

Registered number: 05890789

LOTUS RESOURCES PLC
INTERIM REPORT
FOR THE PERIOD ENDED 31 MARCH 2009

LOTUS RESOURCES PLC

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CHIEF EXECUTIVE'S STATEMENT

I am pleased to announce the results of the Company for the six months ending 31 March 2009.

The Company made a loss before tax of (£174,651) (six months ended 31 March 2008: Loss (£129,243)). During the course of the year the Company has invested in investigating potential mining investments in China and Mongolia, in our joint venture companies in Mongolia and other associated costs. At 31 March 2009 the Company had cash balances of £152,581.

The transfer of the second exploration licence to Lotus Bayalag Fluorite LLC has now been completed following the signing of the joint venture agreement earlier this year.

Following the earlier transfer of the exploration licence at the Lotus Dai Uul joint venture, initial exploration results have confirmed the Russian trenching and drilling data estimates of 297,000 tonnes of fluorspar. The joint-venture company is now in the process of applying for a mining licence.

Lotus is also pleased to announce that it has entered into a fluorspar trading agreement with MGB Mining LLC that has begun to generate a small amount of revenue. This arrangement allows Lotus to be involved, at an early stage, in a growing, profitable business while also giving the Company access to a market for the fluorspar that will be produced from all the proposed mines.

In addition to the joint ventures Lotus has a number of other exploration and mining initiatives for fluorspar and further announcements regarding these will be made as and when appropriate.

As we have previously indicated, developing these mining opportunities and the need for additional working capital will require the Company to raise additional funding. Further information on this will be announced shortly with the notice of the AGM.

Simon Longworth
Chief Executive
27 May 2009

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**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE 6 MONTHS ENDED 31 MARCH 2009**

	Note	Unaudited 6 months to 31 March 2009 £	Unaudited 6 months to 31 March 2008 £	Audited Period to 30 Sept 2008 £
Administrative expenses		(176,601)	(129,914)	(326,540)
Operating loss		<u>(176,601)</u>	<u>(129,914)</u>	<u>(326,540)</u>
Interest receivable		1,950	689	2,939
Interest payable		-	(18)	(33)
Loss on ordinary activities before taxation		<u>(174,651)</u>	<u>(129,243)</u>	<u>(323,634)</u>
Tax on loss on ordinary activities		-	-	-
Loss on ordinary activities after taxation		<u><u>(174,651)</u></u>	<u><u>(129,243)</u></u>	<u><u>(323,634)</u></u>
Loss per share (pence)	2			
Basic		(0.43)	(0.43)	(1.02)
Diluted		(0.27)	(0.26)	(1.67)

All activities derive from continuing operations

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CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2009

	Unaudited 31 March 2009 £	Unaudited 31 March 2008 £	Audited 30 Sept 2008 £
Fixed Assets			
Tangible Assets	13,884	-	10,410
	<u>13,884</u>	<u>-</u>	<u>10,410</u>
Current assets			
Debtors	54,247	10,575	10,539
Cash at Bank	152,581	35,075	395,690
	<u>206,828</u>	<u>45,650</u>	<u>406,049</u>
Creditors: amounts falling due within one year	<u>(29,000)</u>	<u>(42,415)</u>	<u>(54,615)</u>
Net current assets	<u>177,828</u>	<u>3,235</u>	<u>351,434</u>
Total assets less liabilities	<u><u>191,712</u></u>	<u><u>3,235</u></u>	<u><u>361,844</u></u>
Capital and Reserves			
Called up share capital	409,841	307,674	409,841
Share premium account	504,443	53,610	504,443
Reserves	<u>(722,572)</u>	<u>(358,049)</u>	<u>(522,440)</u>
Equity shareholders' funds	<u><u>191,712</u></u>	<u><u>3,235</u></u>	<u><u>361,844</u></u>

These financial statements were approved by the board on 27^h May 2009.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTHS ENDED 31 MARCH 2009

1. The financial information for the period ended 31 March 2008 has not been audited or reviewed by the Company's auditors and does not constitute statutory accounts within the meaning of Section 240 of the Companies Act 1985.

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. During the period the company incurred a loss of £174,651. The accounts have been prepared on the going concern basis which assumes that the company will continue in operational existence for the foreseeable future.

2. Earnings per share

	March 2009 pence	March 2008 pence	Sept 2008 pence
Earnings per share - basic	(0.43)	(0.43)	(1.02)
Earnings per share - diluted	(0.27)	(0.26)	(0.77)

The basic earnings per ordinary share is calculated by dividing earnings for the year less non-equity dividends and other appropriations in respect of non-equity shares by the weighted average number of equity shares outstanding during the year.

The calculation of basic earnings per ordinary share is based upon the following data:

Earnings

	March 2009 £	March 2008 £	Sept 2008 £
Earnings for the purposes of earnings per share	(174,651)	(129,243)	(323,635)

Number of shares

	March 2009	March 2008	Sept 2008
Basic weighted average number of shares	40,984,079	30,034,080	31,595,885
Dilutive effect of share warrants	23,028,331	18,924,589	10,684,289
	<u>64,012,410</u>	<u>48,958,663</u>	<u>42,280,174</u>

Further ordinary shares have been issued after the balance sheet date. These issues do not effect the calculations above.

3. The directors of the company accept responsibility for this announcement.