



Incorporated in England and Wales with
Registered Number 6275976

Interim Report

For the period
1st July 2010 to 31st December 2010

**IMPERIAL MINERALS PLC
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**IMPERIAL MINERALS PLC
CORPORATE DIRECTORY**

Directors

Frank H Moxon
Russell P Hardwick

Company Secretaries

Russell P Hardwick

Auditors

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Statutory Auditor
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London E14 4HD

Corporate Adviser

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London W8 6SG
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Solicitors

Edwin Coe LLP
2 Stone Buildings
Lincoln's Inn
London WC2A 3TH

Registered Office

Edwin Coe LLP
2 Stone Buildings
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London WC2A 3TH

Registrar

Share Registrars Ltd
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Bankers

HSBC Bank Plc
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London W8 4SH

IMPERIAL MINERALS PLC
CHAIRMAN'S STATEMENT

Dear Shareholder,

I am pleased to present Imperial's Interim Report and Financial Statements for the Group for the six months ended 31 December 2010.

The Group made an interim pre-tax loss of £32,848. Cash at bank at the end of December 2010 was £936,861.

Since its successful flotation on the PLUS Market in November 2010 the Company has formed an advisory committee which meets regularly to assist the Board with the identification and appraisal of acquisition opportunities. The Company also attended the mining Indaba conference in Cape Town, South Africa in February 2011 which has produced a number of interesting opportunities that are currently being followed up.

The Board still believes that commodities that feed into the south-east Asian steel production industry provide the most attractive acquisition opportunities for the Company to pursue. At present, the process of identifying a wide selection of propositions from which will emerge the Company's first acquisition target, and potentially others, continues. The Directors do not view the Company's cash reserves as a limiting factor in terms of the potential size of acquisition targets and the search therefore covers assets at all stages of the mining process from advanced exploration to production. The Board has taken an early decision not to pursue any acquisition targets in Russia or the former CIS countries. Whilst the search area otherwise remains global, the geography of target markets suggests that priority may be given to assets located in South America, south east Asia and Australia.

Our ultimate objective is to create a vertically integrated, multi-commodity mining group. There are a number of ways in which this process can be started. It is therefore important that our first acquisition and subsequent additions are identified, planned and co-ordinated carefully.

Financial Review

The Company currently only has interest revenue and its cash reserves will be used in the short term to cover travel costs, professional consultancy fees, initial due diligence and other costs incidental to the identification and development of acquisition opportunities.

The loss for the half year was £32,848. Total expenditure during the period was £35,059 which consisted mainly of travel & accommodation of £23,261 with the balance comprising corporate and administration expenses.


**IMPERIAL MINERALS PLC
CHAIRMAN'S STATEMENT**

Financial Position

The Group's balance sheet as at 31 December 2010 and comparatives at 30 June 2010 are summarised below:

	31 Dec 2010 £	30 June 2010 £
Non-current assets	-	-
Current assets	948,590	605,190
Total assets	948,590	605,190
Current liabilities	11,972	2,670
Non-current liabilities	-	-
Total liabilities	11,972	2,670
Net assets	936,618	602,520

The increase in current assets resulted from increased cash holdings following the capital raising and subsequent listing on the PLUS Market.



Frank Moxon
*Chairman
Imperial Minerals Plc*

IMPERIAL MINERALS PLC
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 31
DECEMBER 2010

	6 months to 31 Dec 2010 Unaudited £	Year ended 30 June 2010 Audited £
Continuing operations		
Other administrative expenses	(35,059)	(2,892)
Loss from Operations	(35,059)	(2,892)
Finance Income	2,211	-
Loss from Operations before taxation	(32,848)	(2,892)
Corporation tax expense	-	-
Loss for the period attributable to the equity shareholders of the parent	(32,848)	(2,892)
Other comprehensive income:	-	-
Total comprehensive loss for the period attributable to the equity shareholders of the parent	(32,848)	(2,892)
Loss per share		
Basic and diluted loss per share attributable to the equity shareholders of the parent (pence)	(0.203p)	(0.406p)

IMPERIAL MINERALS PLC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2010

<i>Company number 6275976</i>	6 months to 31 Dec 2010 Unaudited £	Year ended 30 June 2010 Audited £
ASSETS		
Current assets		
Cash and cash equivalents	936,861	601,773
Trade and other receivables	11,729	3,417
Total current assets	948,590	605,190
TOTAL ASSETS	948,590	605,190
LIABILITIES		
Current Liabilities		
Trade and other payables	11,972	2,670
Total current liabilities	11,972	2,670
TOTAL LIABILITIES	11,972	2,670
NET ASSETS	936,618	602,520
CAPITAL AND RESERVES ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
Share capital	189,950	150,000
Share premium reserve	752,906	427,412
Shares to be issued under options	29,502	28,000
Retained losses	(35,740)	(2,892)
TOTAL EQUITY	936,618	602,520

IMPERIAL MINERALS PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the six months ending 31 December 2010

	Share capital	Share premium	Shares to be issued under options	Retained losses	Total Equity
	£	£	£	£	£
Changes in Equity for the year ended 30					
June 2010					
Balance at 1 July 2009	1	-	-	-	1
Total comprehensive income for the period	-	-	-	(2,892)	(2,892)
Issue of shares	149,999	475,000	-	-	624,999
Issue of options	-	(28,000)	28,000	-	-
Share issue expenses	-	(19,588)	-	-	(19,588)
Balance at 30 June 2010	150,000	427,412	28,000	(2,892)	602,520
Changes in Equity for the period to 31					
December 2010					
Balance at 1 July 2010	150,000	427,412	28,000	(2,892)	602,520
Total comprehensive income for the period	-	-	-	(32,848)	(32,848)
Issue of shares	39,950	359,550	-	-	399,500
Issue of options	-	(1,502)	1,502	-	-
Share issue expenses	-	(32,554)	-	-	(32,554)
Balance at 31 December 2010	189,950	752,906	29,502	(35,740)	936,618

IMPERIAL MINERALS PLC
CONSOLIDATED STATEMENT OF CASH FLOWS
For the six months ending 31 December 2010

	Note	6 months to 31 Dec 2010 Unaudited £	Year ended 30 June 2010 Audited £
Cash flows from operating activities	4	(31,572)	(3,639)
Net cash used in operating activities		<u>(31,572)</u>	<u>(3,639)</u>
Cash flows from investing activities			
Interest received		1,216	-
Cash flows from investing activities		<u>1,216</u>	<u>-</u>
Cash flows from financing activities			
Proceeds from issue of share capital		397,998	624,999
Share issue expenses paid		(32,554)	(19,588)
Cash flows from financing activities		<u>365,444</u>	<u>605,411</u>
Net increase in cash and cash equivalents		335,088	601,772
Cash and cash equivalents at beginning of year		601,773	1
Cash and cash equivalents at end of period		<u><u>936,861</u></u>	<u><u>601,773</u></u>

NOTE 1: BASIS OF PREPARATION

The condensed consolidated interim financial information of the Group for the six months ended 31 December 2010 which comprise the Company and its subsidiary (together referred to as the "Group") were approved by the Board on 21 March 2011. The interim financial information has not been reviewed or audited. The interim financial information has been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS and IFRIC interpretations) issued by the International Accounting Standards Board ("IASB") as adopted for use in the EU. The financial information for the six months to 31 December 2010 does not constitute statutory accounts of the Group. This financial information has been prepared in accordance with the accounting policies that are expected to be applied in the Report and Accounts of Imperial Minerals PLC for the year ending 30 June 2011. The statutory accounts for the year ended 30 June 2010 have been filed with the Registrar of Companies. The auditor's report on those accounts was unqualified, did not include any references to any matters to which the auditors drew attention by way of emphasis and did not contain a statement under section 498(2)-(3) of the Companies Act 2006.

Imperial Minerals plc, the legal parent, is domiciled and incorporated in the United Kingdom. The functional currency of Imperial Minerals plc is £ sterling.

The Financial Statements are presented in sterling (£), rounded to the nearest pound and have been prepared on the going concern basis.

NOTE 2: TAXATION

No taxation has been provided due to losses in the period. No deferred tax asset has been recognised for past or current losses as the recoverability of any such assets is not probable in the foreseeable future

NOTE 3: LOSS PER SHARE

The calculation of the basic loss per share of 0.203 pence is based on the loss attributable to ordinary shareholders of £32,848 and on the weighted average number of ordinary shares of 16,107,811 in issue during the period.

In accordance with IAS 33, no diluted earnings per share is presented as the effect on the exercise of share options or warrants would be to decrease the loss per share.

IMPERIAL MINERALS PLC
NOTES TO THE INTERIM FINANCIAL INFORMATION

NOTE 4: NOTES TO THE CASH FLOW STATEMENT

	6 months to 31 Dec 2010 Unaudited £	Year ended 30 June 2010 Audited £
Reconciliation of loss from operations to cash flows from operating activities		
Loss from operations	(35,059)	(2,892)
Share option expense	1,502	-
Increase in trade and other receivables	(7,317)	(3,417)
Increase in trade and other payables	9,302	2,670
Cash flow from operating activities	(31,572)	(3,639)

NOTE 5: POST BALANCE SHEET EVENTS

None.

NOTE 6: FORWARD LOOKING STATEMENTS

This report contains certain forward looking statements, which include assumptions with respect to future plans, results and capital expenditures. The reader is cautioned that assumptions used in the preparation of such information may prove to be incorrect. All such forward looking statements involve substantial known and unknown risks and uncertainties, certain of which are beyond the Company's control. Please refer to the Company's Annual Report available from the Company's web site for a list of risk factors. The Company's actual results could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits the Company will derive therefrom. All subsequent forward-looking statements, whether written or oral, attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. Furthermore, the forward-looking statements contained in this report are made as at the date of this report

NOTE 7: INTERIM REPORT

Copies of this interim report for the six months ended 31 December 2010 will be available from the offices of Imperial Minerals Plc, 2 Stone Buildings Lincoln's Inn London WC2A 3TH, and on the company's website www.imperialminerals.com