

Company Registration No. 06009952 (England and Wales)

**ASCOT MINING PLC**  
**INTERIM FINANCIAL INFORMATION AND RESULTS FOR THE SIX MONTHS TO**  
**31 MARCH 2009**

# ASCOT MINING PLC

## CHAIRMAN'S STATEMENT

### FOR THE SIX MONTHS ENDED 31 MARCH 2009

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#### Directors Report

The Directors of Ascot Mining Plc ("the Group") announce the unaudited results for the six months to 31 March 2009. The net loss before taxation of GBP £ 602,032 covers the six months trading results of the Group from 1 October 2008 to 31 March 2009. During this period the Group has seen significant progress in the development of Veritas Gold's Chassoul mine, the advancement of Veritas Mining's operations near Las Juntas and a long sought after acquisition of a joint Venture in La Toyota, a highly desirable gold concession in the area of the Company's other operations.

Since listing on the PLUS Markets in April 2008, the Company has overcome many challenges. In the initial period, prices of materials were very high, equipment was difficult to procure and labour was expensive. Subsequently, the ongoing international financial crisis and the changed ratio of GBP to USD made it very difficult to obtain the funding necessary to bring the Company's properties into production. Despite these challenges the Company has continued to make good progress in developing its operations.

#### Significant events

During the period under review the Directors are pleased to report that the following significant events have been achieved:

- ✓ Approximately GBP 7,600,000 in equity funding raised in total to date.
- ✓ 10 November 2008: Cajeta Vein was intercepted exposing high grades at Chassoul Mine.
- ✓ 15 December 2008: Ascot Mining Plc was accepted for continuously trading on the European electronic trading platform Xetra (R) (Symbol: AM3.DE).
- ✓ 24 December 2008: Ascot Mining Plc's General Meeting took place and David B. Jackson was re-elected a director of the Company.
- ✓ 26 January 2009: Sponsored by Bank of New York Mellon; Ascot establishment of a Level-1 American Depository Receipt (ADR) program trading on the US over-the-counter (OTC) market.

#### Overview:

Ascot Mining PLC ("Ascot") is developing and rehabilitating previously producing gold mines in Costa Rica. It is close to producing gold at its three wholly owned subsidiaries, when they will generate substantial early cash flow. These are:

- ✓ Veritas Gold CR, S.A. – Chassoul Gold Mine.
- ✓ Veritas Mining CR, S.A. – Tres Hermanos, El Recio and Boston.
- ✓ Veritas Resources CR, S.A. – La Toyota Mine Joint Venture.

The board of Ascot prides itself on its prudent use of funds. However, last year, the Company, along with the rest of the mining sector, was hit by steep rises in raw materials, fuel and other costs that far exceeded initial projections requiring additional funding to be raised. The Company is now well positioned to speed up the move to Ascot becoming a gold producer with a significant cash flow.

## **Update on Operations:**

### Veritas Gold: Chassoul Mine:

The development of the Chassoul Mine is significantly advanced and the Company is currently developing sufficient tonnage of ore ahead of production.

Once the mill circuit has been balanced, daily gold production is estimated at between 25 to 30 oz per day. Independent assays have officially certified results of up to 106.75 grams of gold or 3.43 oz per ton, which are in the upper levels of the expected range.

The contract for lining the tailings pond has been negotiated. Once the liner is installed and the refurbished crusher is delivered to the site the mill will be fully operational.

### Veritas Mining: Tres Hermanos – El Recio – Boston Mines.

Tres Hermanos, El Recio and the nearby Boston concession consist of a series of mines with tremendous scope to significantly increase the already known resources. Records suggest an average mining grade of 0.3 to 1.00 oz/ton can be expected, plus bonanza type chutes with far higher grades that are well documented locally.

Gold production is planned to begin in 2009 at 30 to 35 oz daily based on the mill handling 50 tonnes per day.

Power is available from a nearby existing hydroelectric power line. The Costa Rican Government's mining department has Ascot's proposal whereby tailings will be neutralized and pumped underground. This technique is environmentally beneficial, as it will stabilize former underground workings, and it is also cost effective.

Production will be boosted by development of the nearby El Recio concession which is a near-surface resource of 22,500 ounces of gold with an estimated value of US\$18,000,000 (at US\$800/oz).

Detailed satellite imaging is currently being interpreted by the Company's consultants to identify further drill targets. A drilling program is planned to locate other as yet undiscovered gold veins and expand the known resources.

### Veritas Resources: La Toyota Mine Joint Venture.

La Toyota is readily accessible, via paved roads, from the Company's other operations at Tres Hermanos, El Recio, Boston and Chassoul.

There are four parallel veins approximately 300 meters apart on La Toyota concession. The initial development will be of the Toyota vein which is 4 meters wide near surface narrowing to 1.5 meters nominally about 10 meters below.

This vein extends for more than 1 kilometre and its horizontal limit has not yet been fully established. According to the Mining Department of the Costa Rica Government, the Toyota vein hosts "proven but not yet 43-101 compliant" reserves of 666,190 tons at an average grade of 0.48 oz/ton or 319,770 oz of gold.

The concession is permitted for 150 metric tonnes per day of mill throughput. The initial mill capacity will be 50 metric tonnes per day, increasing in two planned stages to full capacity. Mill recovery, after stabilizing the circuit, will be in the order of 92%.

Assuming an average grade of 0.48 oz/tonne, the daily production will be 18 to 20 oz/day. Once the mine has been developed to a stage where 150 tonnes per day of ore can be delivered to the mill on a regular basis, mill capacity will be increased to permitted levels.

Assuming the same parameters as above, the expected production would be 55 oz/day. (50% to Veritas Resources).

### Summary:

Despite intense pressure, Ascot has resisted several proposals for discounted and dilutive financing. While the effect has been to somewhat delay its production schedule it has enabled the Company to maintain future shareholder value.

The Company is now on a much stronger footing allowing us to achieve our objectives whilst potentially rewarding our investors with returns substantially in excess of other investment options. Once processing operations commence,

Ascot's focus will be to grow its production toward its declared objective of 100,000 ounces per year.

The Company is now significantly advanced in its planned operations. It has managed to increase substantially the gold resources under its control and now has in excess of 656,000 oz. of Gold with the expectation that this will further increase.

Statements for the six-month period have been reviewed by the Group's auditors.

Respectfully,

**David B Jackson**  
**Group Chief Executive**

Dated: \_\_ June 2009

ASCOT MINING PLC

CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 31 MARCH 2009

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	Notes	Unaudited Six Months Ended 31 Mar 2009	Audited Year Ended 30 Sept 2008	Unaudited Six Months Ended 31 Mar 2008
		£	£	£
Revenue		-	100,185	46,880
Cost of sales		<u>-</u>	<u>(144,910)</u>	<u>(196,656)</u>
<b>Gross loss</b>		-	(44,725)	(149,776)
Distribution costs		(11,259)	(1,795)	-
Administration expenses		(590,779)	(857,153)	(300,135)
Other operating income		<u>69</u>	<u>1,710</u>	<u>-</u>
<b>Operating loss</b>		(601,969)	(901,963)	(449,911)
Finance costs		<u>(63)</u>	<u>(486)</u>	<u>-</u>
<b>Loss before taxation</b>		(602,032)	(902,449)	(449,911)
Taxation		<u>-</u>	<u>-</u>	<u>-</u>
<b>Loss after taxation</b>		<u>(602,032)</u>	<u>(902,449)</u>	<u>(449,911)</u>
 <b>Earnings per share:</b>				
Loss per share		(2.22)p	(4.5)p	(1.9)p
Fully diluted loss per share		(2.22)p	(4.5)p	(1.9)p

## ASCOT MINING PLC

## CONSOLIDATED BALANCE SHEETS

FOR THE SIX MONTHS ENDED 31 MARCH 2009

		Group	Group	Group
		Unaudited as at	Audited as at	Unaudited as at
		31 Mar 2009	30 Sep 2008	31 Mar 2008
		£	£	£
<b>ASSETS</b>				
	Notes			
<b>Non-Current Assets</b>	2			
Goodwill		3,990,245	3,990,245	4,078,317
Property, plant and equipment		3,261,732	3,126,232	3,021,907
Development costs	3	<u>1,907,437</u>	<u>1,421,231</u>	<u>859,153</u>
<b>Total Non-Current Assets</b>		<u>9,159,414</u>	<u>8,537,708</u>	<u>7,959,377</u>
<b>Current assets</b>				
Trade and other receivables		130,992	124,676	145,719
Cash at bank and in hand		260,523	31,953	440,695
Assets held for resale		-	-	-
<b>Total current assets</b>		<u>391,515</u>	<u>156,629</u>	<u>586,414</u>
<b>Total Assets</b>		<u>9,550,929</u>	<u>8,694,337</u>	<u>8,545,791</u>
<b>EQUITY AND LIABILITIES</b>				
<b>Capital and reserves</b>				
Called up share capital	5	293,011	249,447	283,414
Share premium account	6	7,347,996	6,123,727	5,635,373
Retained earnings	6	<u>(1,392,011)</u>	<u>(789,979)</u>	<u>(454,911)</u>
<b>Total Equity</b>		<u>6,248,996</u>	<u>5,583,195</u>	<u>5,463,876</u>
<b>Non- Current Liabilities</b>				
Borrowings		2,643,477	2,679,072	2,770,788
<b>Current Liabilities</b>	4	<u>658,456</u>	<u>432,070</u>	<u>311,127</u>
<b>Total Liabilities</b>		<u>3,301,933</u>	<u>3,111,142</u>	<u>3,081,915</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>9,550,929</u>	<u>8,694,337</u>	<u>8,545,791</u>

**ASCOT MINING PLC**  
**NOTES TO THE INTERIM FINANCIAL INFORMATION**  
**FOR THE SIX MONTHS ENDED 31 MARCH 2009**

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**1. Principal Accounting Policies**

**1.1 Accounting Convention**

The interim financial information has been prepared under the historical cost convention.

**1.2 Compliance with Accounting Standards**

The interim financial information has been prepared in accordance with applicable International Financial Reporting Standards (IFRS) as adopted by the European Union and applied in accordance with the provisions of the Companies Act 2006.

**1.3 Basis of consolidation**

The group interim financial information comprises the interim financial information for Ascot Mining plc and all of its subsidiaries up to 31 March 2009.

The results of operations of subsidiary undertakings are included in the consolidated interim financial information as from the date of acquisition, which is the date on which control of the acquired subsidiary is effectively transferred to the buyer. The results of operations of subsidiary undertakings disposed of are included in the consolidated income statement until the date of disposal, which is the date on which the parent ceases to have control of the subsidiary undertaking. Intragroup balances and intragroup transactions and resulting unrealised profits are eliminated in full. Unrealised losses resulting from intragroup transactions are also eliminated unless cost can be recovered.

**1.4 Revenue recognition**

Revenue is derived wholly from its Costa Rican subsidiaries, Veritas Mining, CR, S.A. and Veritas Gold CR, S.A.

Revenue represents amounts receivable for goods net of VAT and trade discounts.

**1.5 Goodwill**

Goodwill arising on an acquisition represents the excess of the cost of the acquisition over the Group's interest in the fair value of the identifiable assets and liabilities acquired as at the date of the exchange transaction.

Goodwill is initially measured at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill is tested annually for impairment or more regularly where an indication of impairment exists. When there is impairment, goodwill is written down immediately to its recoverable amount and the impairment losses are recognised in the income statement. Impairment losses are not subsequently reversed.

**1.6 Development cost**

Development costs are amortised over 5 years from the commencement of production.

**1.7 Foreign currency**

Transactions in foreign currencies are translated into sterling at the rates of exchange ruling on the date on which transactions occur. At the balance sheet date foreign currency monetary items are translated into sterling at the exchange rate ruling at the balance sheet date. Foreign exchange differences arising on translation are recognised in the income statement in the period in which they arise. At the balance sheet date, non-monetary items, which are carried in terms of historical denominated foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are carried at fair value denominated in a foreign currency, are reported using the exchange rate that existed at the date when the values were determined.

**ASCOT MINING PLC**  
**NOTES TO THE INTERIM FINANCIAL INFORMATION**  
**FOR THE SIX MONTHS ENDED 31 MARCH 2009**

2. Non-Current Assets	31 March 2009	30 Sept 2008	31 March 2008
	£	£	£
Intangibles			
Goodwill	3,990,245	3,990,245	4,078,317
<b>Property, plant and equipment</b>			
Chassoul Mine	2,812,420	2,812,420	2,908,700
Chassoul Tailings Pond	215,182	73,313	-
Mining equipment	177,852	179,088	69,288
Vehicles	50,616	56,010	39,696
Office furniture and equipment	5,662	5,401	4,221
	3,261,732	3,126,232	3,021,907

3. Other Assets	31 March 2009	30 Sept 2008	31 March 2008
	£	£	£
Development costs	1,907,437	1,421,231	859,153
	1,907,437	1,421,231	859,153

As an incentive for investment in Costa Rica, the government granted the mining industry the right to capitalise development costs, costs incurred to start production and rehabilitate production facilities, and then amortise these costs over five years from the commencement of production.

4. Current Liabilities	31 March 2009	30 Sept 2008	31 March 2008
	£	£	£
Trade creditors	41,320	24,759	307,044
Other creditors	617,136	407,311	4,083
	658,456	432,070	311,127

**ASCOT MINING PLC**  
**NOTES TO THE INTERIM FINANCIAL INFORMATION**  
**FOR THE SIX MONTHS ENDED 31 MARCH 2009**

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**5. Capital and Reserves**

	<b>31 March 2009</b>	<b>30 Sept 2008</b>	<b>31 March 2008</b>
	£	£	£
<b>Ordinary Shares</b>			
<b>Authorised</b>			
195,000,000 Ordinary shares of 1p each	1,950,000	1,950,000	1,950,000
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<b>Allotted, called up and fully paid</b>			
29,301,164 Ordinary shares of 1p each	293,011	249,447	233,414
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<b>Redeemable preference shares</b>			
<b>Authorised, allotted, called up and fully paid</b>			
50,000 redeemable preference shares of £1 each	-	-	50,000
	<hr/> 293,011	<hr/> 249,447	<hr/> 283,414
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Options have been granted over 1,500,000 ordinary 1 pence shares on various terms as described in the respective agreements.

**6. Statement of movements on reserves**

	<b>Share premium account</b>	<b>Profit and loss account</b>
	£	£
<b>Balance at 30 September 2008 *</b>	6,123,727	(789,979)
Loss for the period	-	(602,032)
Premium on shares issued during the year	1,224,269	-
<b>Balance at 31 March 2009</b>	<hr/> 7,347,996	<hr/> (1,392,011)
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**ASCOT MINING PLC**  
**NOTES TO THE INTERIM FINANCIAL INFORMATION**  
**FOR THE SIX MONTHS ENDED 31 MARCH 2009**

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**7. Reconciliation of shareholders' funds**

	<b>31 March 2009</b>	<b>30 Sept 2008</b>	<b>31 March 2008</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Loss for the financial period	(602,032)	(902,449)	(449,911)
Redemption of preference share capital	-	(50,000)	-
Credit arising on share based payment	-	117,470	-
Proceeds from issue of shares	1,267,833	6,373,174	5,868,787
	<hr/>		
Net increase in shareholders' funds	665,801	5,538,195	5,418,876
Opening shareholders' funds	5,583,195	45,000	45,000
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Closing shareholders' funds	6,248,996	5,583,195	5,463,876
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**8. Post Balance Sheet Events**

- ✓ 6 April, 2009: Ascot Mining PLC announces that its wholly owned subsidiary, Veritas Resources has signed a Joint Venture Agreement with the owner of La Toyota Gold Concession in Costa Rica.
- ✓ 8 June 2009: Ascot Mining PLC announced that it will sell up to a maximum of 7,000 Troy ounces of its planned near term production of gold, of which 1,486 ounces of gold has been subscribed for, resulting in non dilutive paid in proceeds to the Company of US\$1,000,885.60.

**ASCOT MINING PLC**  
**NOTES TO THE INTERIM FINANCIAL INFORMATION**  
**FOR THE SIX MONTHS ENDED 31 MARCH 2009**

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**INTRODUCTION**

We have reviewed the accompanying consolidated income statement and consolidated balance sheet together with accompanying notes for the six months ended 31 March 2009. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. Our responsibility is to express a conclusion on this interim financial information based on our review.

**SCOPE OF REVIEW**

We conducted our review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of financial information consists of making inquiries, 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 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 accompanying preliminary interim financial information does not give a true and fair review of the financial position of the entity as at 31 March 2009, and of its financial performance for the six month period then ended in accordance with IFRSs as adopted by the European Union.

Clarkson Hyde LLP

Chartered Accountants

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xxxx June 2009