Revenue		-	-
Administration expenses		(389,944)	(390,393)
Acquisition costs expensed		(80,000)	-
Operating Loss		(469,944)	(390,393)
Finance income		682	581
Loss Before Taxation		(469,262)	(389,812)
Corporate tax expense		(44,000)	-
Loss for the period from continuing operations attributable to equity owners of the parent		(513,262)	(389,812)
Other comprehensive income			
Exchange differences on translating foreign operations		38,711	-
Available for sale financial assets		(176,000)	-
Total comprehensive income for the period attributable to equity owners of the parent		(650,551)	(389,812)
Earnings per share from continuing operations attributable to the equity owners of the parent			
Basic and diluted (pence per share)	7	0.27	0.39

Condensed Consolidated Balance Sheet

	Notes	30 June 2011 Unaudited £	31 December 2010 Audited £
Non-Current Assets			
Property, plant and equipment		-	-
Intangible assets	5	2,183,164	768,489
Restricted assets		40,338	21,464
Available-for-sale financial assets		145,000	365,000
		2,368,502	1,154,953
Current Assets			
Trade and other receivables		78,878	126,774
Cash and cash equivalents		1,324,018	2,015,012
		1,402,896	2,141,786

Total Assets		3,771,398	3,296,739
Current Liabilities			
Trade and other payables		116,858	82,837
Deferred consideration		400,000	-
		516,858	82,837
Non-Current Liabilities			
Deferred taxation		378,350	-
		378,350	-
Total Liabilities		895,208	82,837
Net Assets		2,876,190	3,213,902
Capital and Reserves Attributable to Equity Holders of the Company			
Called up share capital	6	1,365,957	1,303,860
Share premium account	6	5,351,686	5,124,210
Share option reserve		357,204	333,938
Foreign currency translation reserve		18,963	(19,748)
Available-for-sale financial asset reserve		-	176,000
Retained losses		(4,217,620)	(3,704,358)
Total Equity		2,876,190	3,213,902

Condensed Consolidated Statement of Changes In Shareholders' Equity

	Attributable to Owners of the Parent					
	Share capital £	**Share Premium £**	**Share option reserve £**	**Merger reserve £**	**Retained losses £**	**Total equity £**
As at 1 January 2010	**656,412**	**3,007,576**	**182,504**	**405,000**	**(3,550,110)**	**701,382**
Comprehensive income						
Loss for the year	-	-	-	-	(389,812)	(389,812)
Total comprehensive income	**-**	**-**	**-**	**-**	(389,812)	(389,812)
Transactions with owners						
Issue of ordinary shares	58,188	201,812	-	-	-	260,000
Share based payments	-	-	-	-	-	-
Reserves transfer	-	-	-	(405,000)	405,000	-
Total transactions with owners	58,188	201,812	-	(405,000)	405,000	260,000
As at 30 June 2010	**714,600**	**3,209,388**	**182,504**	**-**	**(3,534,922)**	**571,570**

Attributable to Owners of the Parent

	Share capital £	Share Premium £	Available-for-sale investment reserve £	Share option reserve £	Translation reserve £	Retained losses £	Total equity £
As at 1 January 2011	**1,303,860**	**5,124,210**	**176,000**	**333,938**	**(19,748)**	**(3,704,358)**	**3,213,902**
Comprehensive income							
Loss for the year	-	-	-	-	-	(513,262)	(513,262)
Other comprehensive income							
Currency translation differences	-	-	-	-	38,711	-	38,711
Available-for-sale financial assets (net of tax)	-	-	(176,000)	-	-	-	(176,000)
Total other comprehensive income	-	-	(176,000)	-	38,711	-	(137,289)
Total comprehensive income for the period	**-**	**-**	**(176,000)**	**-**	**38,711**	(513,262)	(650,551)
Transactions with owners							
Issue of ordinary shares	62,097	227,476	-	-	-	-	289,573
Share based payments	-	-	-	23,266	-	-	23,266
Total transactions with owners	62,097	227,476	-	23,266	-	-	312,839
As at 30 June 2011	**1,365,957**	**5,351,686**	**-**	**357,204**	**18,963**	**(4,217,620)**	**2,876,190**

Condensed Consolidated Cash Flow Statement

	30 June 2011 Unaudited £	30 June 2010 Unaudited £
Cash flows from operating activities		
Operating loss	(469,944)	(390,393)
Adjustments for:		
Depreciation	-	-
Share option expense	23,266	-
Introducer fees paid in shares	30,000	-
Exclusivity fee paid in shares	-	90,000
(Increase) / decrease in trade and other receivables	(57,006)	7,109

Increase / (decrease) in trade and other payables	34,021	(37,087)
Net cash used in operations	(439,663)	(330,371)
Cash flows from investing activities		
Interest received	682	581
Cash paid for acquisition of subsidiaries (net of cash acquired)	(48,396)	-
Loans to third parties	-	(45,000)
Cash paid for restricted assets	(17,877)	-
Purchase of intangible assets	(250,215)	-
Net cash used in investing activities	(315,806)	(44,419)
Cash flows from financing activities		
Proceeds received from issue of shares	104,902	162,000
Cost of share issue	(40,427)	-
Proceeds from borrowings	-	-
Net cash from financing activities	64,475	162,000
Net increase / (decrease) in cash and cash equivalents	(690,994)	(212,790)
Cash and cash equivalents at beginning of period	2,015,012	741,512
Exchange gains / (losses) on cash and cash equivalents	-	-
Cash and cash equivalents at end of period	1,324,018	528,722

Major non-cash transactions

During the period ended 30 June 2011 the Company acquired 100% of the ordinary share capital of Nubian Gold Exploration Limited for a total consideration of £800,000. £400,000 of the consideration is deferred and payable on 1 February 2012. £300,000 of the initial consideration was paid, and £300,000 of the deferred consideration is payable, through the issue of ordinary shares in the Company.

Notes to the Financial Statements

1. General Information

The principal activity of Alecto Minerals Plc ('the Company') and its subsidiaries (together 'the Group') is the exploration and development of precious and base metals. The Company's shares are listed on the Alternative Investment Market of the London Stock Exchange. The Company is incorporated and domiciled in the UK.

On 23 May 2011 the Company received shareholder approval at its Annual General Meeting and changed its name from Alecto Energy Plc to Alecto Minerals Plc to better reflect the activities of the Group.

The address of the Company's registered office is 200 Strand, London WC2R 1DJ.

2. Basis of Preparation

The condensed consolidated interim financial statements have been prepared in accordance with the requirements of the AIM Rules for Companies. As permitted, the Company has chosen not to adopt IAS 34 "Interim Financial Statements" in preparing this interim financial information. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2010, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The interim financial information set out above does not constitute statutory accounts within the meaning of the Companies Act 2006. They have been prepared on a going concern basis in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS) as adopted by the European Union. Statutory financial statements for the year ended 31 December 2010 were approved by the Board of Directors on 19 April 2011 and delivered to the Registrar of Companies. The report of the auditors on those financial statements was unqualified.

The 2011 interim financial report of the Company has not been audited but has been reviewed by the Company's auditor, Littlejohn LLP, whose independent review report is included in this Interim Report.

Going concern

The Directors, having made appropriate enquiries, consider that adequate resources exist for the Group to continue in operational existence for the foreseeable future and that, therefore, it is appropriate to adopt the going concern basis in preparing the condensed interim financial statements for the period ended 30 June 2011.

Risks and uncertainties

The Board continuously assesses and monitors the key risks of the business. The key risks that could affect the Group's medium term performance and the factors that mitigate those risks have not substantially changed from those set out in the Group's 2010 Annual Report and Financial Statements, a copy of which is available on the Group's website: www.alectominerals.com. The key financial

risks are liquidity risk, foreign exchange risk, credit risk, price risk and interest rate risk.

Critical accounting estimates

The preparation of condensed interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period. Significant items subject to such estimates are set out in note 4 of the Group's 2010 Annual Report and Financial Statements. Additional areas of estimation applicable for the condensed interim financial statements are as follows:

Fair value of exploration assets acquired in business combinations

During the period ended 30 June 2011 the Group acquired exploration and evaluation assets with an estimated acquisition date fair value of £1,115,000 through business combinations. Management has made various estimations regarding the fair value of exploration assets acquired in business combinations given the absence of any verifiable and accurate data or JORC compliant resource at that time. The fair value of exploration assets acquired has been estimated based on a number of valuation techniques.

Where acquisitions represent transactions between knowledgeable and willing parties on an arms length basis the exploration assets acquired have been valued on the basis of the consideration transferred.

Management has also undertaken an exercise to compare the estimated fair values of exploration assets based on their level of work completed and geological upside potential with similar exploration companies in the form of a benchmarking exercise.

Further information is included in note 8. Actual values could vary from management estimations.

3. Accounting Policies

Except as described below, the same accounting policies, presentation and methods of computation have been followed in these condensed interim financial statements as were applied in the preparation of the Group's annual financial statements for the year ended 31 December 2010, except for the impact of the adoption of the Standards and interpretations described below.

The preparation of condensed interim financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's

Accounting Policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the condensed interim financial statements, are disclosed in Note 4 of the Group's 2010 Annual Report and Financial Statements.

3.1 Changes in accounting policy and disclosures

(a) New and amended standards, and interpretations mandatory for the first time for the financial year beginning 1 January 2011 but not currently relevant to the Group.

The following standards and amendments to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2011 or earlier periods, but not currently relevant to the Group.

A revised version of IAS 24 "Related Party Disclosures" simplified the disclosure requirements for government-related entities and clarified the definition of a related party. This revision was effective for periods beginning on or after 1 January 2011.

An amendment to IFRS 1 "First-time Adoption of International Financial Reporting Standards" relieved first-time adopters of IFRSs from providing the additional disclosures introduced in March 2009 by "Improving Disclosures about Financial Instruments" (Amendments to IFRS 7). This amendment was effective for periods beginning on or after 1 July 2010.

Amendments to IFRS 7 "Financial Instruments: Disclosures" were designed to help users of financial statements evaluate the risk exposures relating to transfers of financial assets and the effect of those risks on an entity's financial position. These amendments were effective for periods beginning on or after 1 January 2011 but are still subject to EU endorsement.

Amendments to IAS 32 "Financial Instruments: Presentation" addressed the accounting for rights issues that are denominated in a currency other than the functional currency of the issuer. These amendments were effective for periods beginning on or after 1 February 2010.

IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments" clarified the treatment required when an entity renegotiates the terms of a financial liability with its creditor, and the creditor agrees to accept the entity's shares or other equity instruments to settle the financial liability fully or partially.

This interpretation was effective for periods beginning on or after 1 July 2010.

An amendment to IFRIC 14 "IAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction", on prepayments of a

minimum funding requirement, applies in the limited circumstances when an entity is subject to minimum funding requirements and makes an early payment of contributions to cover those requirements. The amendment permitted such an entity to treat the benefit of such an early payment as an asset. This amendment was effective for periods beginning on or after 1 January 2011.

(b) New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2011 and not early adopted

The Group's assessment of the impact of these new standards and interpretations is set out below.

IFRS 10 "Consolidated Financial Statements" builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. This standard is effective for periods beginning on or after 1 January 2013, subject to EU endorsement. The Directors are assessing the possible impact of this standard on the Group's Financial Statements.

IFRS 11 "Joint Arrangements" provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form (as is currently the case). The standard addresses inconsistencies in the reporting of joint arrangements by requiring a single method to account for interests in jointly controlled entities. This standard is effective for periods beginning on or after 1 January 2013, subject to EU endorsement. The Directors are assessing the possible impact of this standard on the Group's Financial Statements.

IFRS 12 "Disclosure of Interests in Other Entities" is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. This standard is effective for periods beginning on or after 1 January 2013, subject to EU endorsement. The Directors are assessing the possible impact of this standard on the Group's Financial Statements.

IFRS 13 "Fair Value Measurement" improves consistency and reduces complexity by providing, for the first time, a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. It does not extend the use of fair value accounting, but provides guidance on how it should be applied where its use is already required or permitted by other standards. This standard is effective for periods beginning on or after 1 January 2013, subject

to EU endorsement. The Directors are assessing the possible impact of this standard on the Group's Financial Statements.

IAS 27 "Separate Financial Statements" replaces the current version of IAS 27 "Consolidated and Separate Financial Statements" as a result of the issue of IFRS 10 (see above). This revised standard is effective for periods beginning on or after 1 January 2013, subject to EU endorsement. The Directors are assessing the possible impact of this standard on the Group's Financial Statements.

IAS 28 "Investments in Associates and Joint Ventures" replaces the current version of IAS 28 "Investments in Associates" as a result of the issue of IFRS 11 (see above). This revised standard is effective for periods beginning on or after 1 January 2013, subject to EU endorsement. The Directors are assessing the possible impact of this standard on the Group's Financial Statements.

Amendments to IAS 1 "Presentation of Financial Statements" require items that may be reclassified to the profit or loss section of the income statement to be grouped together within other comprehensive income (OCI). The amendments also reaffirm existing requirements that items in OCI and profit or loss should be presented as either a single statement or two consecutive statements. These amendments are effective for periods beginning on or after 1 July 2012, subject to EU endorsement. The Directors are assessing the possible impact of these amendments on the Group's Financial Statements.

Amendments to IAS 19 "Employment Benefits" eliminate the option to defer the recognition of gains and losses, known as the "corridor method"; streamline the presentation of changes in assets and liabilities arising from defined benefit plans, including requiring re-measurements to be presented in other comprehensive income; and enhance the disclosure requirements for defined benefit plans, providing better information about the characteristics of defined benefit plans and the risks that entities are exposed to through participation in those plans. These amendments are effective for periods beginning on or after 1 January 2013, subject to EU endorsement, and are not expected to have an impact on the Group's Financial Statements.

3.2 Intangible assets

(a) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill arising on the acquisition of subsidiaries is included in 'intangible assets'. Goodwill is tested at acquisition and annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on

goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment.

(b) Exploration and evaluation assets

The Group recognises expenditure as exploration and evaluation assets when it determines that those assets will be successful in finding specific mineral resources. Expenditure included in the initial measurement of exploration and evaluation assets and which are classified as intangible assets relate to the acquisition of rights to explore, topographical, geological, geochemical and geophysical studies, exploratory drilling, trenching, sampling and activities to evaluate the technical feasibility and commercial viability of extracting a mineral resource. Capitalisation of pre-production expenditure ceases when the mining property is capable of commercial production.

Exploration and evaluation assets arising on business combinations are included at their acquisition-date fair value in accordance with IFRS 3 ‘Business combinations’. Other exploration and evaluation assets and all subsequent expenditure on assets acquired as part of a business combination are recorded and held at cost.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. The assessment is carried out by allocating exploration and evaluation assets to cash generating units, which are based on specific projects or geographical areas.

Whenever the exploration for and evaluation of mineral resources in cash generating units does not lead to the discovery of commercially viable quantities of mineral resources and the Group has decided to discontinue such activities of that unit, the associated expenditures are written off to the income statement.

4. Dividends

No dividend has been declared or paid by the Company during the six months ended 30 June 2011 (2010: nil).

5. Intangible Assets

Intangible assets comprise exploration and evaluation costs and goodwill. Exploration and evaluation costs comprise acquired and internally generated assets.

Cost and Net Book Value	Goodwill £	Exploration and evaluation assets £	Total £
Balance as at 1 January 2011	-	768,489	768,489
Additions	-	250,215	250,215
Acquired through acquisition of subsidiary (at fair value)	11,746	1,115,000	1,126,746
Exchange rate movements	-	37,714	37,714
As at period end	**11,746**	**2,171,418**	**2,183,164**

6. Share Capital

Issued share capital	Number of shares	Ordinary shares £	Share premium £	Total £
At 1 January 2011	186,265,780	1,303,860	5,124,210	6,428,070
Issue of new shares	8,870,968	62,097	267,903	330,000
Cost of share issue	-	-	(40,427)	(40,427)
At 30 June 2011	**195,136,748**	**1,365,957**	**5,351,686**	**6,717,643**

On 20 May 2011 8,064,516 ordinary shares of 0.7 pence each fully paid at 3.72 pence per share as consideration for a business acquisition during the period (note 8). On the same date the Company issued 806,452 ordinary shares of 0.7 pence each fully paid at 3.72 pence per share in settlement of certain introducer fees in relation to the acquisition.

Under the terms of the acquisition and introducer fee agreements the Company must issue £330,000 worth of ordinary shares in the Company on 1 February 2012 in settlement of their deferred consideration obligations. The number of shares to be issued will be based on the volume weighted average price of the ordinary shares on AIM for the 30 trading days immediately prior to 1 February 2012. The number of shares to be issued is therefore uncertain at the balance sheet date.

During the period the Company received payment for 3,005,079 ordinary shares in the Company that were issued but unpaid at 31 December 2010. At 30 June 2011 57,293 ordinary shares in the Company remain issued and unpaid.

Share options

On 26 April 2011 the Company issued 14,300,000 share options to various directors and employees of the Company. The options have various vesting and exercise dates and have exercise prices ranging from 4.3 pence per share to 6.3 pence per share. All of the options granted lapse on 31 December 2016.

The fair value of the share options issued during the period was determined using the black scholes model. The total fair value of the options granted was £27,818. This charge has been spread over the vesting period resulting in a charge to profit or loss for the period ended 30 June 2011 of £23,266.

7. Loss per Share

The calculation of the total basic loss per share of 0.27 pence (2010: 0.39 pence) is based on the loss attributable to equity owners of the parent company of £513,262 (2010: £389,812) and on the weighted average number of ordinary shares in issue of 188,324,237 (2010: 99,071,865) in issue during the period.

No diluted earnings per share is presented as the effect on the exercise of share options would be to decrease the loss per share.

Details of share options and other share based payments that could potentially dilute earnings per share in future periods are disclosed in the notes to the Group's Annual Report and Financial Statements for the year ended 31 December 2010 and in note 6 to these condensed interim financial statements.

8. Business combinations

On 20 May 2011 the Group acquired 100% of the share capital of Nubian Gold Exploration Limited ("Nubian Gold") for £800,000. Nubian Gold is registered in England & Wales and holds a 1,953 square kilometre gold exploration licence in northwest Ethiopia. As a result of the acquisition the Group is expected to increase its presence in this market and commodity.

The goodwill of £11,746 arising from the acquisition is attributable to the expected upside potential of developing the licence areas through further exploration. None of the goodwill is expected to be deductable for tax purposes.

The following table summarises the consideration paid for Nubian Gold and the amounts of assets acquired and liabilities assumed recognised at the acquisition date.

Consideration at 20 May 2011	£
Cash	100,000
Equity instruments (8,064,516 ordinary shares at 3.72 pence per share)	300,000
Deferred consideration	400,000
Total consideration	**800,000**

Acquisition related costs	£
Included in the statement of comprehensive income for the period ended 30 June 2011	80,000

Recognised amounts of identifiable assets acquired and liabilities assumed	£
Cash and cash equivalents	51,604
Exploration assets (included within Intangible Assets)	1,115,000
Deferred tax liabilities	(378,350)
Total identifiable net assets	**788,254**
Goodwill	**11,746**
Total consideration	**800,000**

The fair value of the 8,064,516 ordinary shares issued as part of the consideration paid for Nubian Gold was based on the published price on 20 May 2011.

The deferred consideration arrangement requires the Group to pay the former owners of Nubian Gold Exploration Limited £100,000 in cash within 60 days of the date of acquisition and £300,000 in shares on or before 1 February 2012 (the deferred consideration date) dependant on whether the Company confirms to the seller it will continue to fund exploration on the exploration licence. The number of shares to be issued will be based on the volume weighted average price of the ordinary shares on AIM for the 30 trading days prior to the deferred consideration date.

In the event that the Company informs the former owners of Nubian Gold Exploration Limited that it has elected not to continue funding exploration activities prior to the deferred consideration date, the Company must transfer 51% of the issued share capital of Nubian Gold back to the former owners for a nominal consideration of £1.

The value of the deferred consideration has not been discounted as the effect of discounting would not be material

The fair value of exploration asset of £1,115,000 was estimated by applying a number of valuation metrics which include; geological upside potential, mineralogy, market benchmarks and application of local market factors. In the Directors' opinion, the value of the consideration paid to effect the acquisition related primarily to the value of the exploration licence and upside potential representing a price agreed between willing and knowledgeable parties on an arms length basis. Therefore, the fair value of the consideration transferred, after consideration of tax implications and the removal of the fair value of other identifiable assets acquired, has been used as a basis for valuing the exploration asset acquired.

A deferred tax liability of £378,350 has been recognised on acquisition on the estimated tax effect of the temporary difference between the fair value of the exploration asset and its tax base.

The deferred tax liability has been estimated at a rate of 35% of the temporary difference, representing the tax rates that are expected to apply to the period when the temporary differences reverse. In accordance with IAS 12, the deferred tax liability recognised has not been discounted.

Had Nubian Gold Exploration Limited been consolidated from 1 January 2011, the consolidated statement of comprehensive income would show revenue of £Nil and a loss for the period of £527,658.

9. Commitments

With the exception of those noted below, the Group's commitments remain as stated in the Group's Annual Financial Statements for the year ended 31 December 2010.

(a) Mauritanian licence agreements

On 23 November 2010 the Group acquired three gold exploration licences, and on 13 December 2010 two uranium exploration licences in Mauritania. These licences are for a period of 3 years from the date of grant and include commitments to pay

annual land royalty fees in the second and third year and adhere to minimum spend requirements.

At the end of the licence period the Group have the right to renew the licence or, if a defined resource has been established, apply for a mining licence for the target area. Upon grant of any mining licence the Mauritanian Government will receive a 10% shareholding of the rights and benefits of the licence area. The Mauritanian Government also has the option to purchase an additional 10% of the rights and benefits at the market rate upon granting of the mining licence.

At 30 June 2011 the future aggregate minimum royalty fee payments and minimum spend requirements are as follows:

Group	**Land royalty fees £**	**Minimum spend requirement £**	**Total £**
Not later than one year	-	-	-
Later than one year and no later than five years	65,960	2,598,412	2,664,372
Total	65,960	2,598,412	2,664,372

(b) Bank guarantees

The Group has provided bank guarantees as security for the minimum spend requirements on the Mauritanian exploration licences. The guarantees are not released until the end of the licence period. The balance held via bank guarantee at 30 June 2011 is £40,338 and is included within restricted assets.

(c) Nubian Gold Limited

Following the acquisition of Nubian Gold Limited the Group inherited certain minimum spend requirements in relation to the Ethiopian exploration licences acquired. At 30 June 2011 the Company has aggregate minimum spend commitments no later than one year from the balance sheet date of approximately £85,195 and minimum spend requirements between two and five years from the balance sheet date of £413,516.

10. Events after the balance sheet date

Deferred consideration

On 18 July 2011 the Company paid £100,000 to the former owners of Nubian Gold Exploration Limited in settlement of the deferred cash consideration obligations under the terms of the Share Purchase Agreement (refer note 8).

11. Approval of interim financial statements

The Condensed interim financial statements were approved by the Board of Directors on 29 September 2011.

Independent Review Report to Alecto Minerals Plc

Introduction

We have been engaged by Alecto Minerals Plc to review the condensed set of Financial Statements in the half-yearly financial report for the six months ended 30 June 2011 which comprise the condensed consolidated statement of comprehensive income, condensed consolidated balance sheet, consolidated statement of changes in equity, condensed consolidated cash flow statement and related notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of Financial Statements.

Directors' Responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly financial report in accordance with the AIM Rules for Companies.

The annual Financial Statements of the Group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of Financial Statements included in this half-yearly financial report has been prepared in accordance with the requirements of the AIM Rules for Companies.

Our Responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of Financial Statements in the half-yearly financial report based on our review. This report, including the conclusion, has been prepared for and only for the Company for the purpose of the AIM Rules for Companies and for no other purpose. We do not, in producing this report,

accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of Financial Statements in the half-yearly financial report for the six months ended 30 June 2011 is not prepared, in all material respects, in accordance with the AIM Rules for Companies.

Littlejohn LLP
Chartered Accountants and Registered Auditors
1 Westferry Circus
Canary Wharf
London
E14 4HD

29 September 2011

****ENDS****

Notes

Alecto Minerals Plc is an AIM listed exploration company focussed on Africa with a diverse portfolio of exploration assets in Mauritania and Ethiopia. In Mauritania, it has three gold and base metal development licences totalling 1,902 sq km and two uranium licences totalling 1,592 sq km in the highly prospective Mauritanide

mobile belt. It also holds the 1,953 sq km gold exploration licence in the highly prospective Aysid-Metekel region of north western Ethiopia.

The Company is committed to conducting exploratory work across its portfolio, designed to strengthen its knowledge of the assets and delineate targets for further exploration. In tandem, the Board continues to evaluate a number of synergistic assets to build shareholder value.