

30 November 2010

Angel Mining plc
(“Angel Mining” or the “Company”)

Un-audited financial information
for the six months ended
31 August 2010

The Directors of Angel Mining, the Greenland-focused mining and exploration company, are pleased to be able to report the unaudited interim figures for the six months ended 31 August 2010.

Highlights

The Company recorded a loss of \$2.625 million for the period and has seen the following substantial developments during the first six months of the current year:

- commencement of mining at the Nalunaq gold mine;
- the near completion of the processing plant within the mine;
- the raising of \$1.365 million via the Standby Equity Distribution Agreement (“SEDA”), structured equity facility with YA Global Masters SPV;
- the increase in the short term loan from Cyrus Capital Partners LP (“Cyrus”) of \$6.5 million to fund the processing plant at Nalunaq;
- the appointment of Kevin McNair as Chief Financial Officer; and
- further planning and development work at the Black Angel mine.

Since the end of the period under review, the Company has also:

- agreed a \$25.0 million medium term note programme with Socius CG II Ltd (“Socius”) and drawn down \$3.0 million via the facility;
- agreed a restructuring of the Cyrus short term loan facility; and
- drawn down an additional \$1.891 million via the SEDA.

Commodity prices have been volatile during the period under review. The table below sets out the changes in prices for the metals in which the Company has interests since the start of the fiscal year.

	1 March 2010	31 August 2010		26 November 2010	
	Price (\$)	Price (\$)	Change	Price (\$)	Change
Gold (oz)	1,114	1,246	+11.8%	1,364	+22.4%
Zinc (tonne)	2,220	2,065	-5.9%	2,150	-3.2%
Lead (tonne)	2,170	2,070	4.6%	2,280	+5.1%

Source: Bloomberg

CHAIRMAN'S STATEMENT

FINANCIAL RESULTS

The loss for the period amounts to \$2.625 million compared to a profit of \$828k for the same period last year. At 31 August 2010, the Company's cash and bank balances amounted to \$571k compared to \$367k at 31 August 2009.

OPERATIONS

Nalunaq

The Company has almost completed its programme for bringing the mine back into production. The underground processing plant has been designed and installed. Angel Mining is completing the final commissioning of the plant and plans to start processing ore within the next 14 days. Although the complexity of the project has led to some delays, the improvements in operational efficiency and environmental control should have a significant positive impact on the Company's revenues going forward.

Mining operations have commenced and we now have a team of experienced miners, many of whom are local Greenlanders. Angel Mining operates a policy of using local resources and employing local labour, including training, wherever possible. Currently mining operations are focused on ore extraction whilst the processing plant is completed. Therefore, the delays experienced in the commissioning of the plant have not resulted in lost ore extraction. The Company is stockpiling the ore and will commence processing and selling the resultant gold to the market as soon as the commissioning of the plant is completed. The Company notes the uplift in the gold price and will be pleased to be selling its product into the current market.

The Company has entered into a refining contract with Metalor Technologies SA ("Metalor"), a leading precious metal refiner based in Switzerland. The contract with Metalor will allow the Company to have all of its doré production refined with an option then of either selling the resultant gold bullion to Metalor or to banks and other commodity traders. It may also be possible for the Company to sell some of its product to local jewellers who have expressed an interest in producing jewellery from authentic Greenland gold.

All of the Group's activities in Greenland are regulated by Greenland's Bureau of Minerals and Petroleum ("BMP"). During the period, Angel Mining has worked closely with the BMP on permitting, construction and environmental issues.

Black Angel

The Company has completed the erection of the lower terminal for the cable car and has also completed much of the preparation work for building the upper terminal. We plan to re-commence construction of the upper terminal in early 2011. Subject to the availability of funding, we should then be able to commence construction of the mill inside the mine with the expectation of producing metal concentrate in 2012.

EXPLORATION

As previously stated, the Company is directing all investment into mining projects and has divested or abandoned all exploration projects.

Exploration activity in the foreseeable future will be focussed, if incurred at all, on extending the life of existing mines.

Orion Metals Ltd. ("Orion")

On 20 May 2010 Orion implemented a fully underwritten 1 for 1 rights issue at A\$0.05. A warrant for one additional share, exercisable on or before 25 February 2011 at A\$0.12, was issued for every 2 rights issue shares. The Company did not take up its rights and these transactions diluted the Company's interest of 3,666,667 shares to 7.42%.

On 15 June 2010 the Company sold its shares for A\$225k, being an average selling price of A\$0.062 per share and resulting in a profit on divestment of \$14k that has been recognised during the period.

FINANCE

Payment in shares

During the period, the Company issued a total of 9,621,557 shares at an average price of 6.64p per share to suppliers in consideration for goods and services provided at the Nalunaq Gold Mine. The aggregate value of these goods and services was \$954k.

Issue of new shares

On 29 March 2010, 10,407,139 new ordinary shares were issued to YA Global Master SPV ("YAGM") at 6.34p per share being the fourth SEDA draw down of £660k. On 10 August 2010, 5,519,418 new ordinary shares were issued to YAGM at 4.28p per share being the fifth SEDA draw down of £236k.

New borrowings

On 24 May 2010, FBC Holdings S a r l ("FBC") advanced a further \$2.0 million, which was treated as a further tranche of the short term loan, increasing the total outstanding to \$16.5 million.

On 12 July 2010, FBC advanced a new loan of \$4.5 million with a facility fee of 6.0% and bearing interest at 10% p.a. of the facility fee of \$270,000 plus an additional \$120k relating to the loan of \$2.0 million made on 24 May 2010, \$100k was payable on 14 July 2010 and the balance due at the time the loan is repaid. This loan, together with all other short term loans from FBC, are repayable in a series of payments commencing on 15 February 2011 and ending on 31 December 2011.

On May 24 the Company announced that it was in default of the terms of its agreement with FBC for having not made its interest payment in March 2010 and for not having used all the proceeds of SEDA drawings to repay the FBC loan. As part of the new agreement with Cyrus, these defaults have been waived.

POST BALANCE SHEET EVENTS

New financing facility

On 6 September 2010, the Company announced that it had agreed a \$25.0 million financing facility with Socius (the "Facility"), which will enable the Company to issue 10% Eurobonds as it draws down on the facility. On draw down of a portion of the Facility the Company will offer an option to Socius for a period of 45 days to subscribe for ordinary shares in the Company; at the closing Angel Mining share price on the day before the draw down request ("the investment share price") to subscribe for such number of ordinary shares in the Company that have a value equal to 110% of the draw down amount. The Company will also issue warrants to Socius which can be exercised at any time for 12 months from the date of issue at the investment share price, for a value equal to 25% of the draw down amount. Socius will pay for the equity investment and warrants either in cash or in 4 year 2% loan notes, which may be offset against the Eurobond notes.

The agreement provides for an early redemption premium such that the loan notes, the Eurobond and interest commitments will cancel each other out at anniversary dates plus one day. In addition, the facility does not preclude the use of debt finance for project development and it is the Directors stated intention to use it sparingly. It is expected that the security provided by the agreement with Socius will make it more practical for the Company to raise project finance for Black Angel

On 4 October 2010 the Company requested a drawn down of \$3.0 million. In accordance with the terms of the facility, Angel Mining issued \$3.0 million 10% loan notes and issued to Socius warrants over 10,885,714 ordinary shares in the Company and an option to subscribe for 47,897,142 ordinary shares in the Company. Socius subsequently exercised both the warrants and the option to subscribe for the full amount.

Payment in shares

Subsequent to 31 August 2010, the Company has issued a total of 5,262,443 shares at an average price of 4.61p per share to suppliers in consideration for goods and services provided at the Nalunaq Gold Mine. The aggregate value of these goods and services was \$378k.

Issue of new shares

On 13 September 2010, the Company issued 3,520,519 new ordinary shares to YAGM at 4.26p per share being the sixth SEDA draw down of £150k. On 29 September 2010, the Company issued 7,704,924 new ordinary shares to YAGM at 3.68p per share being the seventh SEDA draw down of £284k. On 15 November 2010, the Company issued 20,433,740 new ordinary shares to YAGM at 3.67p per share being the eighth SEDA draw down of £750k.

GOING CONCERN

The Directors have prepared the financial information on a going concern basis. The ability of the Company and the group to continue as a going concern is dependent upon the following:

- having the continued support of its current debt provider, Cyrus;
- being able to draw down fully on the SEDA and Socius facilities;
- having the ability to raise new finance; and
- being able to bring the Nalunaq gold mine into production.

New finance will be required if the group is to implement the planned redevelopment of the Black Angel zinc/lead mine.

This is discussed further in Note 1 to the financial information.

PEOPLE

Kevin McNair joined the Company as Chief Financial Officer in May 2010. Kevin has experience of financial management of AIM listed companies, an understanding of financial markets and is familiar with the needs of mineral resource based businesses.

Tim Daffern, Director of Mining, stepped down as a director in September 2010.

OUTLOOK

Looking forward, Angel Mining's first priority is to become cash generative and profitable at Nalunaq. The second priority is to raise the project finance to enable us to complete the development of the Black Angel which is planned to be in production in 2012.

There is a significant amount to complete but the Company is building a team of experienced mining professionals who are determined to achieve these important targets.

Frank Chapman

CHAIRMAN

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Consolidated information of comprehensive income

Six months ended 31 August 2010

	6 months ended 31 Aug. 2010 Unaudited \$000	6 months ended 31 Aug, 2009 Unaudited \$000	12 months ended 28 Feb, 2010 Audited \$000
Continuing operations			
Reversal of impairment of property, plant and equipment	-	-	70
Gain on part disposal of holding in subsidiary	-	-	44
Other operating costs	(966)	(1,284)	(1,772)
Operating loss	(966)	(1,284)	(1,658)
Finance costs	(1,672)	(967)	(3,053)
Finance income	-	2,917	4
Share of loss of associate	-	-	(84)
Gain on reclassification of an associate to investment held for trading	-	162	-
Gain on sale of assets held for trading	14	-	-
Change in fair value of assets held for trading	-	-	78
Loss before tax	(2,625)	828	(4,713)
Taxation	-	-	-
Retained loss for the period	(2,625)	828	(4,713)
Other comprehensive income for the year			
Exchange translation difference on foreign operations	(286)	157	(360)
Total comprehensive income for the year attributable to ordinary equity holders of the company	(2,911)	985	(5,073)
Earnings/(loss) per share (cents)			
Basic	(0.93)	0.36	(1.85)
Diluted	(0.93)	0.33	(1.85)

Consolidated information of financial position

As at 31 August 2010

	6 months ended 31 Aug. 2010 Unaudited \$000	6 months ended 31 Aug, 2009 Unaudited \$000	12 months ended 28 Feb, 2010 Audited \$000
Non-current assets			
Property, plant and equipment	40,770	20,832	31,258
Investments in subsidiaries	-	-	-
Investments accounted for using the equity method	-	-	-
Rehabilitation asset	4,082	4,665	4,392
	44,852	25,497	35,650
Current assets			
Inventories	630	179	850
Trade and other receivables	363	172	862
Investments held for trading	-	385	184
Other financial asset	251	-	251
Cash and cash equivalents	571	367	1,823
	1,815	1,103	3,970
Current liabilities			
Trade and other payables	(4,962)	(1,643)	(4,518)
Current borrowings	(20,698)	(1,281)	(14,298)
Current provisions	(2,239)	-	(968)
	(27,899)	(2,924)	(19,784)
Net current (liabilities)/assets	(26,084)	(1,820)	(15,814)
Total assets less current liabilities	18,769	23,676	19,836
Non-current liabilities			
Non-current borrowings	(5,987)	(7,600)	(5,987)
Non-current provisions	(4,082)	(4,035)	(5,184)
	(10,069)	(11,635)	(11,171)
Net assets	8,700	12,041	8,665
Capital and reserves			
Share capital	5,603	4,025	5,208
Share premium	32,618	25,183	30,657
Own shares held by EBT	(2,568)	-	(2,568)
Convertible borrowings – equity component	7,371	-	7,371
Translation reserve	(1,466)	5,050	(1,180)
Retained deficit	(32,858)	(22,217)	(30,823)
Total equity	8,700	12,041	8,665

Consolidated information of changes in equity

Six months ended 31 August 2010

	Ordinary share capital \$'000	Share premium \$'000	Own shares held by EBT \$000	Convertible borrowings – equity component \$000	Translation reserve \$'000	Retained deficit \$'000	Equity attributable to equity holders of the parent \$'000	Total equity \$'000
At 28 February 2009	3,847	27,260	-	-	(820)	(26,110)	4,177	4,177
Loss for the year	-	-	-	-	-	(4,713)	(4,713)	(4,713)
Shares issued	1,361	3,589	-	-	-	-	4,950	4,950
Cost of shares issued	-	(192)	-	-	-	-	(192)	(192)
Convertible borrowings – equity component	-	-	-	7,371	-	-	7,371	7,371
Own shares held by EBT	-	-	(2,568)	-	-	-	(2,568)	(2,568)
Exchange translation difference on foreign operations	-	-	-	-	(360)	-	(360)	(360)
At 28 February 2010	5,208	30,657	(2,568)	7,371	(1,180)	(30,823)	8,665	8,665
Loss for the year	-	-	-	-	-	(2,035)	(2,035)	(2,035)
Shares issued	395	1,961	-	-	-	-	2,356	2,356
Convertible borrowings – equity component	-	-	-	-	-	-	7,371	7,371
Own shares held by EBT	-	-	-	-	-	-	(2,568)	(2,568)
Exchange translation difference on foreign operations	-	-	-	-	(286)	-	(286)	(286)
At 31 August 2010	5,603	32,618	2,568	7,371	(1,466)	(32,858)	8,700	8,700

Consolidated information of cashflow

Six months ended 31 August 2010

	6 months ended 31 Aug. 2010 Unaudited \$000	6 months ended 31 Aug, 2009 Unaudited \$000	12 months ended 28 Feb, 2010 Audited \$000
Operating activities			
(Loss)/profit before tax	(2,625)	828	(4,713)
Adjusted for:			
Depreciation of property, plant and equipment	2	194	3
Impairment reversal of exploration and development costs	-	-	(70)
Share of loss of associate	-	-	84
Change in fair value of assets held for trading	-	-	(78)
Profit on derecognition of associate	-	(162)	-
Profit on part disposal of subsidiary	(14)	-	(44)
(Gain)/loss on disposal of property, plant and equipment	-	-	(258)
Finance income	-	(2,917)	(4)
Finance costs	1,672	967	3,053
(Increase)/decrease in inventories	220	287	(792)
(Decrease)/increase in trade and other receivables	499	(105)	(807)
Increase/(decrease) in trade and other payables	444	1,617	3,438
Share-based payments	954	-	1,008
Cashflows from operating activities	1,153	709	820
Investing activities			
Purchase of property, plant and equipment	(9,512)	(2,575)	(14,910)
Proceeds from sale of property, plant and equipment	-	-	354
Acquisition of assets, net	-	(985)	-
Increase in other financial assets	-	-	(20)
Interest received	-	68	4
Increase in rehabilitation security deposit	-	(64)	-
Proceeds from part disposal of subsidiary	14	-	44
Cashflows from investing activities	9,498	(3,558)	(14,528)
Financing activities			
Equity share capital subscription, net	1,365	1,154	1,375
New borrowings, net of costs	6,500	1,093	13,871
Repayments of borrowings	-	-	(202)
Proceeds of shares issued to minorities	-	-	-
Interest paid	(111)	-	364
Cashflows from financing activities	7,754	2,247	14,680
Net increase/(decrease) in cash and cash equivalents	(591)	(601)	972
Cash and cash equivalents at start of year	1,823	961	961
Exchange movements	(661)	7	(110)
Cash and cash equivalents at end of year	571	367	1,823

Notes to the financial statements

Six months ended 31 August 2009

General information

On 21 August 2009, the Company changed its name from Angus & Ross plc to Angel Mining plc ("Angel" or the "Company" and together with its subsidiaries "the Group"). The Company is incorporated and domiciled in the United Kingdom.

The principal accounting policies applied in the preparation of the financial information are set out below.

1. Basis of preparation

The half-yearly financial information for the six months ended 31 August 2010 is unaudited and that for the equivalent period is also unaudited. The comparatives for the full year ended 28 February 2010 are not the Group's full statutory accounts for that year. The financial statements for the year ended 28 February 2010 contained an unqualified auditors' report in accordance with s235 of the Companies Act 1985. However, the auditor's report did contain a paragraph entitled "Emphasis of matter – Going concern" which made reference to the accounting policy regarding going concern and the existence of a material uncertainty.

The half-yearly financial information was approved by the board on 29 November 2010.

The annual financial statements of Angel Mining plc for the year ended 28 February 2011 will be prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union, and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. Accordingly the half-yearly financial information has been prepared using accounting policies consistent with those which will be adopted by the group in the financial statements.

Going concern

The Group reported a loss for the period of \$2.625 million. In addition, as at 31 August 2010, the Group had net current liabilities of \$26.1 million. Given the above, the Directors consider that the greatest risks facing the Group are the ability to raise future funding, the continued support of Cyrus and the Company's ability to generate cash at Nalunaq gold mine. The ability to draw down against the Socius and SEDA facilities is an important element impacting availability of cash.

Capital market and economic conditions fluctuate and commodity prices have a direct impact on the estimated future revenues and profitability of the Group. However, at the date of this report, the cash cost of production is forecast to be significantly less than the relevant commodity prices. Once Nalunaq reaches normal operating capacity, it should be ramping up to producing 60 to 70 ounces of gold each day at an average cash cost of approximately \$560 per ounce. This will allow the Group to generate positive operating cashflow.

During the prior fiscal year, the Company re-negotiated the terms of a \$12.5 million loan obtained from Cyrus through its affiliate FBC, such that the loan was converted into convertible interest free loan notes, with voting rights, which will be converted to shares in the Company on or before 31 December 2016, at the holder's option and cancelled 37.5 million warrants. There are no principal repayments due on the loan prior to maturity.

It is assumed that FBC will choose to convert the interest free \$12.5 million loan notes into 577,275,675 shares on or before 31 December 2016. The short term loan, amounting to \$21.0 million, plus arrears of interest to 30 June 2010 amounting to \$1.07 million, is now due to be repaid by 31 December 2011, as amended with Cyrus during the period.

The Company entered into a SEDA with YA Globalmaster SPV Ltd on 25 April 2009 which provided the Company with a £5 million equity drawdown facility valid until 26 June 2011. The SEDA agreement is subject to covenants and contains a number of opt-out provisions. The Company had drawn down £1.23 million (\$1.93 million) at the balance sheet date and a further £1.18 million (\$1.89 million) since the balance sheet date, leaving £2.58 million (\$4.13 million) still available to draw.

On 6 September 2010, the Company entered into a \$25.0 financing facility with Socius, which will enable the Company to issue 10% Eurobonds as it draws down on the facility. The Socius facility was approved, along with the changes to the Cyrus/FBC loans, at a meeting of shareholders on 27 September 2010. On 4 October 2010 the Company requested a drawn down of \$3.0, leaving \$22 million available to draw.

For the purpose of their going concern assessment, the Directors have assumed that the Company will:

- obtain future funding;
- be able to draw down on the Socius and SEDA facilities,
- that Nalunaq will be cash generative by the end of Q1 2011, and
- that Cyrus will continue to provide the existing borrowing facilities.

The Directors have concluded that the combination of these circumstances represents a material uncertainty that casts significant doubt upon the Company's and Group's ability to continue as a going concern and that, therefore, the Company and the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

Nevertheless, after making enquiries and considering the uncertainties described above, the Directors have a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future and are supported by the following post balance sheet events:

- Final commissioning of the processing plant will be completed during the next few weeks which will allow production to commence at Nalunaq and our reserves and independent technical auditing and testing results indicate we should produce saleable doré; and
- Further draw downs through the Socius and SEDA facilities are possible if needed once approved by the majority shareholder and this is based on the history of draw downs and approvals received.

For these reasons, the Directors continue to adopt the going concern basis in preparing this financial information. The Directors believe that the Group now has sufficient resources for continuing operations and it will be able to attract additional finance for the development of the Black Angel and other projects in the foreseeable future.

2. Accounting policies

All accounting policies are the same as those reported in the annual financial statements for the year ended 28 February 2010.

3. Earnings/(loss) per share

The basic and diluted loss per share is calculated by dividing the loss attributable to equity holders of the parent by the weighted average number of ordinary shares in issue during the year.

	6 months ended 31 Aug. 2010 Unaudited	6 months ended 31 Aug, 2009 Unaudited	12 months ended 28 Feb, 2010 Audited
Profit attributable to equity holders of the parent (\$000)			
Weighted average number of shares – basic	312,685,015	235,060,468	254,791,311
Weighted average number of shares – diluted	312,685,015	250,082,161	254,791,311
Earnings/(loss) per share (cents)			
Basic	(0.65)	0.36	(1.85)
Diluted	(0.65)	0.33	(1.85)

In the periods where the Group has made a loss, share options were anti-dilutive and have not been included in the fully diluted loss per share calculation.

4. Borrowings

	6 months ended 31 Aug. 2010 Unaudited \$000	6 months ended 31 Aug, 2009 Unaudited \$000	12 months ended 28 Feb, 2010 Audited \$000
Current borrowings	20,698	11,689	14,298
Non-current borrowings	5,987	-	5,987

On 26 May 2010, FBC advanced a further \$2.0 million, which was treated as a further tranche of the short term loan, increasing the total outstanding to \$16.5 million.

On 14 July 2010, FBC advanced a new loan of \$4.5 million with a facility fee of 6.0% and bearing interest at 10% p.a. The facility fee of \$270k plus an additional \$120k relating to the loan of \$2 million made on 26 May 2010 are payable as \$100k on 14 July 2010 and the balance is due at the time the loan is repaid. This loan, together with all other short term loans from FBC, are repayable via a series of payments commencing on 15 February 2011 and ending on 31 December 2011.

The amendments to the FBC facilities were approved at a meeting of shareholders on 27 September 2010.

5. Share capital

Ordinary shares

	Shares			£		
	6 months ended 31 Aug. 2010 (000,000)	6 months ended 31 Aug, 2009 (000,000)	12 months ended 28 Feb, 2010 (000,000)	6 months ended 31 Aug. 2010 (000)	6 months ended 31 Aug, 2009 (000)	12 months ended 28 Feb, 2010 (000)
Authorised						
At beginning of period	2,000	1,000	1,000	20,000	10,000	10,000
Increased in period	-	1,000	1,000	-	10,000	10,000
At end of period	2,000	2,000	2,000	20,000	20,000	20,000

	Shares		
	6 months ended 31 Aug. 2010 (000)	6 months ended 31 Aug, 2009 (000)	12 months ended 28 Feb, 2010 (000)
Issued			
At beginning of period	297,489	212,016	212,016
Issued in period	25,548	35,287	85,473
At end of period	323,037	247,303	297,489

The Company also has 1 'B share' of £1.00 which was issued on 21 August 2009 as a result of the conversion of the original Cyrus loan into a convertible loan note. The B share has voting rights equivalent to 577,275,625 ordinary shares.

Payment in shares

On 6 April 2010, the Company issued 2,180,233 new ordinary shares at a price of 6.88 pence per share to North Atlantic Mining Associates Limited ("NAMAL") in part consideration for work done at the Nalunaq gold mine.

On 22 April 2010, the Company issued 5,583,831 Ordinary Shares at a price of 6.96 pence per share to NAMAL and on 21 July 2010, 1,857,493 new ordinary shares were issued to NAMAL at 5.38 pence per share. Both issues of shares were made in consideration for work done at the Nalunaq gold mine.

Equity drawdown facility

On 25 April 2009, the Company entered into a Structured Equity Drawdown Agreement ("SEDA") with YA Global Master SPV Ltd; the agreement provides the Company with a £5 million equity drawdown facility and is valid for a period of 2 years from 26 June 2009.

On 29 March 2010, 10,407,139 new ordinary shares were issued to YA Global Master SPV ("YAGM") at 6.34p per share being the fourth SEDA draw down of £660k. On 10 August 2010, 5,519,418 new ordinary shares were issued to YAGM at 4.28p per share being the fifth SEDA draw down of £236k.

6. Acquisitions and disposals

Orion Metals Ltd. ("Orion")

On 20 May 2010 Orion implemented a fully underwritten 1 for 1 rights issue at A\$0.05. A warrant for one additional share, exercisable on or before 25 February 2011 at A\$0.12, was issued for every 2 rights issue shares. The Company did not take up its rights and these transactions diluted the Company's interest of 3,666,667 shares to 7.42%.

On 15 June 2010 the Company sold its shares for A\$225,467, being an average selling price of A\$0.062 per share and resulting in a profit on divestment of \$13,529 that has been recognised during the period.

7. Post balance sheet events

New financing facility

On 6 September, the Company announced that it had agreed, subject to certain conditions, a US\$25.0 million financing facility with Socius, which will enable the Company to issue 10% Eurobonds as it draws down on the facility. On draw down the Company will offer investment rights to Socius for 45 days, at the closing share price on the day before the draw down request ("the investment share price"), equal to 110% of the draw down value and 12 month warrants at 25% of the draw down value also at the investment share price. Socius will pay for the equity investment and warrants either, in cash, or in 4 year 2% loan notes, which may be offset against the Eurobond notes.

The agreement provides for an early redemption premium such that the loan notes, the Eurobond and interest commitments will cancel each other at anniversary dates plus one day. Consequently, this facility is tantamount to placing shares at a discount of 35% but the Company can choose a draw down request date when the share price is favourable and the facility is committed. In the directors' opinion it compares favourably with a discounted placing plus broker fees, where there is no commitment to buy the shares. This facility included a facility fee of 5% which was satisfied by the issue of shares on 30 September.

The Socius facility was approved at a meeting of shareholders on 27 September 2010.

On 4 October 2010 the Company requested a drawn down of \$3.0 million. In accordance with the terms of the facility, Angel Mining issued \$3.0 million 10% loan notes and issued to Socius warrants over 10,885,714 ordinary shares in the Company and an option to subscribe for 47,897,142 ordinary shares in the Company. Socius subsequently exercised both the warrants and the option to subscribe for the full amount.

Payment in shares

On 13 September 2010, the Company issued 2,262,443 ordinary shares at a price of 4.42 pence per share to NAMAL, representing a payment of £100k (\$156k), in part consideration for work done at the Nalunaq Gold Mine.

On 14 September 2010, the Company issued 3,000,000 new ordinary shares to Entreprenørfirmaet EMJ Grønland A/S at a price of 4.75p per share in settlement of DKK1,282,500 (\$223k) which was due in respect of work done by EMJ on the construction of the cable car facility at Black Angel.

Issue of new shares

On 13 September 2010, the Company issued 3,520,519 new ordinary shares to YAGM at 4.26p per share being the sixth SEDA draw down of £150k. On 29 September 2010, the Company issued 7,704,924 new ordinary shares to YAGM at 3.68p per share being the seventh SEDA draw down of £284k. On 15 November 2010, the Company issued 20,433,740 new ordinary shares to YAGM at 3.67p per share being the eighth SEDA draw down of £750k.