

Interim Results

El Oro Ltd announces its interim results for the six months ended 31 December 2009.

The interim results for the six months ended 31 December 2009 will be posted to shareholders and will be available shortly on the Company's website www.eloro.co.uk.

Extracts from the interim results are set out below.

For further information, please contact:

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EL ORO LTD

CHAIRMAN'S STATEMENT

Interim Report as at 31 December 2010

The Group total gains before tax for the six month period ended 31 December 2009 was £21,693,180 (total losses before tax for six months to December 2008: £41,581,520) Group net assets at 31 December 2009 under IFRS, taking all assets at fair value were £69,656,561 (equal to 646.37 pence per share) as compared with £42,478,227 at 31 December 2008 (equal to 394.17 pence per stock unit).

The more acceptable figures achieved to the half-year following the redress of the listing ship have been sustained by the effects of Quantitative Easing spreading its miraculous balm throughout the Financial Sector.

Stocks to have benefited include our Brewery Companies, which have reflected more positive Consumer sentiment, along with Mining shares, lifted by strength in metals, especially Platinum and Palladium; Gold remains reluctant to fall below the \$1,100 mark, whilst Palm Oil has improved, benefiting our plantation shares.

We have decided to reward shareholders with a second interim, payable before the onset of the higher tax rate in April. We see no reason to endow the current regime ruining Britain, with our shareholders' hard earned cash.

Whilst the Private sector has shed staff by the truck-full, the Public sector has added some 160,000 employees. We see a strong resemblance between our current leader and Erysichthon: he paid little attention to what other people said or thought; he cut down the fine oak tree belonging to the goddess Demeter, became insatiably hungry and eventually consumed his own limbs.

The slaughter of the Pension Tree of Plenty by our noble leader has plunged a huge swathe of British industry and its pensioners into Pension Deficit or penury; that accomplished, the gargantuan appetite of the State is now swallowing much of what remains of our solvency and Sovereignty.

The diplomatic service has been impoverished and impaired, our military emasculated, our Judiciary subjugated to an authority beyond our boundaries; our borders breached by the denizens of alien lands; our Civil Service politicised; the pedigree of our Universities imperilled by social engineering and budgetary restrictions; our currency debauched and our Banking system almost destroyed and our Financial Sector under severe assault.

The medicine offered by any party is presently proving unpalatable to the electorate and with the risk of a hung parliament, a fiscal and credit crisis looms as a distinct possibility.

In the United States, the stratospheric level of deficit can only be compounded by the Obama Health reforms.

In Europe, the crisis confronting Greece and the coterie denominated PIIGS, Portugal, Italy, Ireland, Greece and Spain has not yet abated. Although Ireland is at least attempting to promote its tourism, giving bags away at Paddington, it is ultimately shackled by the curse of the Euro like its fellow participants in pain.

It would now appear that German Banks risk losing €8 billion in the event of a Greek default, before assessing the impact of liabilities in other areas.

Whilst ferries remain trapped in ice in the Baltic, and 2 million animals lie dead in Mongolia due to the severity of the winter, we discover that the windmills which we subsidise and on which Lord Stern has instructed us to rely are producing in some cases only 8% of maximum capacity.

Happily our fecund land prepares to burst forth with renewed vigour after the arduous winter, and our lambs relish the emergent grass, careless of crisis and calamity threatening our bewildered and short-sighted satraps.

We therefore believe that Gold's next advance remains ahead; although as Proverbs XVI. V16 says 'How much better to get Wisdom than gold, to choose understanding rather than silver'.

We would wish that a hundredfold on our current and future leaders.

My thanks to our staff, my fellow directors and advisers at Cheval Place.

I would also draw shareholders' attention to the Channel Islands Stock Exchange website, CISX.com where our shares trade under the symbol ELX, and would appear to be excellent value.

Robin Woodbine Parish

22 March 2010

EL ORO LTD

CONSOLIDATED INCOME STATEMENT

(Unaudited)

for the six months ended 31 December

	31 December 2009	31 December 2008*
	£	£
Revenue		
Net (losses) / gains on investments	23,085,636	(39,893,588)
Expenses	(886,505)	(1,036,671)
Profit / (loss) before finance costs and taxation	22,199,131	(40,930,259)
Finance costs:		
Interest	(505,951)	(651,261)
	(505,951)	(651,261)
Profit / (loss) before taxation	21,693,180	(41,581,520)
Taxation	(2,338,309)	10,929,647
Profit / (loss) for the period	19,354,871	(30,651,873)
Earnings per share (basic and diluted)	179.6 p	(284.4) p

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Unaudited)

for the six months ended 31 December

	31 December 2009	31 December 2008*
	£	£
Profit / (loss) for the period	19,354,871	(30,651,873)
Dividend paid	(1,508,710)	(1,508,710)
	17,846,161	(32,160,583)
Opening capital and reserves attributable to equity holders	51,810,400	74,638,810
Closing capital and reserves attributable to equity holders	69,656,561	42,478,227

* Restated in accordance with IAS8 Accounting Policies, Changes in Accounting Estimates and Errors.

EL ORO LTD

CONSOLIDATED BALANCE SHEET (Unaudited)

As at 31 December

	31 December 2009	31 December 2008*
	£	£
Assets		
Non-current assets		
Property, plant and equipment	746,019	708,927
Investment properties	-	-
	<u>746,019</u>	<u>708,927</u>
Current assets		
Trade and other receivables	342,767	1,655,844
Financial assets fair valued through the income statement:		
- Securities	97,616,121	56,945,349
- Derivatives	184,772	-
- Commodities	1,367,310	1,203,311
Cash and cash equivalents	1,413,304	4,237,489
	<u>100,924,274</u>	<u>64,041,993</u>
Liabilities		
Current liabilities		
Financial liabilities:		
Borrowings	8,663,908	4,130,763
Trade and other payables	954,656	385,132
Current tax liabilities	548,333	-
Financial liabilities fair valued through the income statement:		
- Derivatives	1,625,488	-
	<u>11,792,385</u>	<u>4,515,895</u>
Net current assets	<u>89,131,889</u>	<u>59,526,098</u>
Non-current liabilities		
Borrowings	15,000,000	15,000,000
Deferred taxation	5,221,347	2,756,798
	<u>20,221,347</u>	<u>17,756,798</u>
Net assets	<u>69,656,561</u>	<u>42,478,227</u>
Stockholders' equity		
Ordinary stock units	538,825	538,825
Share premium reserve	6,017	6,017
Capital redemption reserve	347,402	347,402
Merger reserve	3,564	3,564
Retained earnings reserve	68,760,753	41,582,419
Total equity	<u>69,656,561</u>	<u>42,478,227</u>
Net asset value per stock unit	<u>646.37 p</u>	<u>394.17 p</u>

* Restated in accordance with IAS8 Accounting Policies, Changes in Accounting Estimates and Errors.

EL ORO LTD

CONSOLIDATED CASH FLOW STATEMENT

(Unaudited)

for the six months ended 31 December

	31 December 2009	31 December 2008*
	£	£
Net cash inflow from operating activities	1,819,603	18,160,669
Income tax paid	<u>(562,704)</u>	<u>(1,049,956)</u>
	1,256,899	17,110,713
Cash flow from investing activities	(57,203)	123,262
Cash flow from financing activities	(2,008,807)	(3,349,704)
Net (decrease) / increase in cash and cash equivalents	(809,111)	13,884,271
Cash and cash equivalents at 30 June	(6,355,499)	(12,371,588)
Effect of foreign exchange rate changes	<u>(85,994)</u>	<u>(1,405,957)</u>
Cash and cash equivalents at 31 December	(7,250,604)	106,726

* Restated in accordance with IAS8 Accounting Policies, Changes in Accounting Estimates and Errors.

EL ORO LTD

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

The Unaudited Consolidated Interim Financial Statements (“Financial Statements”) for the six months ended 31 December 2009 do not constitute statutory accounts within the meaning of section 240 of the Companies Act 1985.

The Group’s accounting policies have been applied consistently in dealing with items which are considered material in relation to the audited financial statements of El Oro Ltd for the year ended 30 June 2009.

Group reconstruction accounting

On 19 March 2009, the Company completed its Scheme of Arrangement with El Oro and Exploration Company plc (the "Group reconstruction"). The Group reconstruction was affected by a share exchange offer of one new El Oro Ltd share for each El Oro and Exploration Company plc stock unit of 5 pence. Following completion of the Group reconstruction, the Company became the legal parent of El Oro and Exploration Company plc and its subsidiary undertakings. The former parent company of the Group is now the UK subsidiary El Oro and Exploration Company Limited, incorporated in England and Wales, which was delisted from the Alternative Investment Market (“AIM”), a market of the London Stock Exchange.

This Group reconstruction, affected through an exchange of equity interests, has been accounted for as a reverse acquisition in accordance with IFRS 3, “Business combinations”.

The key features of reverse acquisition principle are:

- the results and cash flows of El Oro and Exploration Company plc and El Oro Ltd have been combined from the beginning of the year in which the group reconstruction occurred, (i.e. the year ended on 30 June 2009); and
- for the comparative period, the consolidated income statement, consolidated balance sheet, consolidated cash flow statement and consolidated statement of changes in equity are stated on a combined basis.

The Group reconstruction required no accounting adjustments to achieve consistency of accounting policies.

An interim dividend of 14.0 pence was paid in relation to the year ended 30 June 2009 on 23 December 2009 and an initial interim dividend of 12.0 pence is being paid in relation to the year ended 30 June 2010 on 31 March 2010.

The Financial Information was approved by a Committee of the Board of Directors on 23 March 2010.

The Financial Information has not been subject to review or audit by the Group's Auditor PriceWaterhouseCoopers.

El Oro Ltd is listed on the Channel Islands Stock Exchange (CISX) – ticker (ELX).

CASH AND CASH EQUIVALENTS

	31 December 2009	31 December 2008
	£	£
Cash available on demand	1,413,304	4,237,489
Bank overdrafts	(3,470,586)	(1,524,630)
Amounts due to brokers	(5,193,322)	(2,606,133)
	(7,250,604)	106,726

RESERVES

	31 December 2009	31 December 2008*
	£	£
As at 30 June	50,914,592	73,743,002
Total gains / (losses) for the period	19,354,871	(30,651,873)
Dividend paid	(1,508,710)	(1,508,710)
As at 31 December	68,760,753	41,582,419

The other reserves did not change during the period.

* Restated in accordance with IAS8 Accounting Policies, Changes in Accounting Estimates and Errors.