

Rare Minerals Plc (“Rare Minerals” or the “Company”)
Interim Results for the Six Month Period to 30 June 2012

The Board is pleased to present the interim results for the Company for the half year ended 30 June 2012.

BUSINESS REVIEW

In the PLUS Admission Document issued on 28 April 2011, the Company's stated investment criteria were summarised as follows:

- the target acquisition or investment will be in the prospecting or mining of valuable minerals;
- the target acquisition or investment should be profitable or have a significant asset value and may have opportunities for consolidation or further development. The Directors will, on an exceptional basis, also consider loss-making targets where, in the Directors opinion, there is a clear opportunity to develop a profitable and attractive business; and
- the owners of the target acquisition or investment should accept part of the consideration for any acquisition in new ordinary shares or other securities to be issued by the Company.

Since our PLUS admission, and as made clear in subsequent announcements, we have widened our search for the optimal investment beyond rare earth metals into the full gambit of precious and industrial metals, and other natural resources such as fossil fuels. In the period under review we have moved closer to identifying an investment for the Company which I believe will be transformational.

In the meantime, the Company has maintained its PLUS listing on minimal overhead and, as at the period end, the cash balance was over £900,000

I look forward to keeping shareholders informed of developments and express my gratitude for their patience to date.

Nicholas Nelson
Chairman

25 September 2012

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RARE MINERALS PLC

UNAUDITED INCOME STATEMENT FOR THE PERIOD ENDED 30 JUNE 2012

	6 Months to 30 June 2012	Period from 18 January 2011 to 30 June 2011	Year to 31 Dec 2011
	£'000	£'000	£'000
Administrative expenses	<u>(96)</u>	<u>(48)</u>	<u>(66)</u>
Operating loss from operations	<u>(96)</u>	<u>(48)</u>	<u>(66)</u>
Investment income	<u>2</u>	<u>-</u>	<u>2</u>
Loss before taxation	<u>(94)</u>	<u>(48)</u>	<u>(64)</u>
Taxation	<u>-</u>	<u>-</u>	<u>-</u>
Loss from continuing operations	<u><u>(94)</u></u>	<u><u>(48)</u></u>	<u><u>(64)</u></u>
Loss per share (see note 3) - basic and diluted (pence)	<u>0.0044</u>	<u>0.0029</u>	<u>0.0030</u>

RARE MINERALS PLC

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2012

	6 Months to 30 June 2012	Period from 18 January 2011 to 30 June 2011	Year to 31 Dec 2011
	£'000	£'000	£'000
Loss for the period	<u>(94)</u>	<u>(48)</u>	<u>(64)</u>
Total comprehensive income	<u><u>(94)</u></u>	<u><u>(48)</u></u>	<u><u>(64)</u></u>

RARE MINERALS PLC

UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR PERIOD ENDED 30 JUNE 2012

	Share capital £'000	Share premium £'000	Retained earnings £'000	Total £'000
Balance as at 1 January 2012	214	926	(64)	1,076
Total recognised income and expense for the period	-	-	(94)	(94)
Balance as at 30 June 2012	<u>214</u>	<u>926</u>	<u>(158)</u>	<u>982</u>
Balance as at 18 January 2011	-	-	-	-
Total recognised income and expense for the period	-	-	(48)	(48)
Issue of share capital	214	926	-	1,140
Balance as at 30 June 2011	<u>214</u>	<u>926</u>	<u>(48)</u>	<u>1,092</u>

RARE MINERALS PLC

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012

	As at 30 June 2012	As at 30 June 2011	As at 31 Dec 2011
	£'000	£'000	£'000
Assets			
Current assets			
Trade and other receivables	146	9	12
Cash and cash equivalents	954	1,088	1,065
	<u>1,100</u>	<u>1,097</u>	<u>1,077</u>
Total assets	1,100	1,097	1,077
Equity and liabilities			
Share capital	214	214	214
Share premium account	926	926	926
Retained earnings	(158)	(48)	(64)
	<u>982</u>	<u>1,092</u>	<u>1,076</u>
Total equity	982	1,092	1,076
Current liabilities			
Trade and other payables	118	5	1
	<u>1,100</u>	<u>1,097</u>	<u>1,077</u>
Total equity and liabilities	1,100	1,097	1,077

RARE MINERALS PLC

UNAUDITED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2012

	6 Months to 30 June 2012	Period from 18 January 2011 to 30 June 2011	Year to 31 Dec 2011
	£'000	£'000	£'000
Loss from operations	<u>(96)</u>	<u>(48)</u>	<u>(66)</u>
Operating cash flows before movement in working capital and provisions	(96)	(48)	(66)
Increase in trade and other receivables	(134)	(9)	(12)
Increase in trade and other payables	117	5	1
Net cash used in operating activities	<u>(113)</u>	<u>(52)</u>	<u>(77)</u>
Cash flows from investing activities			
Interest received	<u>2</u>	<u>-</u>	<u>2</u>
Net cash generated from investing activities	<u>2</u>	<u>-</u>	<u>2</u>
Cash flows from financing activities			
Net proceeds from issue of shares	<u>-</u>	<u>1,140</u>	<u>1,140</u>
Net cash generated from financing activities	<u>-</u>	<u>1,140</u>	<u>1,140</u>
Net (decrease)/increase in cash and cash equivalents	(111)	1,088	1,065
Net cash and cash equivalents at beginning of period	<u>1,065</u>	<u>-</u>	<u>-</u>
Net cash and cash equivalents at end of period	<u>954</u>	<u>1,088</u>	<u>1,065</u>

NOTES TO THE ACCOUNTS

1. Adoption of International Financial Reporting Standards

The financial information in this interim report has been prepared in accordance with the International Financial Reporting Standards as adopted by the EU for the first time this year.

The results, assets and liabilities of the Company for the year ended 31 December 2011 together with the opening position of the Company at 1 January 2011, the date of transition to IFRS, have been restated in accordance with IFRS. The statutory financial statements for the year ended 31 December 2011 were prepared in accordance with UK Generally Accepted Accounting Practice and were reported on by the Company's auditors and delivered to the Registrar of Companies. The audit report was not qualified and did not contain a statement under s498(2) or s498(3) of the Companies Act 2006.

IFRS 1 'First time Adoption of IFRS' permits companies to take advantage of certain exemptions from full retrospective adoption. The Company has not needed to adjust any balances for the income statement for the year ended 31 December 2011 and the statement of financial position as at 31 December 2011 under IFRS.

2. Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the accounting for financial instruments at fair value. In addition this interim financial report does not comply with IAS34 Interim Financial Reporting, which is not currently required to be applied under the PLUS rules.

The Directors are of the opinion that the financial information should be prepared on a going concern basis, in the light of the Company's financial resources.

The financial information included in this interim financial report for the six month period ended 30 June 2012 does not constitute statutory accounts as defined in section 434 of the Companies Act 2006, is unaudited and is not subject to a review by the Company's auditors.

3. Loss per share

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

For diluted loss per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares.

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

Six month period ended 30 Jun 2012 £'000	Six month period ended 30 Jun 2011 £'000	Year to 31 December 2011 £'000
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