



SIRIUS EXPLORATION PLC

SIRIUS EXPLORATION PLC
INTERIM UNAUDITED CONSOLIDATED FINANCIAL INFORMATION
For the six months ended
30 September 2008



INTERIM UNAUDITED RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2008

CONSOLIDATED INCOME STATEMENT

	Notes	Unaudited Six months ended 30 September 2008 £	Unaudited Six months ended 30 September 2007 £	Audited year ended 31 March 2008 £
Continuing operations:				
Revenue		-	-	-
Administrative expenses		(214,691)	(553,711)	(677,285)
Exceptional administrative expenses				
– abortive reverse acquisition		-	(391,056)	(374,627)
– option cost and due diligence		(53,271)	-	-
Other administrative costs		(161,420)	(162,655)	(302,658)
Total administrative expenses		(214,691)	(553,711)	(677,285)
Operating loss		(214,691)	(553,711)	(677,285)
Finance (expense)/income		(488)	738	927
Loss before taxation		(215,179)	(552,793)	(676,358)
Taxation	2	-	-	-
Loss after taxation		(215,179)	(552,973)	(676,358)
Attributable to:				
Equity holders of the Company		(215,179)	(552,973)	(676,358)
Earnings per share:				
Basic and diluted loss per share - pence	3	(0.2)	(0.8)	(1.0)



INTERIM UNAUDITED RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2008

CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE

	Unaudited Six months ended 30 September 2008 £	Unaudited Six months ended 30 September 2007 £	Audited Year ended 31 March 2008 £
Income and expense recognised directly in equity	-	-	-
Loss for the period	(215,179)	(552,973)	(676,358)
Total income and expense recognised in the period	(215,179)	(552,973)	(676,358)
Attributable to: Equity holders of the Company	(215,179)	(552,973)	(676,358)



INTERIM UNAUDITED RESULTS AS AT 30 SEPTEMBER 2008

CONSOLIDATED BALANCE SHEETS

		Unaudited 30 September 2008 £	Unaudited 30 September 2007 £	Audited 31 March 2008 £
ASSETS	Notes			
Non-current assets				
Property, plant and equipment		391	967	679
Intangible assets	4	595,782	493,755	567,994
		<hr/>	<hr/>	<hr/>
		596,173	494,722	568,673
		<hr/>	<hr/>	<hr/>
Current assets				
Trade and other receivables		63,194	32,816	10,462
Cash and cash equivalents		65,561	18,347	3,685
		<hr/>	<hr/>	<hr/>
		128,755	51,163	14,147
		<hr/>	<hr/>	<hr/>
TOTAL ASSETS		724,928	545,885	582,820
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the Company				
Share capital	5	243,590	172,199	172,199
Share premium account	6	1,692,965	1,241,334	1,241,334
Share based payment reserve	7	1,205	1,205	1,205
Retained earnings	8	(1,741,968)	(1,403,404)	(1,526,789)
		<hr/>	<hr/>	<hr/>
Total equity		195,792	11,334	(112,051)
		<hr/>	<hr/>	<hr/>
Current liabilities				
Trade and other payables		529,136	534,551	694,871
		<hr/>	<hr/>	<hr/>
Total liabilities		529,136	534,551	694,871
		<hr/>	<hr/>	<hr/>
TOTAL EQUITY AND LIABILITIES		724,928	545,885	582,820
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>



INTERIM UNAUDITED RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2008

CONSOLIDATED CASH FLOW STATEMENTS

		Unaudited Six months ended 30 September 2008 £	Unaudited Six months ended 30 September 2007 £	Audited Year ended 31 March 2008 £
Cash flow from operating activities	9	(432,870)	(258,706)	(199,318)
Cash flow used in investing activities				
Purchase of intangible assets		(27,788)	(29,733)	(103,972)
Purchase of property, plant and equipment		-	(743)	(743)
Net cash flow from investing activities		(27,788)	(30,476)	(104,715)
Cash flow from financing activities				
Net proceeds from issue of shares		523,022	244,970	244,970
Other finance cash flows - net		(488)	738	927
Net cash flows from financing activities		522,534	245,708	245,897
Net increase/(decrease) in cash and cash equivalents		61,876	(43,474)	(58,136)
Cash and cash equivalents at beginning of the period		3,685	61,821	61,821
Cash and cash equivalents at end of the period		65,561	18,347	3,685



NOTES TO THE UNAUDITED INTERIM FINANCIAL INFORMATION

1 Basis of preparation

The unaudited interim financial information contained in this report has been prepared using accounting policies consistent with those used in the preparation of the annual report and accounts for the year ended 31 March 2008, under the historical cost convention and on the going concern basis.

Non-statutory accounts

The financial information for the six months ended 30 September 2008 set out in this interim report does not comprise the Group's statutory accounts as defined in section 240 of the Companies Act 1985.

The statutory accounts for the year ended 31 March 2008, which were prepared under International Financial Reporting Standards ("IFRS"), have been delivered to the Registrar of Companies. The auditors reported on those accounts; their report did not contain a statement under either Section 237 (2) or Section 237 (3) of the Companies Act 1985. The auditors' report did include an emphasis of matter paragraph in relation to going concern but their opinion was not qualified in this respect.

The financial information for the six months ended 30 September 2008 and 30 September 2007 is unaudited.

Going concern

The Company has incurred trading losses during the period ended 30 September 2008. At the date of approval of this interim financial information, the Directors have made certain arrangements to allow the Group to continue to trade as a going concern. These arrangements are as follows:

(i) Equity credit facilities:

On 31 March 2008 the Company signed a 24 month equity credit facility agreement with an investor which provides a funding line of £300,000, subject to certain terms and conditions, for working capital purposes. The £300,000 will be available in share subscriptions of no less than £50,000 each and will be based on no less than 65% of the average bid price of the shares traded during a five consecutive trading day draw down period. As at 30 September 2008 £100,000 of this facility has been drawn down.

On 25 September 2008 the Company signed an additional 24 month equity credit facility agreement with an investor which provides a further funding line of £500,000, subject to certain terms and conditions, for working capital purposes. The £500,000 will be available in share subscriptions of no less than £25,000 each and will be made based on no less than 70% of the average bid price of the shares traded during a five consecutive trading day draw down period. As at 30 September 2008 no draw downs have been made.

(ii) Third party creditors:

All significant creditors have agreed to settle the amounts due to them mainly in shares with a proportion in deferred cash settlement after 1 May 2009. The only exception is the auditors, Nexia Smith and Williamson, who are precluded from taking shares so as to maintain their independence.

(iii) Directors and consulting fees:

All outstanding fees as at 30 September 2008 and all future fees up to the 30 September 2009 due to directors and related consulting fees are to be settled in shares in lieu of fees if required by the Company.

Accordingly, the Directors believe that, having made these arrangements, the Group will be able to meet its third party liabilities as and when they fall due for a period of at least twelve months from the date on which this interim financial information is approved.

Therefore, the Directors consider it appropriate to prepare this interim financial information on a going concern basis and hence this interim financial information does not include any adjustments that would result from the Group failing to secure necessary funding.



NOTES TO THE UNAUDITED INTERIM FINANCIAL INFORMATION

2 Taxation	Unaudited Six months ended 30 September 2008 £	Unaudited Six months ended 30 September 2007 £	Audited Year ended 31 March 2008 £
Current tax	-	-	-

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

The Group's unrecognised deferred tax asset can be analysed as follows:

	£	£	£
Tax losses	272,461	192,752	238,476

A deferred tax asset has not been recognised in respect of tax losses available to carry forward against suitable future trading profits as the directors consider there is insufficient evidence that the assets will be recovered. These assets can be recovered against suitable future trading profits.

3 Loss per share

Given the loss for the six months ended 30 September 2008 and 2007 and the year ended 31 March 2008 the share warrants are anti-dilutive and have therefore not been taken into consideration for the purpose of calculating earnings per share.

The calculation of the basic and diluted earnings per share is based on the following data:

	Unaudited Six months ended 30 September 2008 £	Unaudited Six months ended 30 September 2007 £	Audited Year ended 31 March 2008 £
<i>Loss</i>			
Loss for the purposes of basic earnings per share being net loss attributable to equity shareholders of the parent	(215,179)	(552,973)	(676,358)
Loss for the purpose of diluted earnings per share	(215,179)	(552,973)	(676,358)
<i>Number of shares</i>			
Weighted average number of ordinary shares	86,581,968	67,580,057	68,299,784
<i>Loss per share</i>			
Basic and diluted loss per share – pence	(0.2)	(0.8)	(1.0)



NOTES TO THE UNAUDITED INTERIM FINANCIAL INFORMATION (continued)

4	Intangible fixed assets	Unaudited Six months ended 30 September 2008 £	Unaudited Six months ended 30 September 2007 £	Audited Year ended 31 March 2008 £
	Cost			
	At the start of the financial period	567,994	464,022	464,022
	Additions	27,788	29,733	103,972
		<hr/>	<hr/>	<hr/>
	At end of the financial period	595,782	493,755	567,994
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
5	Share capital	Unaudited Six months ended 30 September 2008 £	Unaudited Six months ended 30 September 2007 £	Audited Year ended 31 March 2008 £
	Authorised			
	500,000,000 (30 September 2007 and 31 March 2008: 240,000,000) ordinary shares at 0.25p each	1,250,000	600,000	600,000
		<hr/>	<hr/>	<hr/>
	Allotted called up and fully paid			
	97,435,973 (30 September 2007 and 31 March 2008: 68,879,511) ordinary shares at 0.25p each	243,590	172,199	172,199
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

On 29 April 2008, the Company issued 14,800,907 new ordinary shares of 0.25p nominal value per ordinary share at 2.5p per share, giving total consideration of £370,022.

On 30 April 2008, the Company issued 3,075,292 new ordinary shares of 0.25p nominal value per ordinary share at 1.6259p per share, giving total consideration of £50,000.

On 19 June 2008, the Company issued 258,041 new ordinary shares of 0.25p nominal value per ordinary share at 2.5p per share, giving a total consideration of £6,451.

On 25 June 2008, the Company issued 2,222,222 new ordinary shares of 0.25p nominal value per ordinary share at 2.25p per share, giving a total consideration of £50,000.

On 27 June 2008, the Company issued 1,200,000 new ordinary shares of 0.25p nominal value per ordinary share at 1.5p per share, giving a total consideration of £18,000.

On 15 September 2008, the Company issued 7,000,000 new ordinary shares of 0.25p nominal value per ordinary share at 1p per share, giving a total consideration of £70,000.



NOTES TO THE UNAUDITED INTERIM FINANCIAL INFORMATION (continued)

6	Share premium	Unaudited Six months ended 30 September 2008 £	Unaudited Six months ended 30 September 2007 £	Audited Year ended 31 March 2008 £
	At the start of the financial period	1,241,334	1,019,364	1,109,364
	Premium arising on share issue, net of issue costs	451,631	221,970	221,970
		<hr/>	<hr/>	<hr/>
	At the end of the financial period	1,692,965	1,241,334	1,241,334
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
7	Share based payment reserve	Unaudited Six months ended 30 September 2008 £	Unaudited Six months ended 30 September 2007 £	Audited Year ended 31 March 2008 £
	At the start and end of the financial period	1,205	1,205	1,205
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
8	Retained earnings	Unaudited Six months ended 30 September 2008 £	Unaudited Six months ended 30 September 2007 £	Audited Year ended 31 March 2008 £
	At the start of the financial period	(1,526,789)	(850,431)	(850,431)
	Loss for the financial period	(215,179)	(552,973)	(676,358)
		<hr/>	<hr/>	<hr/>
	At the end of the financial period	(1,741,968)	(1,403,404)	(1,526,789)
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>



NOTES TO THE UNAUDITED INTERIM FINANCIAL INFORMATION (continued)

9	Cash outflows from operating activities	Unaudited Six months ended 30 September 2008 £	Unaudited Six months ended 30 September 2007 £	Audited Year ended 31 March 2008 £
	Loss before tax	(215,179)	(552,973)	(676,358)
	Depreciation	288	256	544
	Finance (expense)/income	488	(738)	(927)
	Operating cash flow before changes in working capital	(214,403)	(553,455)	(676,741)
	(Increase)/decrease in trade and other receivables	(52,732)	(15,105)	7,249
	(Decrease)/increase in trade and other payables	(165,735)	309,854	470,174
	Cash flow from operations	(432,870)	(258,706)	(199,318)

10 **Related party transactions**

During the six months ended 30 September 2008, the Company was charged £30,000 (30 September 2007: £30,000 and year ended 31 March 2008: £60,000) by Pacific Corporate Management Limited for management services. Richard Poulden, a director of the Company, is an employee of Pacific Corporate Management Limited. At the period end £20,000 (30 September 2007: £20,000 and year ended 31 March 2008: £50,000) was due to Pacific Corporate Management Limited.

During the six months ended 30 September 2008, the Company was charged £30,000 (30 September 2007: £30,000 and year ended 31 March 2008: £60,000) by Nick Badham, a director of the Company, for consulting services. At the period end £25,000 (30 September 2007: £20,000 and year ended 31 March 2008: £30,500) was due to Nick Badham.

During the six months ended 30 September 2008, the Company was charged £15,000 (30 September 2007: £15,000 and year ended 31 March 2008: £30,000) by Easy Business Consulting Limited, in which Jonathan Harrison, a director of the Company, has an interest, for consultancy services. At the period end £12,500 (30 September 2007: £12,500 and year ended 31 March 2008: £27,500) was due to Easy Business Consulting Limited.

During the six months ended 30 September 2008, the Company was charged £5,000 (30 September 2007: £5,000 and year ended 31 March 2008: £10,000) by Derek Stonley, a director of the Company, for consulting services. At the period end £5,000 (30 September 2007: £3,333 and year ended 31 March 2008: £8,333) was due to Derek Stonley.

During the six months ended 30 September 2008, the Company was charged £5,000 (30 September 2007: £5,000 and year ended 31 March 2008: £10,000) by Z/Yen Limited, in which Michael Mainelli, a director of the Company, has an interest, for consulting services. At the period end £1,667 (30 September 2007: £1,667 and year ended 31 March 2008: £1,667) was due to Z/Yen Limited.



NOTES TO THE UNAUDITED INTERIM FINANCIAL INFORMATION (continued)

11 Post balance sheet events

On 27 October 2008 the Company signed a Royalty Agreement with CIC Mining Resources Limited granting the Company a 3% Net Profits Interest in the Bobai Bishop Tungsten mining operation in exchange for 6,000,000 ordinary shares of 0.25p each in the Company. 1,200,000 of these shares were already issued as part of the original option agreement and the other 4,800,000 shares were issued on 10 December 2008.



SIRIUS EXPLORATION PLC

DIRECTORS AND ADVISORS

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Dr JPN Badham
JC Harrison
DCW Stonley
Prof MR Mainelli

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I W Saunders

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COMPANY'S REGISTERED NUMBER

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SIRIUS EXPLORATION PLC