24 September 2013

ALEXANDER MINING PLC
INTERIM REPORT FOR SIX MONTHS ENDED 30 JUNE 2013

Alexander Mining plc ("Alexander", the "Company"), the AIM quoted mining and mineral processing technologies company, announces its results for the six months ended 30 June 2013.

The Company's objective is to become a low cost, highly profitable and diversified mining technology company. This will be achieved by the commercialisation of its proprietary mineral processing technologies, partnerships in producing mines and the acquisition of equity positions in advanced projects.

Highlights

- Continuing mining industry interest in using AmmLeach® for base metals' recovery from oxide/non-sulphide projects

- Continued success in granting of important patents

- Geographic focus on Africa, Australia, Turkey and South America.

- Investigating opportunities for direct equity involvement in addition to royalties.

Chairman's Review

I am pleased to report on Alexander Mining plc's results for the six months ended 30 June 2013.

The mining industry has had a dose of reality in the first half of 2013. Mining company executives are under no illusions about the challenges they face in a volatile world of the global economy and metals' prices. Cost control is now paramount and nothing has altered our view that the role of technology, especially for mineral processing, will be of growing importance and interest to assist significantly in addressing these challenges.

Although most metals' prices have lately been trading at near twelve month lows, in recent weeks, with a better tenor to global equity markets, the share prices of the global mining majors have, in general, perked up. This in turn reflects the growing optimism about the recovery in Western world economic growth. This magnitude of share price appreciation has not yet been mirrored by listed junior companies, as investors remain cautious of the inherently greater speculative risk.

Alexander has been busy since reporting its annual results, in advancing discussions and pursuing opportunities for its mineral processing technology with a range of mining companies and specialist investors. The discussions have encompassed potential licensing for royalties and/or direct equity involvement in assets. In particular, the discussions and, where appropriate, parallel testwork, are about the use of our technology in Africa, Turkey and Australia. The main base metals of interest in the course of these discussions are copper, cobalt, zinc and nickel.

The improved agreement with Metalvalue Capital Holdings ('MCH'), announced in May, included the possibility of negotiating a new licensing agreement by the end of September 2013. In the course of recent discussions, it has been decided by the parties that the existing licensing agreement, which was signed in May, and which includes a 2.0% gross sales royalty entitlement, satisfactorily covers the anticipated and ongoing business relationship. Therefore, there is now no need for a 'new' agreement. However, Alexander and MCH are discussing the next steps for the various projects initiated between the two companies to date.

In addition, the possible drawdown, at Alexander's *election*, of a loan from Metalvalue Capital Holdings for the co-financing of a pilot plant to be established in Australia will not be pursued. This was a commercial decision by Alexander as it has identified possible alternative ways to conduct pilot plant test work, which will not involve debt and/or equity dilution. This includes the ability to hire, on normal commercial terms, an existing suitable pilot scale plant in Australia owned by a consulting metallurgical testwork company.

Financial

The Company remains careful to keep its overheads under tight control, while sustaining expenditures on critical research and development and any new patent applications to protect and broaden its intellectual property. Notwithstanding the potential for Alexander's technology to generate third party testwork, licensing and royalty revenue in the short term, in recognition of potential future corporate funding requirements, and as is typical for junior companies in the sector, management is mindful of reviewing the range of options available to minimise dilution.

Outlook

After the summer doldrums, the cautious optimism towards major mining equities and base metals is likely to firm. Accordingly, junior mining equities should also start to benefit. Nevertheless, investor pressure for the mining industry to improve its economic fundamentals will not dissipate readily. The role of technology in helping the industry to optimise the exploitation of its wasting asset resources will strengthen. Alexander remains confident about the role that its proprietary intellectual property will have as part of this trend and, in turn, the commensurate return to its shareholders.

Finally, may I thank the Company's valued shareholders for their continuing support and our employees, directors, consultants and advisors for their hard work and dedication.

Matt Sutcliffe
Executive Chairman
24 September 2013

For further information please contact:

Martin Rosser	Matt Sutcliffe
Chief Executive Officer	Executive Chairman
Mobile: + 44 (0) 7770 865 341	Mobile: +44 (0) 7887 930 758

Alexander Mining plc
1st Floor
35 Piccadilly
London
W1J 0DW
Tel: +44 (0) 20 7292 1300
Fax: +44 (0) 20 7292 1313
Email: mail@alexandermining.com
Website: www.alexandermining.com

Nominated Advisor and Broker
Northland Capital Partners Limited
Louis Castro / Lauren Kettle
+44 (0) 20 7796 8800

Public/Media Relations
Britton Financial PR
Tim Blackstone
+44 (0) 20 7242 9786

Consolidated income statement

	Six months ended 30 June 2013	Six months ended 30 June 2012	Year ended 31 December 2012
	£'000	£'000	£'000
Continuing operations			
Revenue	**6**	**23**	29
Cost of sales	**-**	**-**	-
Gross profit	**6**	**23**	29
Administrative expenses	**(542)**	**(655)**	(1,140)
Research and development expenses	**(208)**	**(291)**	(459)
Operating loss	**(744)**	**(923)**	(1,570)
Finance income	**16**	**26**	50
Finance cost	**-**	**(7)**	(17)
Loss before taxation	**(728)**	**(904)**	(1,537)
Income tax expense	**-**	**-**	-
Loss for the period from continuing operations	**(728)**	**(904)**	(1,537)
Loss for the period	**(728)**	**(904)**	(1,537)
Basic and diluted (loss) per share (pence): from continuing operations	**(0.47)p**	**(0.66)p**	(1.13)p

All components of profit or loss are attributable to equity holders of the parent.

Consolidated statement of comprehensive income

	Six months ended 30 June 2013	Six months ended 30 June 2012	Year ended 31 December 2012
	£'000	£'000	£'000
Loss for the period	**(728)**	(904)	(1,537)
Total comprehensive loss for the period attributable to equity holders of the parent	**(728)**	(904)	(1,537)

Consolidated balance sheet

		As at 30 June 2013	As at 30 June 2012	As at 31 December 2012
		£'000	£'000	£'000
Assets				
Property, plant & equipment		**10**	22	16
Total non-current assets		**10**	22	16
Trade and other receivables		**82**	474	169
Cash and cash equivalents		**956**	557	519
Total current assets		**1,038**	1,031	688
Total assets		**1,048**	1,053	704
Equity attributable to owners of the parent				
Issued share capital		**13,632**	13,599	13,606
Share premium		**12,980**	11,850	12,043
Share option reserve	note 5	**-**	552	558
Translation reserve		**(60)**	(60)	(60)
Accumulated losses		**(25,796)**	(25,004)	(25,637)
Total equity		**756**	937	510
Liabilities				
Total current liabilities				
Trade and other payables		**292**	116	194
Total liabilities		**292**	116	194
Total equity and liabilities		**1,048**	1,053	704

Consolidated statement of cash flows

	Six months ended 30 June 2013	Six months ended 30 June 2012	Year ended 31 December 2012
	£'000	£'000	£'000
Cash flows from operating activities			
Operating loss – continuing operations	**(744)**	(923)	(1,570)
Depreciation and amortisation charge	**6**	7	13
(Increase) / decrease in trade and other receivables	**(14)**	17	60
Increase / (Decrease) in trade and other payables	**98**	(7)	71
Expenses settled through issue of equity	**28**	-	-
Share option charge	**11**	17	23
Net cash outflow from operating activities	**(615)**	(889)	(1,403)
Cash flows from investing activities			
Interest received	**-**	3	17
Proceeds from sale of subsidiary	**101**	192	465
Net cash inflow from investing activities	**101**	195	482
Cash flows from financing activities			
Proceeds from the issue of share capital	**935**	-	200
Net cash inflow from financing activities	**935**	-	200
Net increase / (decrease) in cash and cash equivalents	**421**	(694)	(721)
Cash and cash equivalents at beginning of period	**519**	1,257	1,257
Exchange differences	**16**	(6)	(17)
Cash and cash equivalents at end of period	**956**	557	519

Consolidated statement of changes in equity

	Share capital £'000	Share premium £'000	Share option reserve £'000	Translation reserve £'000	Accumulated losses £'000	Total equity £'000
At 1 January 2012	**13,599**	**11,850**	**535**	**(60)**	**(24,100)**	**1,824**
Retained loss for period	-	-	-	-	(904)	(904)
Total comprehensive income for the period attributable to equity holders of the parent	-	-	-	-	(904)	(904)
Share option costs	-	-	17	-	-	17
At 30 June 2012	**13,599**	**11,850**	**552**	**(60)**	**(25,004)**	**937**
Retained loss for period	-	-	-	-	(633)	(633)
Total comprehensive income for the period attributable to equity holders of the parent	-	-	-	-	(633)	(633)
Share option costs	-	-	6	-	-	6
Shares issued	7	193	-	-	-	200
At 31 December 2012	**13,606**	**12,043**	**558**	**(60)**	**(25,637)**	**510**
Retained loss for period	-	-	-	-	(728)	(728)
Total comprehensive income for the period attributable to equity holders of the parent	-	-	-	-	(728)	(728)
Transfer between reserves	-	-	(558)	-	558	-
Share option costs	-	-	-	-	11	11
Shares issued	26	937	-	-	-	963
At 30 June 2013	**13,632**	**12,980**	**-**	**(60)**	**(25,796)**	**756**

Notes to the interim financial information

1. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") in force at the reporting date and their interpretations issued by the International Accounting Standards Board ("IASB") as adopted for use within the European Union and with IFRS and their interpretations issued by the IASB. The accounting policies, methods of computation and presentation used in the preparation of the interim financial information are the same as those used in the Group's audited financial statements for the year ended 31 December 2012.

The financial information in this statement does not constitute full statutory accounts within the meaning of Section 434 of the Companies Act 2006. The financial information for the six months ended 30 June 2013 and 30 June 2012 is unaudited. The comparative information for the year ended 31 December 2012 was derived from the Group's audited financial statements for that period as filed with the Registrar of Companies. It does not constitute the financial statements for that period. Those accounts received an unqualified audit report.

2. Receivables from sale of discontinued operations

Other receivables at 30 June 2013 include £nil (June 2012: £365,000 and December 2012: £101,000) in respect of remaining instalments due from the 2011 sale of Alexander Gold Group Limited. The final instalments totalling £101,000 were received by 28 February 2013.

3. Loss per share

The calculation of loss per share is based on the weighted average number of shares in issue in the six months to 30 June 2013 of 154,088,825 (six months to 30 June 2012: 135,986,542 and year to 31 December 2012: 136,205,121) and computed on the respective loss figures as follows:

	6 months 2013		6 Months 2012		Full year 2012	
	£'000	**Per share**	£'000	Per share	£'000	Per share
(Loss) - continuing operations	**(728)**	**(0.47)p**	(904)	(0.66)p	(1,537)	(1.13)p

There is no difference between the diluted loss per share and the basic loss per share presented. Share options granted to employees could potentially dilute basic earnings per share in the future, but were not included in the calculation of diluted earnings per share as they were anti-dilutive for the period presented.

At 30 June 2013 there were 12,900,000 (at 30 June 2012: 10,175,000; at 31 December 2012: 10,175,000) share options in issue that could have a potentially dilutive effect on the basic earnings per share in the future.

4. Share Capital

Changes in issued share capital and share premium during the reporting period occurred as follows:

Ordinary shares	Number of shares	Share capital £	Share premium £
Balance at 1 January 2013	142,653,209	142,654	12,042,923
28 January - shares issued at 4.75p each in settlement of expenses	416,842	417	19,383
2 April - shares issued for cash at 4.0p each	18,775,000	18,775	732,225
2 April – share issue costs charged to share premium	-	-	(32,725)
15 May - shares issued at 4.00p each in settlement of 2 April share issue costs	434,000	434	16,926
15 May - shares issued at 4.617p each in settlement of expenses	184,000	184	8,311
15 May - shares issued for cash at 3.0p each	6,666,667	6,666	193,333
Balance at 30 June 2013	169,129,718	169,130	12,980,376

Deferred shares	Number of shares	Deferred share capital £
Balance at 1 January 2013	135,986,542	13,462,667
Balance at 30 June 2013	135,986,542	13,462,667

Post balance sheet issue of shares:
On 1 August 2013, the Company issued 617,143 new shares of 0.1p each in lieu of £16,200 of fees due to advisers and consultants. The Ordinary Shares were issued at a price of 2.625p per share. Following admission of the new shares, the Company has a total of 169,746,861 ordinary shares in issue.

5. Share options and Share option reserve

On 1 January 2013, the 31 December 2012 balance of £558,371 held in the Share Option Reserve was transferred to Accumulated Losses. This represented a change only in balance sheet presentation but has no net effect on total shareholders' equity. All Share Option costs incurred thereafter are allocated directly to Accumulated Losses.

On 1 June 2013, following approval from the existing share option holders, the Board cancelled a total of 9,675,000 existing share options with an exercise price of 10p per share (the "Existing Share Options") and approved the issue of new replacement share options, on a one-for-one basis, with an exercise price of 4.92p per share (the "New Exercise Price"). In addition, the Board granted an additional 2,725,000 new share options at the New Exercise Price (together with the replacement share options, the "New Share Options") to directors, employees and a technical consultant.

The New Exercise Price represents a 20 per cent premium to the closing mid-market ninety day simple moving average share price on 30 May 2013, being the final business day prior to the Board seeking approval from existing option holders for the cancellation and replacement process. The New Share Options will vest in three equal tranches on the first, second and third anniversary from the date of the grant (being 31 May 2013) and will expire on 22 December 2020.

As a result of the above changes, the Company has a total of 12,400,000 New Share Options (with an exercise price of 4.92p per share) and 500,000 Existing Share Options (half of which have an exercise price of 12p per share, the other half being exercisable at 10p per share) in issue, representing 7.09 per cent of the issued share capital of the Company on a fully diluted basis.

Details of the share options granted to the directors and the changes resulting from this re-organisation are as follows:

Director	Existing Share Options replaced	New Share Options granted	Total resultant New Share Options held
Matt Sutcliffe, Executive Chairman	1,150,000	350,000	1,500,000
Martin Rosser, CEO	2,400,000	300,000	2,700,000
Alan Clegg, Non-executive Director	-	800,000	800,000
Roger Davey, Non-executive Director	650,000	150,000	800,000
James Bunyan, Non-executive Director	650,000	150,000	800,000
Emil Morfett, Non-executive Director	650,000	150,000	800,000

Following the above changes, share option charges for the six months to 30 June 2013 amounted to £10,651 (2012: £17,348).

Copies of this announcement are available to view on the Company's website at www.alexandermining.com.

Disclaimers

Neither the contents of the Company's website nor the contents of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this announcement.

This news release contains forward looking or future-oriented financial information, being information which is not historical fact, including, without limitation, statements regarding potential results of metallurgical testwork, anticipated applications for the Company's intellectual property and discussions of future plans and objectives. Although the Company believes that the expectations reflected by such information are reasonable, these statements are based on assumptions and factors concerning future events that may prove to be inaccurate. Such statements are necessarily based upon a number of estimates and assumptions based on information available to the Company about itself and the business in which it operates. Information used in developing forward-looking information has been acquired from various sources including third party consultants, suppliers, regulators and other sources and is subject to numerous risks and uncertainties that could cause actual results and future events to differ materially from those anticipated or projected. Important factors that could cause actual results to differ materially from the Company's expectations are the continuing availability of capital resources to fund the commercialisation of Alexander's technologies; continued positive results from trials and applications of Alexander's AmmLeach® and HyperLeach® technologies and other factors as disclosed in Company documents filed from time to time. Management uses forward-looking statements because it believes they provide useful information to the shareholders with respect to proposed transactions involving Alexander, and cautions readers that the information may not be appropriate for other purposes and should not be read as guarantees of future performance or results. The Company disclaims any intention or obligation to revise or update such statements unless required by law.