

# LAPP PLATS PLC ("Lapp Plats" or the "Company")

## Preliminary Statement

12 June 2008

Lapp Plats announces its preliminary results for the year ended 31<sup>st</sup> December 2007.

### Introduction

During the period under review we have continued to work towards identifying investments and acquisition opportunities that have the potential to reward our supportive shareholder base with superior investments returns on our equity. We have continued this careful and analytical approach in the year under review in seeking to expand our activities in the minerals and oil and gas sectors.

We continue to be well funded and ready to take advantage of appropriate investment opportunities that we evaluate can supply significant returns to our shareholders.

### Oil and Gas Strategy

In January 2008 we entered into a consultancy agreement with a London based company, Chesilton Consultants Limited ("Chesilton") led by Peter Worthington, who were charged with developing an oil and gas strategy for the Company. Chesilton has been assisting the Company to identify, evaluate, negotiate and, if terms could be agreed, to fund and participate in these opportunities. This association has identified a number of opportunities in a short period of time.

The Company's strategy is to secure attractive upstream oil and gas exploration, development and production opportunities across Africa, the Middle East and the Indian sub-continent. The opportunities targeted over time will be those with relatively lower technical risk in emerging and established hydrocarbon basins where relatively better commercial returns might reasonably be expected. The intent is to focus increasingly on discovered hydrocarbon resource opportunities, including those held by other industry participants that are currently constrained by market conditions from realising their potential value.

I am pleased to announce today the appointment of Peter Worthington as a Director of the Company and as Chief Executive - designate ("CEO-designate"). A lawyer and economist by profession, Peter Worthington has worked for the last 23 years exclusively in the mineral and oil and gas sectors, joining Rio Tinto in 1985 and then moving to BHP Billiton in 1987. His most recent position was as Vice President Global Business Development, BHP Billiton Petroleum, based in London, where his role had a worldwide remit to develop business opportunities in new upstream oil and gas opportunities, particularly in relation to already discovered oil and gas resources. In earlier roles with BHP he worked in Algeria as Vice President, Algeria Assets, on US\$1.68 billion of oil and gas exploration, development and production and operational projects and prior to that he was engaged BHP Billiton Petroleum in a range of representative, commercial, business development and leadership roles in upstream oil and gas projects in Australia, North Africa, Eurasia, Middle East, Indian sub-continent, Iraq, Turkey, Kuwait, Iran, Algeria, and in Russia and the Former Soviet Union.

As opportunities are secured, it is expected that the CEO-designate will assemble an experienced upstream management team to lead and drive the Company's efforts to build an oil and gas division and it is proposed that appropriate equity and incentive arrangements, for this team, will be put in place as these opportunities are developed.

We are confident that our association with Peter Worthington and his associates in Chesilton will expand the activities and scope of our Company, and that the highest standards of due diligence will be applied to the opportunities currently under review.

### Swedish Mining Properties

Following an independent review of the licence blocks held by the Company since 2004, Lapp Plats has decided in August 2007 to reduce its existing ground holdings and it has also taken the opportunity to acquire a new property.

The following Table set outs the revised Claim Table following the payments in August 2007 to the Swedish Mining Directorate (Sw: Bergsstaten) of the relevant licence fees and renewal fees, as applicable.

<b>Exploration Licence Name</b>	<b>Elements covered Under licence</b>	<b>Claim Area (hectares)</b>	<b>Licence Renewed/Applied</b>	<b>Licence Expires</b>
Riberget Nr 1	Au, Ag, Cu, Ni, Pt, Pd	3,949	August 2007	August 2010
Tjärro Nr 1	Fe, Au, Cu	2,241	August 2007	August 2010

*Glossary of Symbols: Au - Gold, Ag - Silver, Cu - Copper, Ni - Nickel, Pt - Platinum, Pd - Palladium, Fe - Iron.*

Work completed during the initial 3 year period on the Riberget Nr 1 licence initially consisted of target definition using the Lapp Plats proprietary geochemical database ("LP-PGD"). This work led to the identification of Ni and Cu-Ni soil geochemical targets. Follow up field work including; geological mapping, surface rock geochemical sampling and detailed surface till sampling were also carried out. The results of the above work have defined a series of surface Cu-Ni targets that require follow up field work. The plan is to consider base of till sampling to locate the bedrock source for the surface geochemical anomaly, followed by diamond drilling, if deemed appropriate.

The new Tjärro Nr 1 block, which was generated from the LP-PGD, is located approximately 20km north east of the mining town of Kiruna in northern Sweden. The Kiruna Mine wholly owned by LKAB (Sw: Luossavaara-Kiirunavaara Aktiebolag), is the one of the world's largest and most modern underground iron-ore mines. The Kiruna district has also been explored more recently for Iron Oxide Copper Gold (IOCG) deposits and to the south of Kiruna at Gallivare, Boliden operates the Aitik copper mine. Iron and gold-silver-copper deposits mentioned indicate the general prospectivity of the region for such styles of mineralization but such deposits are not necessarily indicative of the potential for economic mineralization within the new Tjärro Nr 1 block.

The Tjärro claim is located along the contact zone of 1.88 billion-year-old intrusive rock unit. There are four target areas displaying mineralisation at surface comprising disseminated chalcopyrite and magnetite in the mafic volcanic host-rock around the contact with the intrusive. Grades from previous Swedish Geological Survey (Sw: SGU) surface rock samples have returned up to 40% Fe, 1.23% Cu and 0.2 g/t Au. After compilation of all previous work a detailed base of till sampling programme will be contemplated over the four target areas.

#### **Financial Results**

The net profit for the year before tax amounted to £15,006 (2006 loss £24,621). Net interest received increased to £71,047 compared to £16,560 in the previous period. This profit was arrived at after accounting for the administrative costs, costs incurred in investigating new opportunities and in maintaining the Company's exploration concessions in Sweden.

#### **Accounts**

The Annual Report and Financial Statements for the year to 31 December 2007 will be posted to shareholders on 17th June 2008, and copies can be obtained, free of charge from the Company's offices at 22 Grafton Street, London W1S 4EX and on the web at [www.lapp-plats.com](http://www.lapp-plats.com). The Annual General Meeting will be held at 18 Fitzwilliam Place, Dublin 2, Ireland at 12 noon on Friday 11th July 2008.

I would like to thank my fellow Directors for their support during the last 12 months and I trust we can move the Company forward in a significant way in the future.

**Thomas P O'Gorman**  
Chairman

**20 May 2008**

**Lapp Plats plc**  
**Group Income Statement**  
*for the year ended 31 December 2007*

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Administrative expenses	<b>(56,041)</b>	(41,181)
<b>Group Operating loss</b>	<b>(56,041)</b>	(41,181)
Finance Revenue	<b>71,047</b>	16,560
<b>Profit/(loss) on ordinary activities before taxation</b>	<b>15,006</b>	(24,621)
Tax on profit/(loss) on ordinary activities	-	-
<b>Retained profit/(loss) for the year</b>	<b>15,006</b>	(24,621)
Accumulated (loss) brought forward	<b>(177,146)</b>	(152,525)
<b>Accumulated (loss) carried forward</b>	<b>(162,140)</b>	(177,146)
<b>Earnings per share:</b>		
Basic profit / (loss) per share	<b>0.0012</b>	(0.011)
Diluted profit / (loss) per share	<b>0.0012</b>	(0.011)

The results for the year all arise on continuing operations.

The results and movements in equity for the year ended 31 December 2006 have been restated to reflect recognition and measurement principles of International Financial Reporting Standards adopted for use in the European Union at 31 December 2007.

**Lapp Plats plc**  
**Group Balance Sheet**  
*as at 31 December 2007*

	<b>2007</b>	<b>2006</b>
	£	£
<b>Assets</b>		
<b>Non-Current Assets</b>		
Intangible assets	298,330	286,040
Property, plant and equipment	666	1,047
	<u>298,996</u>	<u>287,087</u>
<b>Current Assets</b>		
Trade and other receivables	58,537	20,430
Cash and cash equivalents	1,236,930	1,267,106
	<u>1,295,467</u>	<u>1,287,536</u>
<b>Total Assets</b>	<u><u>1,594,463</u></u>	<u><u>1,574,623</u></u>
<b>Equity and Liabilities</b>		
<b>Equity</b>		
Called up share capital	222,683	222,683
Share premium account	1,500,823	1,500,823
Share based payment reserve	9,997	9,997
Foreign currency translation reserve	10,668	-
Retained Loss	(162,140)	(177,146)
Attributable to equity shareholders	<u>1,582,031</u>	<u>1,556,357</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Trade and other payables	12,432	18,266
Total Liabilities	<u>12,432</u>	<u>18,266</u>
<b>Total Equity and Liabilities</b>	<u><u>1,594,463</u></u>	<u><u>1,574,623</u></u>

The financial position as at 31 December 2006 has been restated to reflect recognition and measurement principles of International Financial Reporting Standards adopted for use in the European Union at 31 December 2007.

**Lapp Plats plc**  
**Group Cash Flow Statement**  
*for the year ended 31st December 2007*

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Net Loss for the year before taxation	(56,041)	(41,181)
Adjustments for:		
Foreign exchange gain	(1,752)	-
Depreciation	440	393
Write down of development costs	10,158	-
Share based payment		9,997
(Increase) in debtors	(38,107)	(12,919)
(Decrease) / Increase in creditors	(5,834)	9,077
<b>Net cash from operating activities</b>	<u>(91,136)</u>	<u>(34,633)</u>
<b>Cash flows from financing activities</b>		
Proceeds of issue of share capital	-	1,231,531
<b>Cash flows from investing activities</b>		
Expenditure on exploration activities	(10,087)	(3,463)
Interest received	71,047	16,560
<b>Net cash flow from financing activities</b>	<u>60,960</u>	<u>1,244,628</u>
<b>Net (Decrease)/Increase in cash and cash equivalents</b>	(30,176)	1,209,995
<b>Cash and Cash Equivalents at beginning of year</b>	1,267,106	57,111
<b>Cash and cash equivalents at end of year</b>	<u>1,236,930</u>	<u>1,267,106</u>

There are no changes to the reported cash flows arising from the transition to IFRS.

**Lapp Plats plc**  
**Group Statement of Changes in Equity**  
*for the year ended 31 December 2007*

	Share Capital £	Share Premium £	Share based Payment Reserve £	Foreign Exchange Reserve £	Retained Losses £	Total £
Balance at 1 January 2006	133,083	358,892	-	-	(152,525)	339,450
Loss for the year	-	-	-	-	(24,621)	(24,621)
Recognition of share based payments	-	-	9,997	-	-	9,997
Proceeds of share issue	89,600	1,141,931	-	-	-	1,231,531
Balance at 31 December 2006	<u>222,683</u>	<u>1,500,823</u>	<u>9,997</u>	<u>-</u>	<u>(177,146)</u>	<u>1,556,357</u>
Balance at 1 January 2007	222,683	1,500,823	9,997	-	(177,146)	1,556,357
Profit for the year	-	-	-	-	15,006	15,006
Foreign exchange difference	-	-	-	10,668	-	10,668
Balance at 31 December 2007	<u>222,683</u>	<u>1,500,823</u>	<u>9,997</u>	<u>10,668</u>	<u>(162,140)</u>	<u>1,582,031</u>

The results and movements in equity for the year ended 31 December 2006 have been restated to reflect the recognition and measurement principles of International Financial Reporting Standards adopted for use in European Union at 31 December 2007.

**Lapp Plats Plc**  
**Notes to the Financial Statements**  
*for the year ended 31 December 2007*

**BASIS OF PREPARATION**

The Group is involved in mineral exploration which include a number of development stage projects. In respect of these projects the directors are confident that the values ascribed to them in these financial statements are reasonable and that additional working capital required by the Group will be available through a combination of cash resources, sale of projects, new equity from joint ventures and management fees from the projects. The Group's interests in these projects are included in the consolidated balance sheet under intangible assets.

The financial statements do not include any adjustments to reduce the value of assets to their recoverable amounts and to provide for future liabilities that may arise should the above projects prove to be unsuccessful.

The Company's interests in the above projects are included in the balance sheet of the Company under investments in subsidiary company and amounts owed by Group undertakings.

This preliminary statement is not the Company's statutory accounts. The statutory accounts for the year ended 31 December 2007 have been approved by the directors and have received an audit report which was unqualified.

**FOR FURTHER INFORMATION PLEASE CALL:**

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