

London Mining Plc

Commentary on interim results for the three months to 31 December 2007 (unaudited)

The fourth quarter of 2007 was another busy period of growth and progress for London Mining Plc.

The highlights of the fourth quarter are as follows:

- Listing of the Ordinary Shares of the Company on the Axxess market of the Oslo Stock Exchange on 9 October 2007;
- Completion of private placement of 18,824,000 Ordinary Shares and public placement of 572,500 Ordinary Shares at 17 Norwegian Krone (“NOK”) per share;
- Commencement of negotiations which have culminated in the pursuing by the Company with effect from the first quarter of 2008 of a new iron ore project in Saudi Arabia as a partner in a 50:50 Joint Venture with National Mining Company on the Wadi Sawawin iron ore project 60km from the Red Sea coast of Saudi Arabia, 900km north of Jeddah. Resources total 411.9 MT with an average grade of 42% Fe and 28% SiO₂. Scoping study underway with commitment to a bankable feasibility study;
- The expansion project, to increase tonnage sold from under 500,000 tonnes per annum to 3,800,000 tonnes per annum, at the London Mining Brasil Mineracao Ltda operating iron ore mine in Brazil continues. New sinter feed plant over 50% completed and output of lump ore (granulado) increased over 30% year on year – with prices up 23.5% year on year. Negotiations continue with a view to securing long term port and rail facilities for export;
- Progress continues towards re-opening the Marampa iron ore mine in Sierra Leone, including repairs to road and rail, hiring new Managing Director and commencing resource definition drilling on the tailings deposit;
- Continuing exploration on the major Isua iron ore deposit in Greenland, including appointment of Wardell Armstrong to review project activities conducted to date;
- Exploration drilling (1,280 metres) now completed at El Artillero, Mexico;
- Caspian Investments BVI takes a 29% stake in the Company;
- Passport Capital increases its stake in the Company to 9%; and
- Pioneer Iron & Steel, a long term off-take partner, increases its stake to 7%.

Looking back over the year ended 31 December 2007 overall, 2007 has been a transformational year for the Group, with the following highlights:

