

News Release

For Immediate Release

Date: 17 March 2010



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PRELIMINARY RESULTS FOR THE 9 MONTHS ENDED 31 DECEMBER 2009

- Gold production of 82,174 ounces at cash cost of US\$650/oz, and average realised gold price of US\$995/oz
- Net cash generated by operations of US\$17.1 million
- Profit before tax and exceptional items of US\$7.9 million
- Wega Mining acquisition – expected to more than double annual gold production to over 200,000 ounces
- Inata first gold pour 20 December 2009, first gold shipment of 11,000 ounces took place 26 February 2010
- Increase in Penjom resource of nearly 0.4 million ounces to 1.2 million ounces

Period¹	9 months ended 31 December 2009 Audited	9 months ended 31 December 2008 Unaudited	12 months ended 31 March 2009 Audited
Total gold production (ounces)	82,174	82,544	109,919
Average realized gold price (US\$/oz)	995	855	870
Cash production costs (US\$/oz)	650	600	602
Profit before tax and exceptionals (US\$000)	7,888	12,453	15,004
Exceptional items ² (US\$000)	(18,443)	19,119	18,875
(Loss)/profit before tax (US\$000)	(10,555)	31,572	33,879

¹ On 28 October the Company announced that it would change its year end from March to December with effect from 31 December 2009.

² Exceptional items for the nine months ended 31 December 2009 include impairment of capitalised exploration costs (US\$10.4 million) and impairment of deferred stripping costs (US\$8.0 million).

Jonathan Henry, Chief Executive Officer, commented:

"The nine months ended December 2009 have been transformational for Avocet. The completion of the Wega acquisition in June marked the first step towards the establishment of a sizeable mining operation in West Africa and propels us towards becoming a mid tier gold producer. The successful commissioning of the Inata plant in Burkina Faso, with first gold pour in December 2009 and first gold sales in February this year, has provided a platform with strong cashflows to further develop our African production and exploration assets. Meanwhile our existing Asian operations at Penjom and North Lanut have continued to generate strong cashflow, and remain a platform for growth in that region."

A copy of a corporate presentation to be made today at the Company's preliminary results presentation is available on the Company's website www.avocet.co.uk.

In addition, a presentation to analysts by Jonathan Henry, CEO, and Mike Norris, Finance Director, will be held at 9:30 am (UK time) today at the offices of Buchanan Communication, 45 Moorfields, London EC2Y 9AE.

A conference call and webcast will be hosted simultaneous with the analyst presentation. Participants may join the call by dialing the following numbers, approximately 10 minutes before its start.

- **From UK (Toll Free):** 0808 238 7396
- **From Norway (Toll Free):** 800 187 79
- **From United States of America (Toll Free):** 1866 793 4273
- **Participant Pass Code:** 726977#

A live audio webcast will be available on:

<http://mediaserve.buchanan.uk.com/2010/avocet170310/registration.asp>

A replay of the webcast will be available on the same link from 11:00 am (UK time) on 17 March 2010.

A presentation by Jonathan Henry will also be held at 12:00 pm (CET) on Thursday 18 March 2010 at the offices of Arctic Securities, Haakon VII gt 6, N-0123 Oslo.

For further information please contact:

Avocet Mining PLC	Buchanan Communications	Ambrian Partners Limited	J.P. Morgan Cazenove	Arctic Securities	First Securities
	Financial PR Consultants	NOMAD and Joint Broker	Lead Broker	Financial Adviser	Financial Adviser
Jonathan Henry, CEO	Bobby Morse	Richard Brown	Michael Wentworth-Stanley	Arne Wenger	Stein Hansen
Mike Norris, FD	Katharine Sutton	Richard Greenfield	Anish Patel	Kim Galtung Døsvig	Eirik Lilledahl
Hans-Arne L'orange, EVP Business Development & Investor Relations					
+44 20 7766 7676	+44 20 7466 5000 +44 7802 875227	+44 20 7634 4700	+44 20 7588 2828	+47 21013100	+47 2323 8000
www.avocet.co.uk	www.buchanan.uk.com	www.ambrian.com	www.jporgancazenove.com	www.arcticsec.no	www.first.no

Notes to Editors

Avocet Mining PLC (“Avocet” or “the Company”) is a mining company listed on the AIM market of the London Stock Exchange (Ticker: AVM). The Company’s principal activities are gold mining and exploration in Burkina Faso (as 90 per cent owner of the Inata gold mine), Malaysia (as 100 per cent owner of the Penjom gold mine, the country’s largest gold producer), and Indonesia (as 80 per cent owner of the North Lanut gold mine and Bakan project in North Sulawesi). The Company has a number of other advanced exploration projects in South East Asia and West Africa.

Background to operations

Inata in Burkina Faso, West Africa, has a resource of 1.7 million ounces and reserves of 944,000 ounces. Inata’s first gold sale of over 11,000 ounces took place in February 2010 and the mine is currently ramping up to full production rates in excess of 10,000 ounces per month. Exploration properties in the Bèlahouro region close to Inata mean that the mine’s resources and mine life are expected to be extended as a result of resource development drilling scheduled to commence shortly.

Penjom is Malaysia’s largest gold producer and was developed by Avocet after applying modern technology to grass roots exploration in an area of historic alluvial mining. The mine is located in Pahang State, approximately 120 km north of the country’s capital, Kuala Lumpur. The mine was commissioned in December 1996 with reserves of 223,000 ounces but has produced over 1.2 million ounces of gold to date.

North Lanut in North Sulawesi, Indonesia, was developed by Avocet from the exploration stage and has produced over 270,000 ounces since it was commissioned in 2004. Avocet purchased an 80 per cent interest in PT Avocet Bolaang Mongondow, an Indonesian company holding a 6th generation Contract of Work (“CoW”), from Newmont Mining Corporation in 2002. North Lanut is located within the CoW, which includes exploration and mining rights over approximately 50,000 hectares in an area highly prospective for gold. An Indonesian company, PT Lebong Tandai, owns the remaining 20 per cent.

Competent Person disclosure

All references to Mineral Resources and exploration results have been reviewed and approved for release by Mr Peter Flindell, BSc (Hons) MAusIMM, Executive Vice President - Exploration for Avocet, who has more than 20 years experience in the field of activity concerned. Mr Flindell is a Competent Person as defined by the JORC Code (2004) and a Qualified Person as defined by National Instrument 43-101. He has consented to the inclusion of the technical information in this announcement in the form and context in which it appears.

Penjom Mineral Resource estimates have been reviewed and approved for release by Mr. Neil Schofield, MAusIMM, MIG who has more than 20 years of experience in the field of activity concerned. Mr. Schofield is a competent person as defined by the JORC Code (2004) and a Qualified Person as defined by National Instrument 43-101. He has consented to the inclusion of the technical information in this announcement in the form and context in which it occurs.

CHAIRMAN'S STATEMENT

Last year saw an important development in Avocet's strategy of becoming a mid-tier gold producer, following the successful acquisition of Wega Mining in June 2009 and the first gold production from the Inata mine in Burkina Faso. This has been followed by the announcement of first gold shipments from the mine in February, and production levels to date ahead of schedule. The Company now looks forward to the ongoing ramp up to at least 10,000 ounces of gold per month, which we expect to complete by the middle of 2010. These developments mean Avocet is on track to become the largest producer of gold on AIM, with annual production of over 200,000 ounces. Our operations in Malaysia and Indonesia continued to generate approximately US\$2 million per month of operating cash flow for the period ended December 2009. We have changed our year end to December and therefore report on a nine month period.

Following on from the global economic crisis of 2008 and a weakening US dollar, gold prices rose steadily during 2009 before reaching an all time high of US\$1,218/oz in December 2009. In early 2010 prices have continued to trade at around US\$1,100/oz.

OUTLOOK

During 2010 the Company's main priority will be to complete the ramp up to design capacity at Inata and, in so doing, start to realise the potential of the Inata project, where gold grades and recoveries have been above expectations to date and significant exploration ground remains under-explored. In South East Asia, we will seek to continue to maximise cash generation from Penjom and North Lanut.

The Company remains committed to a listing in Oslo, as announced in October 2009, as a means of expanding our existing investor base there, in the best interests of all shareholders. The expected date for application for the listing is now May 2010, following resolution of certain technical issues related to Oslo Stock Exchange requirements.

PEOPLE

Robbie Robertson and Sir Richard Brooke Bt. have decided to step down from the board, with effect from today. I would like to thank them for their long and consistent support and contribution to the Company.

I would very much like to thank all Avocet employees for their commitment during 2009. Their contribution is paramount and I wish them all success in 2010, as the Company looks to take its place as a successful mid-tier gold producer.

Nigel McNair Scott

16 March 2010

CHIEF EXECUTIVE OFFICER'S STATEMENT

The acquisition of Wega Mining in June 2009 represented a major step towards our strategic goal of becoming a mid-tier gold producer. Since June 2009, a significant amount of effort has been put into integrating the assets and personnel of Wega Mining into the Avocet Group, and particularly into bringing the Inata gold project into production.

During this critical phase of Avocet's development, the cash flow from our operations in Asia has been very important. Over the course of the 9 months ended 31 December 2009, our Malaysian and Indonesian operating activities generated positive cash flows of US\$25.8 million.

INATA – BURKINA FASO

Following the Wega Mining acquisition, Avocet has successfully addressed a number of design and construction problems inherited with the Inata project and the mine is now producing gold on a sustainable basis. Inata's first gold shipment of over 11,000 ounces announced on 26 February is a testament to the construction and commissioning expertise of the Company's personnel, which will stand the Company in very good stead as it looks to develop new projects over the coming years. Inata is now the third gold mine that Avocet has brought into production.

While some debottlenecking of mill throughput remains to be carried out, the ramp up of the plant has progressed well and is ahead of schedule. Design capacity gold production of over 10,000 ounces per month is expected to be reached by July 2010. Initial indications are that plant head grades and recoveries are better than originally forecast, averaging in excess of 2.5 g/t and 93 per cent respectively to date. These are at the top end of the range identified in the original bankable feasibility study, although it is too soon to determine the extent to which these results will be sustained in the long term.

Gold production of approximately 100,000 ounces is expected in 2010, with production rising thereafter to a life of mine average in excess of 120,000 ounces per year. Based on current reserves of over 14 million tonnes at 2.04 g/t the mine has a life of 7 years. However limited work done by Avocet's geologists to date has identified significant potential to extend the life of mine, and relogging and remodelling exercises are currently being undertaken in anticipation of a resource drilling campaign commencing in the second half of 2010.

Costs will continue to be capitalised until we reach commercial completion which is expected at the end of March. Life of mine average cash costs are expected to be in the order of US\$525-575/oz, taking account of a change in state royalties from 3 per cent to 5 per cent, as notified to the Company in March 2010. The construction cost of Inata was US\$195 million, compared with the US\$200 million estimated in September 2009.

PENJOM - MALAYSIA

	12 months ended 31 March 2007	12 months ended 31 March 2008	12 months ended 31 March 2009	9 months ended 31 December 2008	9 months ended 31 December 2009
Production statistics					
Ore mined (tonnes)	443,000	561,000	699,000	433,000	706,000
Waste mined (tonnes)	16,941,000	16,697,000	16,939,000	12,383,000	12,687,000
Ore and waste mined (tonnes)	17,384,000	17,258,000	17,638,000	12,816,000	13,393,000
Ore processed (tonnes)	570,100	596,100	718,900	538,500	544,600
Average ore head grade (g/t Au)	5.67	4.84	3.47	3.54	3.22
Process recovery rate	92%	91%	86%	86%	83%
Gold produced (ounces)	95,966	83,724	68,902	52,825	46,577
Cash costs (US\$/oz)					
- mining	212	239	349	330	419
- processing	80	97	167	165	183
- royalties and overheads	59	78	94	90	108
Total cash cost (US\$/oz)	351	414	610	585	710

Grades mined at Penjom in 2009 were lower than predicted by the previous resource model. As the Kalampong pit has deepened and mining has mostly moved to the south grades have declined from the levels seen a number of years ago. However, higher levels of mining and increased mill throughput have allowed monthly gold production to be maintained at levels in line with the previous period. Recoveries of 83 per cent were similar to the previous year, assisted by the installation of an additional Knelson concentrator. During 2010 gold production is expected to average 5,000 ounces per month. Lower production in the nine month period caused an increase in unit costs.

A programme of resource development drilling of approximately 80,000 metres has been conducted over the last 18 months, with the intention of better understanding the distribution of gold in the orebody following the above observation that we are mining lower grades than anticipated. The independent firm of Hellman and Schofield has been engaged to review the Penjom resource model and a revised resource estimate has been generated using a Multiple Indicator Kriging (MIK) estimation method constrained by six domains based on the broad structural geological features of the deposit. This estimation approach is designed to estimate the resources for a range of cutoff grades. This compares with the previous approach, which used an inverse distance weighted (ID3) modelling technique constrained by hundreds of geologically-defined wireframes that focused on the high-grade mineralisation. The revised resources are set out in the following table with the previous model statement included by way of comparison:

NEW MODEL				OLD MODEL			
MIK Model reported beneath the 31 December 2009 surface and above a 0.5 g/t Au cut off (excluding Kurnia and stockpiles)				Wireframed ID3 Model reported beneath the 31 March 2009 surface and above a 0.8 g/t Au cut off (excluding Kurnia and stockpiles) as reported in the 2009 Annual Report			
MIK Model	Tonnes	Grade	Ounces	ID3 Model	Tonnes	Grade	Ounces
Measured	-	-	-	Measured	340,000	3.13	34,300
Indicated	17,015,000	1.83	1,001,100	Indicated	3,089,000	3.51	348,200
Inferred	4,028,000	1.52	196,800	Inferred	3,882,000	3.44	429,700
TOTAL	21,043,000	1.82	1,197,900	TOTAL	7,311,000	3.45	812,200

Note: rounding of tonnes and grade estimates in the table may cause inconsistencies.

The new MIK model contains significantly more tonnes and ounces, but at a lower grade than the previous model. This is because the previous model explicitly modelled only mineralisation greater than 0.8 g/t Au and ignored lower grade mineralisation. The inclusion of this material in the new model has increased the resource base by 47 per cent and presents opportunities to revise the operation's mining and processing strategy. Various studies are now underway to look at increasing production and decreasing unit costs by a further upgrade to the plant following a successful upgrade in January 2008. Studies are also underway to look at the feasibility of mining deeper resources from underground.

NORTH LANUT - INDONESIA

	12 months ended 31 March 2007	12 months ended 31 March 2008	12 months ended 31 March 2009	9 months ended 31 December 2008	9 months ended 31 December 2009
Production statistics					
Ore mined (tonnes)	1,255,000	1,969,000	1,310,000	999,000	1,120,000
Waste mined (tonnes)	2,322,000	1,144,000	1,595,000	897,000	1,592,000
Ore and waste mined (tonnes)	3,577,000	3,113,000	2,905,000	1,896,000	2,712,000
Ore leached (tonnes)	1,157,000	1,683,000	1,338,000	1,075,000	1,019,000
Average ore head grade (g/t Au)	1.86	2.54	2.10	2.16	1.65
Process recovery rate	69%	54%	45%	40%	66%
Gold produced (ounces)	48,170	74,183	41,017	29,719	35,597
Cash costs (US\$/oz)					
- mining	188	139	272	276	297
- processing	68	67	175	200	145
- royalties and overheads	98	89	141	152	127
Total cash cost (US\$/oz)	354	295	588	628	569

Mining in the nine month period occurred in two pits, Riska and Rasik, allowing a 12 per cent increase in the monthly rate of ore mined. Together with improved leach pad management and mining of oxide ore from Rasik, which significantly raised recoveries, the increased ore mined more than compensated for delayed access to higher grade ore at depth in Rasik. Consequently, average monthly gold production at North Lanut for the nine months ended December 2009 increased by nearly 20 per cent compared with the nine months ended 31 December 2008.

Greater than expected ore tonnes were found in the lower grade upper benches of Rasik. These ore gains mean that North Lanut's mine life has been extended by a further year, but access to higher grade ore deeper in the Rasik pit is now planned towards mid-2010. Gold production in 2010 is expected to average 3,500 ounces per month in the first half as mining occurs in the upper benches of Rasik, and then to increase to an average of 4,500 ounces per month in the second half as higher grades are reached deeper in the pit.

EXPLORATION

During 2009 the Company conducted an evaluation of its portfolio of exploration projects, which has been considerably broadened by the inclusion of various West African interests following the Wega Mining transaction. As a result of this review, the Company has now raised its internal hurdle rates and is in the process of refining its exploration portfolio. It took the decision to impair US\$10.5 million of capitalised exploration costs from projects mainly in Indonesia that it no longer intends to actively develop.

In November 2009 the Company announced an agreement to sell its interest in the Canadian listed Merit Mining Inc. This deal has still to be completed with CA\$1million of proceeds received to date. In January 2010 the Company announced that it had signed a heads of agreement with Canadian listed Avion Gold under the terms of which Avion would acquire a 100 per cent interest in the Houndé Group of Licences in Burkina Faso, in exchange for Avocet taking an approximate 4 per cent stake in Avion. Avocet's exploration efforts in Burkina Faso will instead be focused on the Bélahouro district that surrounds the Inata mine, as this is highly prospective and more likely to yield additional mineable resources and reserves within a short timeframe. Bélahouro consists of nine permits covering 1,660 square kilometres that contain several advanced exploration targets, including the 16 kilometre long Souma Trend, 12 kilometre long Damba Trend and structural extensions to the Inata deposit at Pali and Inata North. All are potentially mineable resources within trucking distance of the Inata processing plant. Avocet plans to drill up to 50,000 metres in 2010 to assess these targets and conduct airborne geophysics to identify additional targets in the large areas of unexplored, but prospective geology. Elsewhere in West Africa, the Company has developed programmes for its prospects in Guinea and Mali where approximately 1,800 km² is held under exploration licences.

In South East Asia, the Bakan project still awaits the issuance of licences to take the project further and work continues on Doup and Seruyung to assess whether these projects have the scale and economics to meet the Company's development criteria.

FINANCIAL RESULTS

In view of the change in year end, the Group has provided unaudited comparatives for the nine months ended 31 December 2008. The commentary below refers to this period, rather than the year ended 31 March 2009, as it believes this provides a more meaningful comparison for the reader of these preliminary results. The Group reported a loss before tax for the nine months ended 31 December 2009 of US\$10.6 million, compared with a profit of US\$31.6 million for the nine months ended 31 December 2008. Before exceptional items, profit before tax in the nine month period was US\$7.9 million, compared with US\$12.5 million for the nine months ended 31 December 2008. Exceptional items in the nine month period included US\$8.0 million impairment of deferred stripping costs and US\$10.5 million impairment of exploration costs in respect of projects that do not meet the new internal thresholds. The latter principally related to a number of Indonesian prospects acquired as part of the Banda transaction in 2007.

The average cash costs of the Group increased from US\$600/oz to US\$650/oz in the period. The increase was due in part to the fall in gold production at Penjom, but also to higher costs at both mines in South East Asia. Net cash generated by operations in the nine month period was US\$17.1 million, an equivalent rate to the US\$23.7 million reported for the 12 months ended 31 March 2009.

The net cash balance at the start of the period of US\$72.4 million changed to net debt of US\$42.9 million at 31 December 2009 (consisting of US\$47.1 million in cash and US\$90 million of debt). As well as the net US\$21.1 million cash out flow resulting from the Wega Mining acquisition, the Company invested US\$46.8 million in additions to property, plant and equipment (mainly related to the Inata construction project), with US\$8.9 million of net cash invested in exploration activities. In addition to the US\$17.1 million of cash from operating activities, this expenditure was funded through US\$34.2 million of debt, comprising US\$9.2 million from Macquarie Bank Limited drawn down under the Inata project finance agreements, and US\$25.0 million under a corporate revolving facility with Standard Chartered Bank signed in September 2009.

PEOPLE

As a result of the Wega Mining acquisition I am pleased to welcome to the Company's Executive Committee Hans-Arne L'orange, as Head of Business Development and Investor Relations, and Richard Gray as Executive Vice President – Operations, West Africa. In addition, Brett Richards, formerly of Kinross and Katanga Mining, has joined the Executive Committee as Executive Vice President - Corporate Affairs.

2009 has been a defining year for Avocet, one in which the shape of the Company has changed enormously. Across the Group, I have been impressed with the passion and commitment with which all our employees have carried out their work, and I look forward to working with them in 2010 in building on the substantial foundations we have made in 2009.

Jonathan Henry
16 March 2010

CONSOLIDATED INCOME STATEMENT

For the nine months ended 31 December 2009

	note	31 December 2009 (9 months) US\$000	31 March 2009 (12 months) US\$000
Revenue		82,945	97,042
Cost of sales	3	(70,802)	(77,596)
Gross profit		12,143	19,446
Administrative expenses		(2,952)	(4,889)
Share based payments		(1,337)	(1,500)
Exploration impairment		(10,486)	(8,225)
Deferred strip impairment		(7,957)	-
Operating (loss)/profit		(10,589)	4,832
Profit on disposal of property, plant and equipment	5	-	2,332
Finance items			
Gain on gold collar not qualifying for hedge accounting	5	-	24,768
Exchange gains/(losses)		119	(439)
Finance income		425	2,388
Finance expense		(510)	(2)
(Loss)/profit before taxation		(10,555)	33,879
Analysed as:			
Profit before taxation and exceptional items	4	7,888	15,004
Exceptional items	5	(18,443)	18,875
(Loss)/profit before taxation		(10,555)	33,879
Taxation		(2,088)	(9,647)
(Loss)/profit for the period		(12,643)	24,232
Attributable to:			
Equity shareholders of the parent company		(13,032)	24,524
Minority interests		389	(292)
(Loss)/earnings per share			
Basic (cents per share)	7	(7.63)	20.32
Diluted (cents per share)	7	(7.63)	20.15

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the nine months ended 31 December 2009

	31 December 2009 (9 months)	31 March 2009 (12 months)
	US\$000	US\$000
(Loss)/profit for the financial period	(12,643)	24,232
Exchange differences on translation	19	183
Revaluation of other assets	1,321	(4,117)
Total comprehensive (expense)/income for the period	(11,303)	20,298
Attributable to:		
Equity holders of the parent	(11,692)	20,590
Minority interest	389	(292)
	(11,303)	20,298

CONSOLIDATED BALANCE SHEET

At 31 December 2009

	note	31 December 2009 (9 months) US\$000	31 March 2009 (12 months) US\$000
Non current assets			
Goodwill		10,331	9,899
Intangible assets	8	18,059	32,422
Property, plant and equipment	9	299,793	70,904
Other financial assets	10	9,428	7,239
Deferred tax assets	11	5,866	6,482
		343,477	126,946
Current assets			
Inventories	12	31,266	18,267
Trade and other receivables	13	14,899	10,541
Cash and cash equivalents		47,056	72,418
		93,221	101,226
Current liabilities			
Trade and other payables		45,186	16,678
Current tax liabilities		2,507	16
		47,693	16,694
Non-current liabilities			
Loans	15	90,000	-
Deferred tax liabilities	11	4,625	4,417
Other liabilities	14	17,004	15,287
		111,629	19,704
NET ASSETS		277,376	191,774
Equity			
Issued share capital		15,904	9,904
Share premium		142,778	53,400
Other reserves		11,321	9,556
Retained earnings		101,611	113,541
Total equity attributable to the parent		271,614	186,401
Minority interests		5,762	5,373
TOTAL EQUITY		277,376	191,774

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 31 December 2009

	Share capital	Share premium	Other reserve	Retained earnings	Minority interest	Total equity
	US\$000	US\$000	US\$000	US\$000	US\$000	US\$000
At 1 April 2008	9,867	52,834	11,454	88,390	5,665	168,210
Profit/(loss) for the year	-	-	-	24,524	(292)	24,232
Exchange differences on translation of foreign operations	-	-	183	-	-	183
Revaluation of other financial assets	-	-	(4,117)	-	-	(4,117)
Total recognised income and expense for the year	-	-	(3,934)	24,524	(292)	20,298
Share based payments	-	-	-	130	-	130
Issue of shares	37	566	-	-	-	603
Losses on issue from treasury shares	-	-	-	497	-	497
Movements on investments in treasury and own shares	-	-	2,036	-	-	2,036
At 31 March 2009	9,904	53,400	9,556	113,541	5,373	191,774
(Loss)/profit for the period	-	-	-	(13,032)	389	(12,643)
Exchange differences on translation of foreign operations	-	-	19	-	-	19
Revaluation of other financial assets	-	-	1,321	-	-	1,321
Total recognised income and expense for the period	-	-	1,340	(13,032)	389	(11,303)
Issue of shares	6,000	89,378	-	1,337	-	96,715
Gains on issue from treasury shares	-	-	-	(235)	-	(235)
Movement on investments in treasury and own shares	-	-	425	-	-	425
At 31 December 2009	15,904	142,778	11,321	101,611	5,762	277,376

CONSOLIDATED CASH FLOW STATEMENT

For the nine months ended 31 December 2009

	note	31 December 2009 (9 months) US\$000	31 March 2009 (12 months) US\$000
Cash flows from operating activities			
(Loss)/profit for the period		(12,643)	24,232
Adjusted for:			
Depreciation of non-current assets		10,617	9,871
Exploration costs written off	5	10,486	8,225
Deferred stripping adjustment		6,032	-
Deferred strip impairment	5	7,957	-
Share based payments		1,337	1,500
Provisions		2,874	124
Taxation in the income statement		2,088	9,647
Non-operating items in the income statement	16	(34)	(29,047)
		28,714	24,552
Movements in working capital			
Increase in inventory		(12,999)	(917)
(Increase)/decrease in trade and other receivables		(2,460)	1,463
Increase/(decrease) in trade and other payables		3,884	(1,439)
Net cash generated by operations		17,139	23,659
Interest received		425	2,388
Interest paid		(510)	(2)
Income tax paid		-	(16,023)
Net cash generated by operating activities		17,054	10,022
Cash flows from investing activities			
Payments for property, plant and equipment	9	(46,847)	(22,848)
Deferred consideration		(927)	(1,627)
Exploration and evaluation expenses	8	(8,913)	(13,764)
Net cash movement on purchase of subsidiary	17	(21,143)	-
Net cash movement on disposal of subsidiary	18	1,095	-
Net cash used in investing activities		(76,735)	(38,239)
Cash flows from financing activities			
Loans	15	34,200	-
Gold collar contract close		-	(20,832)
Treasury and EBT shares purchased		-	(553)
Capital payments on finance leases		-	(137)
Net cash generated from financing activities		34,200	(21,522)
Net cash movement		(25,481)	(49,739)
Exchange gains/(losses)		119	(439)
Total cash movement		(25,362)	(50,178)
Cash at start of the period		72,418	122,596
Cash at end of the period		47,056	72,418

NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION AND ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

The Group financial statements consolidate those of the Company and of its subsidiary undertakings; the consolidated financial statements have been prepared in accordance with IFRS and International Financial Reporting Interpretations Committee (IFRIC) interpretations as adopted by the European Union at 31 December 2009.

2. ACQUISITION OF WEGA MINING

On 24 June 2009, the Company acquired 100 per cent of Wega Mining, a Norwegian company listed on the Oslo Børs, for consideration totalling US\$108.8 million in shares and cash. The assets and liabilities at the date of acquisition, the fair value of those assets and liabilities, and the total consideration paid, are set out in the following table:

	Book amount	Reclassification of assets	Fair value adjustment	Fair Value
	US\$000	US\$000	US\$000	US\$000
Non-current intangible assets	129,430	(28,531)	(95,088)	5,811
Non-current tangible assets	167,180	28,531	-	195,711
Other non-current assets	735	-	-	735
Current assets	3,262	-	(1,442)	1,820
Cash	17,292	-	-	17,292
Current liabilities	(27,353)	-	-	(27,353)
Loans	(55,800)	-	-	(55,800)
Loans from Avocet Mining PLC	(25,000)	-	-	(25,000)
Other non-current liabilities	(4,403)	-	-	(4,403)
	205,343	-	(96,530)	108,813
Satisfied by:				
Share-for-share offer				95,378
Cash settlements				9,267
Transactions costs				4,168
				108,813

The share-for-share offer resulted in the issue of 73,044,723 new shares in Avocet Mining PLC.

The reclassification of assets represents the recategorisation of pre-acquisition costs (permits, licences and mineral reserves) relating to the Inata gold project as non-current tangible assets, in line with other Inata project costs.

The fair value adjustment has been calculated as the difference between the total consideration and the book value of Wega Mining's assets. The fair value of the assets has been determined with regard to their future economic value to the Avocet Group, as well as their value in an open market. In view of the competitive nature of the bid process, it is the view of management that the acquisition cost of US\$108.8 million represents market price for Wega Mining as a whole.

The effect of the adjustment is to write down the residual intangible assets in Wega Mining's books at acquisition, which largely consisted of mineral reserves, licences and other excess purchase consideration that had arisen from historic transactions.

The Wega Mining group of companies recorded a loss estimated at US\$10.8 million (NOK69.7 million) between 1 April 2009 and the date of acquisition on 30 June 2009. Post acquisition, the Wega Mining group of companies contributed a loss of US\$1.3 million to the Avocet Group results for the nine months ended 31 December 2009. The Wega Mining group of companies reported no revenues during the period, either before or after acquisition.

3. COST OF SALES ANALYSIS

	31 December 2009 (9 months)	31 March 2009 (12 months)
	US\$000	US\$000
Mining	30,079	35,216
Processing	13,690	18,686
Overheads	6,108	7,727
Royalties	3,477	4,551
Cash costs before deferred stripping	53,354	66,180
Deferred stripping adjustment	6,032	(5,636)
Total cash costs	59,386	60,544
Changes in inventory	(4,258)	1,183
Other costs of sales	5,057	5,998
Depreciation and amortization	10,617	9,871
Total cost of sales	70,802	77,596
Total cost of sale – before deferred stripping adjustment	64,770	83,232

4. PROFIT BEFORE TAX AND EXCEPTIONALS

Profit before tax and exceptional items is calculated as follows:

	31 December 2009 (9 months)	31 March 2009 (12 months)
	US\$000	US\$000
Operating (loss)/profit	(10,589)	4,832
Add back deferred strip impairment	7,957	-
Add back exploration impairment	10,486	8,225
Exchange gains/(losses)	119	(439)
Net finance (expense)/income	(85)	2,386
Profit before tax and exceptional items	7,888	15,004

5. EXCEPTIONAL ITEMS

	31 December 2009 (9 months)	31 March 2009 (12 months)
	US\$000	US\$000
Exploration impairment	(10,486)	(8,225)
Deferred stripping impairment	(7,957)	-
Profit on gold collar mark to market	-	24,768
Profit on disposal of property, plant and equipment	-	2,332
Exceptional (loss)/profit before taxation	(18,443)	18,875
Taxation	2,228	(5,530)
Exceptional (loss)/profit after taxation	(16,215)	13,345
Minority interest	51	424
Attributable to equity shareholders of the parent	(16,164)	13,769

EXPLORATION IMPAIRMENT

Following evaluation of the exploration portfolio during the period, the decision was taken in December 2009 to impair US\$10.5 million of deferred exploration expenditure on projects that the Company does not currently believe will become mining projects.

IMPAIRMENT OF CAPITALISED DEFERRED STRIPPING COST

During the period the company impaired US\$8.0 million of stripping costs which had been capitalised in previous years. The impairment was made on the basis that the grades and recoveries of the ore that had been stripped in previous years proved significantly lower than estimated at the time when the stripping costs were deferred.

PROFIT ON GOLD COLLAR MARK-TO-MARKET

At 31 March 2008, the Company had sold call options as part of a gold collar position, which was subsequently closed out during August and September 2008 at a cost of US\$20.8 million. However the decrease in the gold price up to this period resulted in a pre-tax profit of US\$24.8 million.

As at 31 December 2009, the Company held forward sales totaling 400,000 ounces deliverable over 16 quarters, commencing September 2010, at an average price of US\$970/oz. However, these are deemed to be outside the scope of IAS 39, on the basis that they are for own use and gold produced.

PROFIT ON DISPOSAL OF PROPERTY PLANT AND EQUIPMENT

Profit on disposals during the year ended 31 March 2009 related to the sale of a ball mill to Monument Mining Limited. This mill had never been used in production, therefore the profit on disposal was not included within operating profit.

6. PRO FORMA INCOME STATEMENT

In October 2009, the Group announced its intention to change its year end from 31 March to 31 December, with effect from 31 December 2009. The acquisition of Wega Mining brought into the Group a number of companies with a December year end, and it was decided that, for simplicity of communication, the Group year end would be aligned with the calendar year end.

As a result of this decision, the accounting period ended 31 December 2009 was nine months in duration. The following table shows, for comparison purposes, an indication of the Income Statement for the nine month period ended 31 December 2008. These figures have neither been audited nor reviewed by the Group auditors.

PRO FORMA CONSOLIDATED INCOME STATEMENT

	31 December 2009 (9 months) Audited US\$000	31 December 2008 (9 months) Unaudited US\$000
Revenue	82,945	71,230
Cost of sales	(70,802)	(55,489)
Gross profit	12,143	15,741
Administrative expenses	(2,952)	(3,729)
Share based payments	(1,337)	(1,283)
Exploration impairment	(10,486)	(7,981)
Deferred strip impairment	(7,957)	-
Operating (loss)/profit	(10,589)	2,748
Profit on disposal of property, plant and equipment	-	2,332
Finance items		
Gain on gold collar not qualifying for hedge accounting	-	24,768
Exchange gains/(losses)	119	(413)
Finance income	425	2,139
Finance expense	(510)	(2)
(Loss)/profit before taxation	(10,555)	31,572
Analysed as:		
Profit before taxation and exceptional items	7,888	12,453
Exceptional items	(18,443)	19,119
(Loss)/profit before taxation	(10,555)	31,572
Taxation	(2,088)	(8,451)
(Loss)/profit for the period	(12,643)	23,121
Attributable to:		
Equity shareholders of the parent company	(13,032)	23,284
Minority interests	389	(163)

7. EARNINGS PER SHARE

Earnings per share are analysed in the table below, which also shows earnings per share after adjusting for exceptional items.

	31 December 2009 (9 months)	31 March 2009 (12 months)
	Shares	Shares
Weighted average number of shares in issue for the period		
- number of shares with voting rights	170,883,476	120,696,804
- effect of share options in issue	158,123	1,015,604
- total used in calculation of diluted earnings per share	171,041,599	127,712,408
	US\$000	US\$000
Earnings per share from continuing operations		
(Loss)/profit for the period from continuing operations	(12,643)	24,232
Adjustments:		
(Less)/add back minority interest	(389)	292
(Loss)/profit for period attributable to equity shareholders of the parent	(13,032)	24,524
Earnings per share		
- basic (cents per share)	(7.63)	20.32
- diluted (cents per share)	(7.63)	20.15
Earnings per share before exceptional		
(Loss)/profit for period attributable to equity shareholders of the parent	(13,032)	24,524
Adjustments:		
Deduct profit on disposal of property, plant and equipment	-	(2,332)
Deduct gain on gold collar	-	(24,768)
Deferred tax on gain on gold collar	-	6,935
Add back exploration impairment	10,486	8,225
Add back deferred strip impairment	7,957	-
Less deferred tax on exploration impairment	-	(1,405)
Less tax on deferred strip impairment	(2,228)	-
Less minority interest on exploration impairment	(51)	(424)
Profit for the period attributable to equity shareholders of the parent before exceptionals	3,132	10,755
Earnings per share		
- basic (cents per share)	1.83	8.91
- diluted (cents per share)	1.83	8.84

8. INTANGIBLE ASSETS

	31 December 2009 (9 months)	31 March 2009 (12 months)
	US\$000	US\$000
At 1 April	32,422	23,810
Additions	8,913	16,837
Assets acquired from Wega Mining (after fair value adjustments)	5,811	-
Transfers to tangible fixed assets	(15,168)	-
Disposal of interest in Merit Mining	(3,165)	-
Other transfers	(268)	-
Amounts written off	(10,486)	(8,225)
At 31 December/31 March	18,059	32,422

The above intangible assets represent deferred exploration expenditure. Additions in the year include US\$3.6 million in respect of resource development at Penjom, US\$3.2 million on exploration projects in Indonesia, US\$0.9 million in the Philippines, and US\$1.2 million in West Africa.

The acquisition of Wega Mining brought intangible exploration assets with a book value of US\$129.4 million into the Group accounts, however following the fair value review, these were revalued at US\$5.8 million.

A total of US\$15.2 million of capitalised resource development assets at Penjom and North Lanut were transferred to property, plant and equipment to be depreciated over the life of mine, in accordance with Avocet's accounting policies.

Intangible assets with a carrying value of US\$3.2 million in Merit Mining were deemed to have been disposed in the year, as an agreement for the sale of 100 per cent of the shares in that company had been signed (see note 18).

Year end balances are analysed as follows:

	31 December 2009 (9 months)	31 March 2009 (12 months)
	US\$000	US\$000
Malaysia	-	6,173
Indonesia	14,812	26,029
Philippines	-	220
West Africa	3,247	-
	18,059	32,422

9. PROPERTY, PLANT AND EQUIPMENT

Nine months ended 31 December 2009	Mining property and plant				Office equipment	Total
	Malaysia	Indonesia	West Africa	UK	UK	
	US\$000	US\$000	US\$000	US\$000	US\$000	US\$000
Cost						
At 1 April 2009	102,605	48,452	-	-	211	151,268
Deferred stripping adjustment	(6,032)	-	-	-	-	(6,032)
Deferred stripping impairment	(7,957)	-	-	-	-	(7,957)
Additions	1,657	2,402	42,526	-	262	46,847
Transfers from intangibles	9,733	5,435	-	-	-	15,168
Acquisitions	-	-	195,679	-	32	195,711
Closure provisions	-	-	1,768	-	-	1,768
Disposals	-	-	(5,999)	-	-	(5,999)
At 31 December 2009	100,006	56,289	233,974	-	505	390,774
Depreciation						
At 1 April 2009	56,475	23,717	-	-	172	80,364
Charge for the year	4,245	6,344	-	-	28	10,617
At 31 December 2009	60,720	30,061	-	-	200	90,981
Net Book Value at 31 December 2009	39,286	26,228	233,974	-	305	299,793
At 31 March 2009	46,130	24,735	-	-	39	70,904

The addition in respect of closure provisions reflects the recognition during the year of anticipated closure liabilities at the Company's operations at Inata. On the recognition of a provision, an addition is made to property, plant and equipment of the same amount. This addition is charged against profits on a unit of production basis over the life of the mine. The total charge to the income statement for the period ended 31 December 2009 in respect of mine closure provisions is US\$1.7 million which is included in the Group's depreciation charge.

10. OTHER FINANCIAL ASSETS

	31 December 2009 (9 months)	31 March 2009 (12 months)
	US\$000	US\$000
At 1 April	7,239	8,323
Additions	132	2,986
Disposals	(1)	(354)
Fair value adjustment	2,058	(3,716)
At 31 December	9,428	7,239

Other financial assets represent the Company's interests of 19 per cent in Dynasty Gold Corporation (Dynasty) and 15 per cent in Monument Mining Limited, both companies listed on the TSX Venture Exchange in Canada. These investments are accounted for as other financial assets rather than equity accounted as associates, on the basis that the Company is not in a position to exercise significant influence over the activities of, and has no board representation in, either company.

The addition in the year relates to the receipt of 475,000 shares in Monument Mining Limited in September 2009, at a market value of US\$132,000.

11. DEFERRED TAX

At 31 December 2009, the Company had deferred tax assets of US\$5.9 million, a decrease of US\$0.6 million compared to 31 March 2009, mainly due to the utilisation of tax losses brought forward.

The Company also had a deferred tax liability of US\$4.6 million, mainly relating to the difference between the tax and book value of fixed assets in its South East Asian operations.

12. INVENTORIES

Inventories of US\$31.3 million at 31 December 2009 included US\$8.9 million in respect of the Inata ore stockpile, maintenance spares, consumables, and gold in circuit.

13. TRADE AND OTHER RECEIVABLES

Trade and other receivables at 31 December 2009 included US\$6.0 million in respect of excess tax paid on account by North Lanut during the year ended 31 March 2009. The overpayment occurred as final profits in that year were lower than the previous year, on which amounts to be paid on account were estimated.

14. OTHER LIABILITIES

Other liabilities include a US\$10.3 million mine closure provision representing management's best estimate of the cost of mine closure at its mining operations, including US\$1.8 million in relation to the Inata gold mine. Other liabilities also include deferred consideration of US\$3.5 million in respect of Avocet's 2002 acquisition of PT Avocet Bolaang Mongondow in Indonesia, employment benefits in Indonesia totalling US\$2.9 million, as required under the laws of that country, and post retirement benefits of US\$0.4 million following in the closure of a US subsidiary no longer owned by the Group.

15. LOANS

At 31 March 2009, the Group had cash of US\$72.4 million and no debt. At 31 December 2009, the Group had interest-bearing debt of US\$90 million, consisting of two facilities.

Inata project finance facility

The Company acquired, through its takeover of Wega Mining, a US\$65 million project finance facility with Macquarie Bank Limited. At the time of acquisition, US\$55.8 million was drawn under this facility, and during the period, the remaining US\$9.2 million was drawn to fund the construction of the Inata gold project.

Corporate revolving facility

In September 2009, the Company entered into a US\$25 million corporate revolving facility with Standard Chartered Bank. During the period, the full facility was drawn down.

16. NON-OPERATING ITEMS IN THE INCOME STATEMENT

In arriving at net cash flow from operating activities, the following non-operating items in the income statement have been adjusted for:

	31 December 2009 (9 months)	31 March 2009 (12 months)
	US\$000	US\$000
Profit on disposal of property, plant and equipment	-	(2,332)
Gain on gold collar not qualifying for hedge accounting	-	(24,768)
Exchange (gains)/losses	(119)	439
Finance income	(425)	(2,388)
Finance expense	510	2
Non-operating items in the income statement	(34)	(29,047)

17. NET CASH FROM PURCHASE OF SUBSIDIARY

	US\$000
Cash settlements in acquisition of Wega Mining	(9,267)
Transaction costs	(4,168)
Convertible loan to Wega Mining prior to acquisition	(25,000)
Cash balance in Wega Mining at acquisition date	17,292
	(21,143)

18. DISPOSAL OF MERIT MINING CORPORATION

On 13 November 2009, Avocet announced that it had entered into a conditional agreement with Infinity Gold Mining Inc. (“Infinity”) to sell its entire interest in Merit Mining Corporation (“Merit”), a non-core subsidiary acquired as part of the Wega Mining takeover, for a cash consideration of up to CA\$7 million. Although the agreement represents a binding commitment by Infinity to acquire 100 per cent of Avocet’s interest, completion of the transaction is conditional on a number of future events and payments. At 31 December 2009, approximately US\$1.0 million had been received, which is non-refundable in the event that the sale is not completed. Following the fair value review of all Wega Mining assets, the book value of these assets at acquisition had been adjusted to US\$1.0 million, and the disposal therefore gave rise to no profit or loss. Due to the uncertain nature of the outstanding consideration payments, the Company has not recognised any of the future proceeds as consideration, which will therefore be accounted for as an exceptional gain in the period in which they may be received.

19. FINANCIAL INFORMATION

The financial information set out in this preliminary announcement does not constitute statutory accounts as defined in Section 435 of the Companies Act 2006. The consolidated balance sheet at 31 December 2009 and the consolidated income statement, consolidated cash flow statement and other primary statements and associated notes (excluding note 6) for the nine month period then ended have been extracted from the Group’s statutory financial statements for the nine months ended 31 December 2009 (which have not yet been filed with Companies House) upon which the auditor’s opinion is unqualified, and does not include any statement under Section 498 (2) or (3) of the Companies Act 2006.

20. SEGMENTAL REPORTING

For the nine months ended 31 December 2009	UK	Malaysia	Indonesia	West Africa	TOTAL
	US\$000	US\$000	US\$000	US\$000	US\$000
INCOME STATEMENT					
Revenue	-	46,045	36,900	-	82,945
Cost of sales	(17)	(43,555)	(27,230)	-	(70,802)
Cash production costs:					
- mining	-	(19,500)	(10,579)	-	(30,079)
- processing	-	(8,544)	(5,146)	-	(13,690)
- overheads	-	(1,809)	(4,299)	-	(6,108)
- royalties	-	(3,227)	(250)	-	(3,477)
	-	(33,080)	(20,274)	-	(53,354)
Deferred stripping	-	(6,032)	-	-	(6,032)
Changes in inventory	-	2,643	1,615	-	4,258
Other cost of sales	11	(2,841)	(2,227)	-	(5,057)
Depreciation and amortisation	(28)	(4,245)	(6,344)	-	(10,617)
Gross (loss)/profit	(17)	2,490	9,670	-	12,143
Administrative expenses and share based payments	(4,196)	(40)	(53)	-	(4,289)
Deferred strip impairment	-	(7,957)	-	-	(7,957)
Exploration impairment	(2,742)	-	(7,123)	(621)	(10,486)
Operating (loss)/profit	(6,955)	(5,507)	2,494	(621)	(10,589)
Net finance items before exceptional	(39)	10	63	-	34
(Loss)/profit before taxation	(6,994)	(5,497)	2,557	(621)	(10,555)
Analysed as:					
Loss/(profit) before tax and exceptional items	(4,252)	2,460	9,680	-	7,888
Exceptional items	(2,742)	(7,957)	(7,123)	(621)	(18,443)
Taxation	(609)	1,200	(2,679)	-	(2,088)
Loss for the period	(7,603)	(4,297)	(122)	(621)	(12,643)
Attributable to:					
Minority interest	-	-	389	-	389
Equity shareholders of parent company	(7,603)	(4,297)	(511)	(621)	(13,032)

20. SEGMENTAL REPORTING (CONTINUED)

31 December 2009	UK	Malaysia	Indonesia	West Africa	TOTAL
	US\$000	US\$000	US\$000	US\$000	US\$000
BALANCE SHEET					
Non-current assets	15,873	38,762	51,621	237,221	343,477
Inventories	-	11,815	10,567	8,884	31,266
Trade and other receivables	1,086	2,415	9,532	1,866	14,899
Cash and cash equivalents	17,446	10,574	7,019	12,017	47,056
Total assets	34,405	63,566	78,739	259,988	436,698
Current liabilities	2,334	10,617	6,737	28,805	47,693
Non-current liabilities	28,230	5,112	11,519	66,768	111,629
Total liabilities	30,564	15,729	18,256	94,773	159,322
Net assets	3,841	47,837	60,483	165,215	277,376

For the nine months ended 31 December 2009

	UK	Malaysia	Indonesia	West Africa	TOTAL
	US\$000	US\$000	US\$000	US\$000	US\$000
CASH FLOW STATEMENT					
Loss for the period	(7,603)	(4,297)	(122)	(621)	(12,643)
Adjustments for non-cash items	4,755	19,445	16,536	621	41,357
Movements in working capital	(4,672)	(4,229)	(1,511)	(1,163)	(11,575)
Net cash (used in)/generated by operations	(7,520)	10,919	14,903	(1,163)	17,139
Net interest (paid)/received	(83)	(10)	8	-	(85)
Purchase of property, plant and equipment	(262)	(1,657)	(2,402)	(42,526)	(46,847)
Deferred exploration expenditure	(927)	-	-	-	(927)
Other cash movements	(8,700)	(3,540)	(2,417)	20,015	5,358
Total (decrease)/increase in cash	(17,492)	5,712	10,092	(23,674)	(25,362)

20. SEGMENTAL REPORTING (CONTINUED)

For the 12 months ended 31 March 2009	UK	Malaysia	Indonesia	TOTAL
	US\$000	US\$000	US\$000	US\$000
INCOME STATEMENT				
Revenue	-	61,199	35,843	97,042
Cost of sales	28	(44,954)	(32,670)	(77,596)
Cash production costs:				
- mining	-	(24,063)	(11,153)	(35,216)
- processing	-	(11,492)	(7,194)	(18,686)
- overheads	-	(2,229)	(5,498)	(7,727)
- royalties	-	(4,264)	(287)	(4,551)
	-	(42,048)	(24,132)	(66,180)
Deferred stripping	-	5,636	-	5,636
	-	(36,412)	(24,132)	(60,544)
Changes in inventory	-	502	(1,685)	(1,183)
Other cost of sales	42	(3,007)	(3,033)	(5,998)
Depreciation and amortisation	(14)	(6,037)	(3,820)	(9,871)
Gross profit	28	16,245	3,173	19,446
Administrative expenses and share based payments	(6,389)	-	-	(6,389)
Exploration impairment	(5,470)	-	(2,755)	(8,225)
Operating (loss)/profit	(11,831)	16,245	418	4,832
Profit on disposal of plant, property and equipment	2,332	-	-	2,332
Net finance items				
- gold collar mark to market	24,768	-	-	24,768
- other	2,857	235	(1,145)	1,947
Profit/(loss) before tax	18,126	16,480	(727)	33,879
Analysed as:				
(Loss)/profit before tax and exceptional items	(3,504)	16,480	2,028	15,004
Exceptional items	21,630	-	(2,755)	18,875
Taxation	(7,699)	(1,052)	(896)	(9,647)
Profit/(loss) for the period	10,427	15,428	(1,623)	24,232
Attributable to:				
Minority interest	-	-	(292)	(292)
Equity shareholders of parent company	10,427	15,428	(1,331)	24,524

20. SEGMENTAL REPORTING (CONTINUED)

31 March 2009	UK	Malaysia	Indonesia	TOTAL
	US\$000	US\$000	US\$000	US\$000
BALANCE SHEET				
Non-current assets	25,119	51,776	50,051	126,946
Inventories	-	8,909	9,358	18,267
Trade and other receivables	545	1,526	8,470	10,541
Cash and cash equivalents	55,833	11,054	5,531	72,418
Total assets	81,497	73,265	73,410	228,172
Current liabilities	3,025	9,304	4,365	16,694
Non-current liabilities	3,421	5,822	10,461	19,704
Total liabilities	6,446	15,126	14,826	36,398
Net assets	75,051	58,139	58,584	191,774

For the 12 months ended 31 March 2009	UK	Malaysia	Indonesia	TOTAL
	US\$000	US\$000	US\$000	US\$000
CASH FLOW STATEMENT				
Profit/(loss) for the period	10,427	15,428	(1,623)	24,232
Adjustments for non-cash items	(13,138)	6,854	6,604	320
Movements in working capital	(577)	(1,534)	1,218	(893)
Net cash (used in)/generated by operations	(3,288)	20,748	6,199	23,659
Net interest received	2,014	266	106	2,386
Tax paid	(155)	(2,059)	(13,809)	(16,023)
Purchase of property, plant and equipment	(40)	(11,557)	(11,251)	(22,848)
Deferred exploration expenditure	(563)	(2,998)	(10,203)	(13,764)
Other cash movements	(28,751)	(5,272)	10,435	(23,588)
Total decrease in cash and cash equivalents	(30,783)	(872)	(18,523)	(50,178)