SIRIUS MINERALS PLC

INTERIM UNAUDITED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended

30 September 2010

SIRIUS MINERALS PLC

CHAIRMAN'S STATEMENT

Dear Fellow Shareholder,

Recent corporate activity has increased international awareness of the importance of potash and the role it will play in helping to feed the world. PotashCorp, the world's largest potash company, in its Q4 2010 Market Analysis, predicted that probable global potash production between now and 2015 will only just be able to keep pace with demand if it increases at only 3.5% compound average growth rate. They also state that "as economies grow and incomes rise in emerging nations, the first priority for most people is to improve their diets. According to the October 2010 International Monetary Fund forecast, over the next several years China's GDP is expected to grow by more than 9 percent per year, while India and other Asian countries are expected to grow at more than 8 percent annually. This is a powerful development, as these countries represent almost 60 percent of the world's population. For the first time in history, the majority of that population is attaining greater ability to purchase higher-quality food."

The six months ended 30 September 2010 was a period of continuing development for your Company as we move towards our goal of becoming a potash powerhouse. We changed the company name to Sirius Minerals Plc to reflect the change in strategy, and raised £3 million of new funding from institutional investors.

During this time we also:

- Acquired an additional 1,000 acres adjacent to the existing properties in North Dakota;
- Secured exploration application licences on two additional tenements located in the northwest area of the Willara Sub basin of the Canning Basin in Western Australia covering, approximately 1,000 square kilometres;
- Received a grant of US$225,000 by the Industrial Commission of North Dakota under its renewable Energy Program to carry out feasibility studies on using salt caverns for compressed air energy storage (CAES) from wind energy in North Dakota;
- Signed a Memorandum of Understanding with Sino-Agri Mining Industry Company Limited to develop a potash project in the Adavale Basin in Queensland, Australia; and
- Were granted an Exploration Permit to drill one hole within our permit area in North Dakota.

Post period, this momentum was continued, the Company announcing:

- The acquisition of a further 2,645 net mineral acres of lease areas adjacent to our existing properties in North Dakota so we now control 8,645 net mineral acres;
- The signing of agreements with North Rim Exploration Limited ("NREL") and Schlumberger Water Services USA Inc. to drill a hole to a total depth of 2,740 metres; and
- The commencement of drilling on 9 November 2010.

We look forward to further accelerating the evolution of Sirius through organic growth and acquisition.

FINANCIAL RESULTS

During the period under review, the balance sheet was strengthened with an equity injection of cash and cash and cash equivalents held as at 30 September 2010 was £3,121,268. Administrative expenses during the period increased to £1,008,167 of which £416,920 related to non cash share based expenses. Cash administrative costs of £590,849 in the period compare favourably with £654,930 in the first half of last year despite the increased size of the business and increased activity – leading to a loss before tax in the period of £985,313.

Christopher Catlow
Chairman
Date: 15 December 2010

INTERIM UNAUDITED RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2010

CONSOLIDATED INCOME STATEMENT

	Notes	Unaudited Six months ended 30 September 2010 £	Unaudited Six months ended 30 September 2009 £	Audited year ended 31 March 2010 £
Continuing operations:				
Revenue		-	-	-
Administrative expenses		(1,008,167)	(655,759)	(3,839,165)
Exceptional administrative expenses				
Impairment charge		-	-	(461,531)
Acquisition costs		(15,519)	(137,069)	(174,016)
Share based payments – option charge		(334,460)	(705)	(1,658,932)
Exploration costs expensed		-	-	(397,563)
Other administrative costs		(658,188)	(517,985)	(1,147,123)
Total administrative expenses		(1,008,167)	(655,759)	(3,839,165)
Operating loss		(1,008,167)	(655,759)	(3,839,165)
Finance income		22,854	-	521
Finance costs		-	(149)	(105)
Loss before taxation		(985,313)	(655,908)	(3,838,749)
Taxation	2	-	-	-
Loss for the period		(985,313)	(215,179)	(3,838,749)
Loss attributable to:				
Equity holders of the Company		(985,313)	(655,327)	(3,838,749)
Minority interest		-	(581)	-
		(985,313)	(655,908)	(3,838,749)
Loss per share:				
Basic and diluted loss	3	(0.1p)	(0.4p)	(1.0p)

INTERIM UNAUDITED RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2010

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited Six months ended 30 September 2010 £	Unaudited Six months ended 30 September 2009 £	Audited year ended 31 March 2010 £
Loss for the period	(985,313)	(655,908)	(3,838,749)
Other comprehensive income/(loss)			
Exchange differences on translating foreign operations	(882,689)	15,136	5,575,025
Other comprehensive income/(loss) for the period, net of tax	(882,689)	15,136	5,575,025
Total comprehensive income/(loss) for the period	(1,868,002)	(640,772)	1,736,276
Total comprehensive income/(loss) attributable to:			
Equity holders of the Company	(1,868,002)	(640,191)	1,736,276
Minority interest	-	(581)	-
	(1,868,002)	(640,772)	1,736,276

INTERIM UNAUDITED RESULTS AS AT 30 SEPTEMBER 2010

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS	Notes	Unaudited 30 September 2010 £	Unaudited 30 September 2009 £	Audited 31 March 2010 £
Non-current assets				
Property, plant and equipment		501	3,001	859
Intangible assets	4	54,069,389	15,649,427	54,292,178
		54,069,890	15,652,428	54,293,037
Current assets				
Trade and other receivables		269,053	114,902	55,407
Cash and cash equivalents		3,121,268	2,941,033	1,782,063
Available-for-sale financial assets		729,000	-	729,000
		4,119,321	3,055,935	2,566,470
TOTAL ASSETS		58,189,211	18,708,363	56,859,507
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the Company				
Share capital	5	1,789,016	908,764	1,658,250
Share premium account		50,833,438	13,825,199	47,958,734
Share based payment reserve		1,873,991	1,910	1,575,403
Retained earnings		(4,559,854)	(2,714,864)	(3,610,413)
Foreign exchange reserve		4,689,804	12,604	5,572,493
Equity attributable to shareholders of the Company		54,626,395	12,033,613	53,154,467
Minority interest		-	3,659,414	-
Total equity		54,626,395	15,693,027	53,514,467
Non-current liabilities				
Deferred tax liability	2	3,233,449	2,746,239	3,233,449
Current liabilities				
Trade and other payables		329,367	269,097	471,591
Total liabilities		3,562,816	3,015,336	3,705,040
TOTAL EQUITY AND LIABILITIES		58,189,211	18,708,363	56,859,507

INTERIM UNAUDITED RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2010

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital £	Share premium account £	Share based payments reserve £	Retained earnings £	Foreign exchange reserve £	Equity share-holders' funds £	Minority interests £	Total equity £
At 1 April 2009	328,930	2,122,001	1,205	(2,059,537)	(2,532)	390,067	340,515	730,582
Loss for the period	-	-	-	(655,327)	-	(655,327)	-	(655,327)
Foreign exchange differences on translation of foreign operations	-	-	-	-	15,136	15,136	-	15,136
Total comprehensive income for the period	-	-	-	(655,327)	15,136	(640,191)	-	(640,191)
Share capital issued in the period	579,834	11,826,833	-	-	-	12,400,667	3,318,899	15,725,566
Share issue costs	-	(123,635)	-	-	-	(123,635)	-	(123,635)
Share based payments	-	-	705	-	-	-	-	-
At 30 September 2009	908,764	13,825,199	1,910	(2,714,864)	12,604	12,033,613	3,659,414	15,693,027
Loss for the period	-	-	-	(3,183,422)	-	(3,183,422)	-	(3,183,422)
Foreign exchange differences on translation of foreign operations	-	-	-	-	5,559,889	5,559,889	-	5,559,889
Total comprehensive income for the period	-	-	-	(3,183,422)	5,559,889	2,376,467	-	2,376,467
On acquisition	-	-	-	2,020,653	-	2,020,653	(3,659,414)	(1,638,761)
Share capital issued in the period	749,486	34,133,535	-	-	-	34,883,021	-	34,883,021
Share based payments	-	-	1,840,713	-	-	1,840,713	-	1,840,713
Exercised options	-	-	(267,220)	267,220	-	-	-	-
At 31 March 2010	1,658,250	47,958,734	1,575,403	(3,610,413)	5,572,493	53,154,467	-	53,154,467

INTERIM UNAUDITED RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2010

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital £	Share premium account £	Share based payments reserve £	Retained earnings £	Foreign exchange reserve £	Equity share-holders' funds £	Minority interests £	Total equity £
At 31 March 2010	1,658,250	47,958,734	1,575,403	(3,610,413)	5,572,493	53,154,467	-	53,154,467
Loss for the period	-	-	-	(985,313)	-	(985,313)	-	(985,313)
Foreign exchange differences on translation of foreign operations	-	-	-	-	(882,689)	(882,689)	-	(882,689)
Total comprehensive income for the period	-	-	-	(985,313)	(882,689)	(1,868,002)	-	(1,868,002)
Share capital issued in the period	130,766	2,965,524	-	-	-	3,096,290	-	3,096,290
Share issue costs	-	(90,820)	-	-	-	(90,820)	-	(90,820)
Share based payments	-	-	334,460	-	-	334,460	-	334,460
Exercised options	-	-	(35,872)	35,872	-	-	-	-
At 30 September 2010	1,789,016	50,833,438	1,873,991	(4,559,854)	4,689,804	54,626,395	-	54,626,395

The share premium account is used to record the excess proceeds over nominal value on the issue of shares.
The share based payment reserve is used to record the share based payments made by the Group.
Foreign exchange reserve records exchanges differences which arise on translation of foreign operations with a functional currency other than Sterling.

INTERIM UNAUDITED RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2010

CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	Unaudited Six months ended 30 September 2010 £	Unaudited Six months ended 30 September 2009 £	Audited Year ended 31 March 2010 £
Cash outflow from operating activities	6	(763,119)	(986,731)	(1,978,658)
Cash flow from investing activities				
Purchase of intangible assets		(634,355)	(99,642)	(315,396)
Purchase of plant and equipment		-	-	(2,735)
Cash acquired on acquisition of subsidiary		-	1,174,431	1,174,556
Net cash generated from/(used in) investing activities		(634,355)	1,074,789	856,425
Cash flow from financing activities				
Net proceeds from issue of shares		2,739,370	2,844,571	2,763,541
Finance income/(costs)		22,854	(149)	416
Net cash generated from financing activities		2,762,224	2,844,422	2,763,957
Net increase in cash and cash equivalents		1,364,750	2,932,480	1,641,724
Cash and cash equivalents at beginning of the period		1,782,063	8,553	8,553
Effect of foreign exchange rate changes		(25,545)	-	131,786
Cash and cash equivalents at end of the period		3,121,268	2,941,033	1,782,063

NOTES TO THE UNAUDITED INTERIM FINANCIAL INFORMATION

1 Basis of preparation

The interim financial information in this report has been prepared using accounting policies consistent with IFRS as adopted by the European Union. IFRS is subject to amendment and interpretation by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) and there is an ongoing process of review and endorsement by the European Commission. The financial information has been prepared on the basis of IFRS that the Directors expect to be adopted by the European Union and applicable to the Group as at 31 March 2011.

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 March 2010.

Non-statutory accounts

The financial information for the six months ended 30 September 2010 set out in this interim report does not comprise the Group's statutory accounts.

The statutory accounts for the year ended 31 March 2010 have been delivered to the Registrar of Companies. The auditors reported on those accounts; their report was unqualified, did not contain a statement under either Section 498 (2) or Section 498 (3) of the Companies Act 2006 and did not include references to any matters to which the auditor drew attention by way of emphasis.

The financial information for the six months ended 30 September 2010 and 30 September 2009 is unaudited.

2 Taxation

	Unaudited Six months ended 30 September 2010 £	Unaudited Six months ended 30 September 2009 £	Audited Year ended 31 March 2010 £
Current tax	-	-	-

There was no tax charge in any period due to the loss incurred.

The Group's unused tax losses can be analysed as follows:

	£	£	£
Tax losses	3,436,816	1,998,662	3,015,501

A deferred tax liability of £3,233,449 (30 September 2009: £2,746,239 and 31 March 2010: £3,233,449) has been provided for on the acquisition of Auspotash Corporation.

3 Loss per share

Basic loss per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted a number of ordinary shares outstanding during the period.

Given the loss for the six months ended 30 September 2010 and 2009 and the year ended 31 March 2010, the share options are not taken into account when determining the weighted average number of ordinary shares in issue during the period and therefore the basic and diluted earnings per share are the same.

	Unaudited Six months ended 30 September 2010	Unaudited Six months ended 30 September 2009	Audited Year ended 31 March 2010
Loss	**£**	**£**	**£**
Loss for the purposes of basic earnings per share being net loss attributable to equity shareholders of the parent	(985,313)	(655,327)	(3,838,749)
Loss for the purpose of diluted earnings per share	(985,313)	(655,327)	(3,838,749)
Number of shares	**Number**	**Number**	**Number**
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	667,524,556	164,095,388	393,381,017

Earnings per share

If the Company's share options were taken into consideration in respect of the Company's weighted average number of ordinary shares for the purposes of diluted earnings per share, it would be as follows:

Number of shares			
Weighted average number of ordinary shares for the purposes of diluted earnings per share	667,524,556	164,560,319	398,412,363
Loss per share			
Basic and diluted loss per share	(0.1p)	(0.4p)	(1.0p)

NOTES TO THE UNAUDITED INTERIM FINANCIAL INFORMATION (continued)

4 **Intangible fixed assets**	**Exploration costs and rights £**	**Goodwill £**	**Total £**
Cost			
At 1 April 2009	1,441,417	-	1,441,417
Additions	12,684,720	1,743,862	14,428,582
At 30 September 2009	14,126,137	1,743,862	15,869,999
Additions	255,440	-	255,440
Additions acquired on acquisition of subsidiary	32,956,698	496,679	33,453,377
Foreign exchange movement	5,161,846	287,619	5,449,465
Transfer to available-for-sale financial assets	(54,000)	-	(54,000)
At 31 March 2010	52,446,121	2,528,160	54,974,281
Additions	634,355	-	634,355
Foreign exchange movement	(715,612)	(141,532)	(857,144)
At 30 September 2010	52,364,864	2,386,628	54,751,492
Provision for permanent diminution in value			
At 1 April 2009 and 30 September 2009	(220,572)	-	(220,572)
Impairment	(461,531)	-	(461,531)
At 31 March 2010 and 30 September 2010	(682,103)	-	(682,103)
Net book value			
30 September 2010	51,682,761	2,386,628	54,069,389
31 March 2010	51,764,018	2,528,160	54,292,178
30 September 2009	13,905,565	1,743,862	15,649,427

NOTES TO THE UNAUDITED INTERIM FINANCIAL INFORMATION (continued)

4. Intangible fixed assets (continued)

Goodwill

The goodwill acquired during the year ended 31 March 2010 as part of the business combination relating to Auspotash Corporation has been allocated, at acquisition, to the cash generating unit (CGU) of resource evaluation and exploration.

The recoverable amount of the goodwill relating to Auspotash Corporation has been assessed by the reference to the value in use. The valuation is based on cash flow projections that incorporate best estimates of recoverable reserves and resources, forecast selling prices, production rates, future capital expenditure and production costs over the life of the tenements. The projections therefore generally cover a period of 20 years, which is well in excess of five years. The valuations are particularly sensitive to changes in assumptions about selling prices, operating costs and discount rates. Long term selling prices are forecast taking into account market data in respect of potash and management's current expectations. Forecasts of operating costs are based on management's current expectations. Discount rates represent an estimate of the rate that would apply having regard to the time value of money and the risks specific to the asset for which future cash flow estimates have not been adjusted. The Group's weighted average cost of capital is used as a start point for determining the discount rate with appropriate adjustments for the risk profile of the individual cash generating unit. Goodwill relating to Auspotash Corporation has been reviewed applying a discount of 10 per cent to the pre-tax cash flows expressed in real terms. No reasonable possible change in the key assumptions on which Auspotash's Corporation's recoverable amount is based would cause its value to fall short of its carrying amount at 30 September 2010.

5 Share capital

	Unaudited Six months ended 30 September 2010 £	Unaudited Six months ended 30 September 2009 £	Audited Year ended 31 March 2010 £
Share capital			
1,500,000,000 (30 September 2009: 1,000,000,000 and 31 March 2010: 1,000,000,000) ordinary shares at 0.25p each	3,750,000	2,500,000	2,500,000
Allotted called up and fully paid			
715,606,602 (30 September 2009: 363,505,160 and 31 March 2010: 663,300,160) ordinary shares at 0.25p each	1,789,016	908,764	1,658,250

On 26 August 2010 the Company issued 8,500,000 share options to four of the Company's consultants exercisable at 4.5p to be exercised no later than 26 August 2015.

On 27 August 2010 the Company issued 2,000,000 new ordinary shares at 4.125p in consideration of consultancy services received valued at £82,500.

On 17 September 2010 the Company issued 50,000,000 new ordinary shares at 6p for a total consideration of £3,000,000.

On 21 September 2010 Old Park Lane Capital Plc exercised 306,442 share options for 306,442 new ordinary shares at 4.5p for a total consideration of £13,790.

On 28 September 2010 at an AGM the Company's share capital increased from £2,500,000 to £3,750,000 by the creation of an additional 500,000,000 ordinary shares of 0.25p each, such shares raking pari passu in all respects with the existing ordinary shares of 0.25p.

NOTES TO THE UNAUDITED INTERIM FINANCIAL INFORMATION (continued)

6 **Cash outflows from operating activities**

	Unaudited Six months ended 30 September 2010 £	Unaudited Six months ended 30 September 2009 £	Audited Year ended 31 March 2010 £
Loss before tax	(985,313)	(655,908)	(3,838,749)
Share based payments	334,460	705	1,658,932
Depreciation	358	124	5,001
Finance (income)/expense	(22,854)	149	(416)
Impairment	-	-	461,531
Operating cash flow before changes in working capital	(673,349)	(654,930)	(1,713,701)
(Increase)/decrease in receivables	(30,046)	18,843	85,774
Decrease in payables	(59,724)	(350,644)	(257,677)
Net cash outflow from operating activities	(763,119)	(986,731)	(1,270,808)

7 **Related party transactions**

During the six months ended 30 September 2010, the Company was charged £14,500 (30 September 2009: £nil and year ended 31 March 2010: £nil) by Broadscope Pty Limited for management services. Christopher Catlow, a Director of the Company, is an employee of Broadscope Pty Limited. At the period end £7,500 (30 September 2009: £nil and year ended 31 March 2010: £nil) was due to Broadscope Pty Limited.

During the six months ended 30 September 2010, the Company was charged £30,000 (30 September 2009: £30,000 and year ended 31 March 2010: £60,000) by Pacific Corporate Management Limited for management services. A further bonus payment was made of £nil (30 September 2009: £60,000 and year ended 31 March 2010: £60,000). Richard Poulden, a director of the Company, is an employee of Pacific Corporate Management Limited. At the period end £5,000 (30 September 2009: £8,951 and year ended 31 March 2010: £nil) was due to Pacific Corporate Management Limited.

During the six months ended 30 September 2010, the Company was charged £2,703 (30 September 2009: £21,431 and year ended 31 March 2010: £24,687) by Nibex Limited, in which Nick Badham, a director of the Company until 19 June 2010, has an interest for consulting services. At the period end £nil (30 September 2009: £4,423 and year ended 31 March 2010: £nil) was due to Nibex Limited.

During the six months ended 30 September 2010, the Company was charged £15,000 (30 September 2009: £15,000 and year ended 31 March 2010: £30,000) by Easy Business Consulting Limited, in which Jonathan Harrison, a director of the Company, has an interest, for consultancy services. A further bonus payment was made of £nil (30 September 2009: £30,000 and year ended 31 March 2010: £30,000. At the period end £2,500 (30 September 2009: £5,336 and year ended 31 March 2010: £nil) was due to Easy Business Consulting Limited.

During the six months ended 30 September 2010, the Company was charged £5,000 (30 September 2009: £5,000 and year ended 31 March 2010: £10,000) by Derek Stonley, a director of the Company, for consulting services. At the period end £833 (30 September 2009: £833 and year ended 31 March 2010: £nil) was due to Derek Stonley.

During the six months ended 30 September 20010 the Company was charged £5,000 (30 September 2009: £5,000 and year ended 31 March 2010: £10,000) by Z/Yen Group Limited, in which Michael Mainelli, a director of the Company, has an interest, for consulting services. At the period end £1,667 (30 September 2009: £1,667 and year ended 31 March 2010: £1,667) was due to Z/Yen Group Limited.

NOTES TO THE UNAUDITED INTERIM FINANCIAL INFORMATION (continued)

8 **Events after the reporting period**

On 12 October 2010, the Company announced that its wholly owned subsidiary Dakota Salts LLC acquired a further 1,425 net mineral acres of lease areas adjacent to its existing properties in North Dakota. 1,028 net mineral acres were acquired from multiple unconnected owners for nominal initial cash payments per mineral acre with royalty payments due on mining production. A further 397 net mineral acres were purchased under a five year lease from North Dakota's State University and School Board Lands for a total consideration of US$49,260. The Company now controls 7,425 net mineral acres of lease areas overlying the Williston Basin.

On 19 October 2010 the Company announced that its wholly owned subsidiary, Dakota Salts LLC signed agreements with North Rim Exploration Limited and Schlumberger Water Services USA Inc. to enable a drilling programme to commence on its' Exploration Permit Area.

On 9 November 2010 the Company announced that its wholly owned subsidiary, Dakota Salts LLC had commenced drilling.

DIRECTORS AND ADVISORS

DIRECTORS	CJ Catlow RO'D Poulden JC Harrison DCW Stonley Prof MR Mainelli
SECRETARY	London Registrars Plc
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NOMINATED ADVISER	Beaumont Cornish Limited 2nd Floor, Bowman House 29 Wilson Street London EC2M 2SJ
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DIRECTORS AND ADVISORS (continued)

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REGISTRARS	Neville Registrars Limited Neville House 18 Laurel Lane Halesowen West Midlands B63 3DA
COMPANY'S REGISTERED NUMBER	4948435