

For Release 24 August 2010

LANDORE RESOURCES LIMITED

INTERIM STATEMENT
For the six months ended 30 June 2010

www.landore.com

LANDORE RESOURCES LIMITED

COMPANY INFORMATION

Directors

William Humphries	(Chairman)
Richard Prickett	(Chief Executive Officer and Finance Director)
Charles Wilkinson	(Non-Executive Director)
Helen Green	(Non-Executive Director)

Secretary Rysaffe International Services Limited

Registered office

PO Box 141
La Tonnelle House
Les Banques
St Sampson
Guernsey GY1 3HS

**Nominated adviser
& Broker**

Strand Hanson Limited
26 Mount Row
London W1K 3SQ

Auditors

Grant Thornton Limited
Lefebvre House
Lefebvre Street
St. Peter Port
Guernsey GY1 3TF

Registrars

Rysaffe International Services Limited
PO Box 141
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Queensway House
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LANDORE RESOURCES LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS FOR THE SIX MONTHS ENDED 30 JUNE 2010

General

The following discussion of performance, financial condition and future prospects should be read in conjunction with the interim consolidated financial statements of the Group and notes thereto for the period from 1 January 2010 to 30 June 2010. All amounts are stated in sterling.

Overview

Landore Resources Limited is listed on the Alternative Investment Market in London, with the trading symbol of LND.L. The Company is based in Guernsey in the Channel Islands and its operating subsidiary, Landore Resources Canada Inc, is engaged in the exploration and development of a portfolio of precious and base metal properties in North America.

Results of Operations

The financial results for the six months to 30 June 2010 show a loss of £2,098,990 (2009: loss of £2,007,066). These results are in line with expectations. During the six month period exploration costs were £1,483,823 (2009: £1,391,039) and administrative expenses were £615,192 (2009: £627,003). It should be noted that an amount of £44,680 (2009: £22,827) for share based payments and £5,917 (2009: £39,897) for exchange losses were included within administrative expenses.

During the period under review £1,225,400 net of expenses was raised from the issue of 11,200,000 shares and £35,000 was raised as a result of 500,000 share options being exercised. Subsequent to the period end a further £2,575,635 before expenses has been raised from the issue of 35,526,000 new ordinary shares at a price of 7.25p per share.

Mineral Exploration Activities

The Group's exploration activities have been almost entirely focused on the Junior Lake project.

The Junior Lake property

The Junior Lake property, 100% owned by Landore, is located in the province of Ontario, Canada, approximately 235 kilometres north-northeast of Thunder Bay and is host to; the VW Nickel deposit, the B4-7 deposit, the Lamaune Iron deposit, the Lamaune Gold prospect and numerous other highly prospective mineral occurrences.

Lamaune Iron Deposit

Landore continues to develop its Lamaune Iron Deposit and in late 2009 initiated independent studies to provide an estimate of the potential size and quality of the deposit. This independent study, which was completed in the second quarter of 2010, used advanced geological modelling of the high quality geophysical data set, drilling, measurements of core sample magnetism, field work and assay results. This work has identified an exploration target, further drilling is planned to define a mineral resource:

To 400 metres depth		
Cut-Off %	Cumulative tonnes	Average grade Fe %
15	635,313,686	25.7
20	371,435,320	31.9
25	254,519,350	36.6
30	245,519,350	36.6

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MANAGEMENT DISCUSSION AND ANALYSIS (continued) FOR THE SIX MONTHS ENDED 30 JUNE 2010

Lamaune Iron Deposit (continued)

Additional intercepts of the iron formation were obtained during the Lamaune Gold drilling and results show continuity of good quality iron formation several kilometres east of the core area. Additional sampling will be completed in 2010 on selected intersection obtained during this drilling.

During the third quarter Landore has commenced a marketing and transportation study for the Lamaune Iron project.

B4-7 Deposit

The final NI 43-101 technical report using 2009 definition drilling, geological modelling and evaluation has been received from Landore's independent consultants. In summary, estimated mineral resources are:

- Indicated - 2.00 million tonnes at 1.06 per cent. Nickel Equivalent (NiEq)
- Inferred - 0.61 million tonnes at 0.87 per cent. NiEq.

For a contained 26,521 tonnes NiEq.

Other metals in the deposit include Cu, Co, Pt, Pd and Au. Tonnages are reported using cut-off grade of 0.25% Ni.

VW Deposit

The final NI 43-101 technical report using 2009 definition drilling has been received from Landore's independent consultants. In summary, estimated mineral resources are:

- Indicated - 3.73 million tonnes at 0.49 per cent. Nickel Equivalent (NiEq)
- Inferred - 0.72 million tonnes at 0.49 per cent. NiEq.

For a contained 21,760 tonnes NiEq.

Tonnages are reported using cut-off grade of 0.25% Ni.

Lamaune Gold Prospect

An exploration drilling program, consisting of 62 holes for a total of 9,490m of diamond drilling has been completed over a 1.2 kilometre strike length on the recently discovered and prospective Lamaune Gold area.

The drill campaign has successfully demonstrated approximately a kilometre strike length of wide, continuous low grade gold mineralization that remains open at depth and potentially along strike. In addition, several narrow, high grade veins have been intersected.

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MANAGEMENT DISCUSSION AND ANALYSIS (continued) FOR THE SIX MONTHS ENDED 30 JUNE 2010

Lamaune Gold Prospect (continued)

Results from the 2010 Lamaune Gold exploration program have been positive and selected highlight results, not already reported, include:

Drill-hole No	From Metres	Intersection Metres	Gold g/t
1110-111	4.67	5.00	0.56
1110-114	182.30	1.50	2.28
and	239.50	26.55	0.26
1110-118	13.70	0.55	6.39
1110-119	33.5	10.50	0.98
including	35.0	6.00	1.41
1110-120	68.00	9.00	0.37
1110-121	158.00	1.50	2.30
1110-123	7.50	1.50	0.47
1110-127	61.50	3.70	0.34
1110-131	38.50	3.00	0.46
1110-132	96.00	10.50	0.44
1110-134	28.00	6.00	5.87
including	32.50	1.50	21.72
1110-135	52.00	1.50	3.77
and	99.00	4.50	1.28
1110-137	109.50	9.75	0.65
1110-139	22.30	6.70	0.94
and	36.00	11.00	0.41
1110-140	99.50	19.50	0.50

Landore has also initiated both an independent study to estimate the tonnage and grade potential of Lamaune Gold and commenced independent metallurgical testing of the two gold zones.

Junior Lake Exploration

Geological mapping, modelling and exploration drilling continues to show that favourable geology for a significant gold and / or base metal deposit is present at the Junior Lake property. This conclusion is based upon:

1. The presence of gold and base metal mineralization itself in deposits discovered to date;
2. Highly favourable geology due to the proximity of a major terrane boundary, significant shearing with inhomogeneous strain leading to brittle and ductile deformation, rock competency contrasts, amphibolite grade metamorphism and micro-fracture network development; and
3. Evidence of progressive deformation over a long lived deformation event as evidenced by garnet development and deformation.

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MANAGEMENT DISCUSSION AND ANALYSIS (continued) FOR THE SIX MONTHS ENDED 30 JUNE 2010

Junior Lake Exploration (continued)

Landore has subsequently commenced prospecting and field based exploration of three priority areas:

Grassy Pond and Ladle Lake

Field exploration of two areas characterised by numerous strong geophysical anomalies has started; one to the west and on trend from the B4-7 and VW deposits and the second to the north of the VW deposit. Early results on the B4-16 conductor have exposed a 6metre wide sulphide bearing shear zone with abundant quartz veins collectively up to 1metre wide with sulphide mineralization.

Toronto Lake

Exploration was also initiated in the Toronto Lake area, on the south-east section of the Junior Lake property, and also an area of an historic gold showing. Initial exploration results have shown strong sulphide mineralisation and silicification in several historic dynamite pits located on two shear zones in granite.

For further information on Landore and its projects please visit the Company's website www.landore.com

Change of Broker

Landore has appointed Strand Hanson Limited as the Company's sole broker with effect from 24 August 2010. Strand Hanson also continues to act as the Company's Nominated Adviser.

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MANAGEMENT DISCUSSION AND ANALYSIS (continued) FOR THE SIX MONTHS ENDED 30 JUNE 2010

Accounting Policies

The Company has adopted accounting policies which are in line with International Financial Reporting Standards. A full set of these policies were included in the financial statements to 31 December 2009.

Use of Financial Instruments

The Company has not entered into any specialised financial agreements to minimise its investment risk, currency risk or commodity risk. There are no off-balance sheet arrangements. The principal financial instruments affecting the Company's financial condition and results of operations are currently its cash and short-term money market investments.

Forward Looking Statements

The above contains forward looking statements that are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in our forward looking statements. Factors that could cause such differences include: changes in world gold markets, equity markets, costs and supply of material relevant to the mining industry, change in government and changes to regulations affecting the mining industry. Although we believe the expectations reflected in our forward looking statements are reasonable, results may vary, and we cannot guarantee future results, levels of activity, performance or achievements.

LANDORE RESOURCES LIMITED

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2010

		Group Six months ended 30 June 2010 £	Group Six months ended 30 June 2009 £
Exploration costs	2	(1,483,823)	(1,391,039)
Administrative expenses		(615,192)	(627,003)
Operating loss		<u>(2,099,015)</u>	<u>(2,018,042)</u>
Finance income		25	10,976
Loss before income tax		<u>(2,098,990)</u>	<u>(2,007,066)</u>
Income tax expense		-	-
Loss for the period		<u><u>(2,098,990)</u></u>	<u><u>(2,007,066)</u></u>
Other comprehensive income:			
Exchange difference on translating foreign operations		(23,011)	(18,494)
Other comprehensive income for the year net of tax		<u>(23,011)</u>	<u>(18,494)</u>
Total comprehensive loss for the period		<u><u>(2,122,001)</u></u>	<u><u>(2,025,560)</u></u>
Loss attributable to:			
Equity holders of the Company		<u>(2,098,990)</u>	<u>(2,007,066)</u>
Total comprehensive loss attributable to:			
Equity holders of the Company		<u><u>(2,122,001)</u></u>	<u><u>(2,025,560)</u></u>
Loss per share attributable to the equity holders of the Company during the year			
- basic & diluted	3	<u>(£0.01)</u>	<u>(£0.01)</u>

The Group's operating loss relates to continuing operations.

The notes and accounting policies on pages 11 to 13 form part of these interim financial statements

LANDORE RESOURCES LIMITED

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2010

	Group Six months ended 30 June 2010 £	Group Six months ended 30 June 2009 £
Loss for the period	(2,098,990)	(2,007,066)
Other comprehensive loss for the period	(23,011)	(18,494)
Net loss recognised directly in equity	(2,122,001)	(2,025,560)
Issue of ordinary share capital	117,000	8,500
Share premium arising on issue of ordinary share capital	1,150,000	45,050
Issue costs	(6,600)	-
Issue of share options	44,680	22,827
Net increase/ in shareholders' funds	(816,921)	(1,949,183)
Opening shareholders' funds at 1 January	831,077	3,347,453
Closing shareholders' funds at 30 June	14,156	1,398,270

The notes and accounting policies on pages 11 to 13 form part of these interim financial statements

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UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2010

	Notes	Group As at 30 June 2010 £	Group As at 30 June 2009 £	Group As at 31 December 2009 £
Assets				
Non current assets				
Property, plant and equipment		128,680	115,062	120,370
		128,680	115,062	120,370
Current assets				
Trade and other receivables		137,340	518,155	143,428
Cash and cash equivalents		809,029	1,070,933	792,583
		946,369	1,589,088	936,011
Total assets		1,075,049	1,704,150	1,056,381
Equity				
Capital and reserves attributable to the Company's equity holders				
Share capital	4	2,016,592	1,820,492	1,899,592
Share premium	4	15,834,557	13,664,982	14,691,157
Share options	5	888,574	784,759	860,880
Other reserves/warrants	6	143,659	143,659	143,659
Retained earnings	7	(19,050,275)	(15,176,738)	(16,968,271)
Cumulative translation adjustment		181,049	161,116	204,060
Total equity		14,156	1,398,270	831,077
Liabilities				
Non current liabilities				
Income tax liabilities		26,581	-	28,718
		26,581	-	28,718
Current liabilities				
Trade and other payables	9	1,022,920	305,880	189,407
Income tax liabilities		11,392	-	7,179
		1,034,312	305,880	196,586
Total liabilities		1,060,893	305,880	225,304
Total equity and liabilities		1,075,049	1,704,150	1,056,381

The notes and accounting policies on pages 11 to 13 form part of these interim financial statements

LANDORE RESOURCES LIMITED**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2010**

	Notes	Group Six months ended 30 June 2010 £	Group Six months ended 30 June 2009 £
Cash flows from operating activities			
Cash generated from operations	8	(1,217,936)	(1,820,504)
Cash flows from investing activities			
Purchases of property, plant and equipment		<u>(20,090)</u>	<u>(41,208)</u>
		(20,090)	(41,208)
Cash flows from financing activities			
Issue of ordinary share capital		1,267,000	53,550
Issue costs		<u>(6,600)</u>	<u>-</u>
		1,260,400	53,550
Net increase/(decrease) in cash and cash equivalents		<u>22,374</u>	<u>(1,808,162)</u>
Cash and cash equivalents at beginning of period		792,583	2,882,283
Exchange (losses) on cash and cash equivalents		<u>(5,928)</u>	<u>(3,188)</u>
Cash and cash equivalents at end of period		<u>809,029</u>	<u>1,070,933</u>

The notes and accounting policies on pages 11 to 13 form part of these interim financial statements

LANDORE RESOURCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2010

1 Basis of accounting and accounting policies

The financial statements have been prepared in accordance with those International Financial Reporting Standards (“IFRS”) and International Financial Reporting Interpretations Committee (“IFRIC”) interpretations issued and effective or issued and early adopted as at the time of preparing these financial statements (August 2010).

The financial statements have not been audited and have been prepared on the historical cost basis. The principal accounting policies adopted are consistent with those adopted in the annual accounts to 31 December 2009.

2 Exploration expenditure and mineral properties

	1 January 2010 £	Net Expenditure in period £	Accumulated expenditure 30 June 2010 £
Miminiska Lake	1,170,450	40,517	1,210,967
Junior Lake	7,502,349	1,477,115	8,979,464
Fronde Lake	72,043	1,988	74,031
Wottam	61,558	-	61,558
Lamaune	1,172,288	-	1,172,288
Lessard	643,710	(90,433)	553,277
Other	33,275	54,636	87,911
	<u>10,655,673</u>	<u>1,483,823</u>	<u>12,139,496</u>

Mineral properties at 30 June 2010 represent accumulated costs to date incurred by Landore Resources Canada Inc., a subsidiary of Landore Resources Limited. On acquisition of Landore Resources Canada Inc. on 5 April 2006 the fair value of those costs incurred to date was considered to be £Nil. All subsequent expenditure in the period has been charged to the income statement in accordance with the group accounting policy.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2010

3 Loss per share

The loss per share is based on the loss for the period and the weighted number of ordinary shares in issue during the period, being 195,576,452 (2009: 181,274,187).

Diluted loss per share

The potential ordinary shares which arise as a result of the options in issue are not dilutive under the terms of IAS 33 because they would not increase the loss per share. Accordingly there is no difference between the basic and dilutive loss per share.

4 Share capital

	30 June 2010	1 January 2010
	£	£
Authorised:		
500,000,000 (2009: 250,000,000) ordinary shares of 1 pence each	5,000,000	2,500,000
Issued:		
201,659,325 ordinary shares of 1 pence each	2,016,592	1,899,592
	Ordinary shares 2010	Share premium 2010
	£	£
Issued:		
At 1 January 2010	1,899,592	14,691,157
Issued in the year	117,000	1,150,000
Share issue costs	-	(6,600)
At 30 June 2010	2,016,592	15,834,557

The company made allotments of ordinary 1p shares with an aggregate nominal value of £117,000 (before issue costs) during the year as follows:

	Number of shares	Nominal value	Share premium
16 March 2010 - share options exercised for 7p per share	500,000	5,000	30,000
6 April 2010 – shares issued for 11p per share	11,200,000	112,000	1,120,000
	11,700,000	117,000	1,150,000

All issues were settled in cash.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2010

5 Share options

	£
Share options reserve brought forward at 1 January 2010	860,880
Charge for options granted during the period	44,680
Transfer to profit and loss reserve for exercised options	(16,986)
Share options reserve carried forward at 30 June 2010	888,574

6 Other reserves

The other reserves figure relates to warrants acquired on acquisition of Landore Resources Canada Inc. These were existing warrants acquired on a one for one basis and were exercised on 4 April 2009.

7 Profit and loss reserve

	£
Issued:	
At 1 January 2010	(16,968,271)
Loss for the period	(2,098,990)
Transfer from share options reserve	16,986
At 30 June 2010	(19,050,275)

8 Cash generated from operations

	Six months ended 30 June 2010 £	Six months ended 30 June 2009 £
Operating loss	(2,099,015)	(2,018,042)
Depreciation of property, plant and equipment	18,744	16,689
Decrease in receivables	87,899	5,392
Increase in payables	624,320	178,545
Finance income	25	10,976
Share based payment	44,680	22,827
Foreign exchange	105,411	(36,891)
Net cash outflow from operating activities	(1,217,936)	(1,820,504)

9 Post balance sheet events

On 7 July 2010, 35,526,000 new ordinary shares were allotted at a price of 7.25p per share to raise approximately £2,575,635 before expenses. As at 30 June 2010 £535,267 subscription monies had been received in advance and are included in trade and other payables, this amount was transferred to equity on 7 July 2010 .