

## Preliminary Statement 2002

Anglesey Mining plc holds mineral properties at Parys Mountain and Dolaucothi in Wales. At a time when metal prices remain low, the company has continued to minimise many activities in order to conserve its finances. The group has no revenues from the operation of its properties.

Parys Mountain is located to the north of the island of Anglesey in north Wales in an area worked for copper since prehistoric times. It has an important identified geological resource of 6.5 million tonnes beyond and separate from the old workings with a combined average grade of over 10% zinc, copper and lead with gold and silver: zinc would provide more than half of anticipated revenues. There is excellent exploration potential over an area of several kilometres.

Parys Mountain is currently held awaiting development in accordance with the Feasibility Study. Further exploration is planned with the objective of developing a significantly larger deposit which should support a higher daily production rate and longer mine life.

Dolaucothi is located at Pumpsaint near Lampeter in south Wales where the company holds a Crown mining lease for gold and silver covering 11,000 acres. In the current financial climate, no funds are being directed towards the development of the Dolaucothi property.

### Results for the year

The loss for the year before taxation was £2,306,078 (2002 - £3,118,051). The loss comprises interest and administrative expenses together with an impairment provision of £2,200,000 (2001 - £3,000,000) and evaluation costs not related to Parys Mountain which, in accordance with the group's accounting policy, are charged to the profit and loss account. Included in the loss was £69,707 (2001 - £61,546) in respect of interest due. The increase in the level of loan outstanding is the explanation for higher interest charges. £38,822 (2001 - £59,637) was expended on corporate costs, administration expenses and the investigation and evaluation of exploration and development opportunities. This expenditure has fallen in comparison with last year because of reduced activity.

The impairment provision of £2,200,000 (2001 - £3,000,000) arises following a review by the directors, in accordance with the provisions of FRS 11, of the net value at which the accumulated development costs of Parys Mountain should be carried in the accounts. The provision was determined following calculations of discounted estimated future real cash flows on the basis of current estimates of proven and probable reserves and capital and operating costs, together with directors' estimates of future metal prices and foreign currency exchange rates.

On 12 June 2002 a new working capital agreement with Juno Limited was concluded in order to provide funding for the company's routine expenses. This agreement consolidated all the previous working capital advances between the company and Juno. Although the advances are repayable on demand, Juno has indicated that it has no intention of requiring immediate repayment.

The group has no revenues and the directors are unable to recommend a dividend. Since the date of the accounts the activities of the group have continued in accordance with the directors' expectations. The directors remain attentive for opportunities to be involved in appropriate new mineral ventures.

During the year Malcolm Swallow and Malcolm Burne retired as directors and at the AGM held on 20 September 2001 David Lean and Howard Miller were elected to the board.

### Unaudited Balance Sheets at 31 March 2002

	<b>Group</b>		<b>Company</b>	
	2002	2001	2002	2001
	£	£	£	£
<b>Fixed assets</b>				
Intangible assets	7,094,687	9,219,362	6,902,122	9,028,435
Tangible assets	185,240	185,573	185,240	185,573
Investments	-	-	100,001	100,001
	<u>7,279,927</u>	<u>9,404,935</u>	<u>7,187,363</u>	<u>9,314,009</u>
<b>Current assets</b>				
Debtors	102,935	100,785	291,574	287,771
Cash at bank and in hand	13,166	744	13,166	744
	<u>116,101</u>	<u>101,529</u>	<u>304,740</u>	<u>288,515</u>
<b>Current liabilities</b>				
Creditors - amounts due				
within one year	(1,098,520)	(902,678)	(1,194,520)	(998,678)
<b>Net current liabilities</b>	<u>(982,419)</u>	<u>(801,149)</u>	<u>(889,780)</u>	<u>(710,163)</u>
<b>Total assets less current liabilities</b>	<u>6,297,508</u>	<u>8,603,786</u>	<u>6,297,583</u>	<u>8,603,846</u>
<b>Capital and reserves</b>				
Share capital	6,673,247	6,673,247	6,673,247	6,673,247
Share premium account	5,737,146	5,737,346	5,737,146	5,737,346
Profit & loss account - deficit	(6,112,885)	(3,806,807)	(6,112,810)	(3,806,747)
Equity shareholders' funds	5,436,330	7,742,608	5,436,405	7,742,668
Non equity shareholders' funds	861,178	861,178	861,178	861,178
	<u>6,297,508</u>	<u>8,603,786</u>	<u>6,297,583</u>	<u>8,603,846</u>

### Unaudited Profit and Loss account for the year ended 31 March 2002

	2002	2001
	£	£
Turnover - continuing operations	-	-

Net operating expenses	(38,822)	(59,637)
Exceptional item:		
Provision for impairment of intangible assets	(2,200,000)	(3,000,000)
Loss on ordinary activities before interest & taxation	(2,238,822)	(3,059,637)
Interest receivable	2,451	3,132
Interest payable	(69,707)	(61,546)
Loss on ordinary activities before taxation	(2,306,078)	(3,118,051)
Tax on loss on ordinary activities	-	-
Loss for the financial year	(2,306,078)	(3,118,051)
Loss per share - basic	(2.0) pence	(2.7) pence
Loss per share - diluted	(2.0) pence	(2.7) pence

The group has no recognised gains or losses other than the losses shown above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the loss on ordinary activities before taxation and the retained loss for the year stated above, and their historical cost equivalents.

## Unaudited Cash flow statement for the year ended 31 March 2002

	2002	2001
	£	£
<b>Net cash outflow from continuing operating activities</b>		
	(67,450)	(26,753)
<b>Returns on investments and servicing of finance</b>		
Interest received	-	-
Interest paid	(75)	(141)
	(75)	(141)
<b>Taxation</b>		
UK Corporation tax paid	-	-

**Capital expenditure and financial investment**

Payments to acquire intangible fixed assets	(7,783)	(6,491)
Payments to acquire tangible fixed assets	-	-
<b>Net cash outflow from capital investment &amp; financial investment</b>	<b>(7,783)</b>	<b>(6,491)</b>

**Net cash outflow before financing**

(75,308)	(33,385)
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**Financing**

Increase in loans	87,930	30,699
Expenses of share issues in year	(200)	(200)
	<b>87,730</b>	<b>30,499</b>

**Increase/(decrease) in cash**

12,422	(2,886)
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As in previous years, the auditors report on the financial statements will contain explanatory paragraphs regarding fundamental uncertainties in respect of the going concern basis and the valuation of intangible fixed assets, however it will not be qualified in respect of these matters.