

**7th September 2011**

**Watermark Global Plc  
("Watermark" or the "Company")  
Interim Results for the six months Ended 30 June 2011**

Watermark Global ( WET:LSE), the AIM quoted company that focuses on the treatment of Acid Mine Drainage in South Africa announces its Interim Results today.

**Highlights**

- Continued to lobby the South African Government and its agencies to support the Watermark solution to the imminent acid mine drainage issues
- Received £120,000 from Trans Caledon Tunnel Association as payment for part of the Company's Definitive Feasibility Study to fast track their due diligence process
- Raised £1,500,000 from UK & Australian institutions in June 2011 to allow the company to continue with actively promoting its solution
- Loss from continuing operations for 6 months to end June was £745,000 (2010 loss: £420,000), a loss of 0.76p per share (2010 loss: 0.059p per share)
- Appointment of Mr Hartley Dikgale to the Board of Directors and resignation of Mr Adam Gunn from the Board of Directors

**Results Summary**

The loss from ordinary activities for the six month period ended 30 June 2009 was £745,000 (2010: loss of £420,000), a loss of 0.01p per share (2010: loss of 0.059p per share). This loss is inclusive of non-recurring development costs with respect to the water project in South Africa. The cash position of the Company at 30 June 2011 was approximately £1,500,000. The Directors are actively continuing to conserve cash as the Company awaits a decision from the South African Government.

**CHAIRMAN'S STATEMENT**

It is now some 16 months since the Minister for the Department of Water Affairs and Environment (DWA) in South Africa gave an address to Parliament accepting that there was "a big problem of Acid Mine Drainage (AMD) in the Witwatersrand area which threatens our ground water resources.... We are currently involved with short term solutions to alleviate the worst effects.... We also need a sustainable long term strategy to manage this. I hope you will be encouraged when I tell you that we are presently hard at work with mining operators in search of a lasting solution."

During 2010 the Department of Water Affairs and Environment (DWA) acknowledged its responsibility and liability associated with ownerless and abandoned mines within the project area and announced that a

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Public Private Partnership (“PPP”) structure would be the preferred structure to be entered into between the State and the mines in respect of a long term solution to clean up the AMD.

In simple terms, and for the sake of re-inforcing some very significant points, WUC has:

- conducted pilot plant tests for the optimum method of treating AMD;
- completed 14 specialist studies as part of the EIA process which will form the basis of the Environmental Impact Report (EIR);
- completed a Definitive Feasibility Study (DFS) which has been signed off by an Independent third party, Golder & Associates (a well-established, international consultancy);

A Government task force was established in 2010 whose role was to collect information, investigate the scope and scale of the problem, determine possible solutions and report back to a ministerial committee drawn from the Ministers of the various interested sectors (e.g. water affairs, mining, finance, etc.). On 24 February 2011, the DWA published this report entitled “Mine Water Management in the Witwatersrand Gold Fields with Special Emphasis on Acid Mine Drainage”. (This can be viewed on line at: <http://www.dwaf.gov.za/Documents/ACIDReport.pdf> )

The report reviewed the technologies available for the treatment of the AMD within each of the Witwatersrand basins (Western, Central and Eastern). The report indicates that the Alkali Barium Calcium (“ABC”) and Magnesium Barium Alkaline (“MBA”) processes, both of which were developed by the Council for Scientific and Industrial Research (“CSIR”) and TUT (‘Tshwane University of Technology’) were economically viable. As WUC was involved in developing the technology it has retained rights to the ABC process and any additional improvements on the ABC process (which includes the MBA process). WUC would receive a fee if this chemical process is used anywhere in the world to treat AMD.

The Board believes that the appointment of the Trans-Caledon Tunnel Association (TCTA) in February 2011, a quasi-state organisation tasked with the implementation of critical infrastructure projects with specific reference to bulk water supply, as the Government’s implementation agent was an encouraging move. TCTA’s role is to implement a short term solution to prevent AMD from causing further damage to the environment. WUC has been discussing with the TCTA, which understands the commercial environment, on how it can assist in the short term solution whilst at the same time realising value for its shareholders. We announced on 6<sup>th</sup> June 2011 that we had concluded an agreement with TCTA to release part of the

Company’s DFS to the TCTA in exchange for a payment of approximately £120,000. Further agreements are possible but they would not prevent WUC from participating in the operation and maintenance of the short, medium or long term aspects of AMD treatment in respect of which WUC fully intends to tender and which have been announced by the DWA on the 11<sup>th</sup> of August 2011. The long term tender put out by DWA is for a feasibility study for all three basins. WUC will not be tendering for the feasibility study since the participants in the tender will then be precluded from taking part in subsequent tenders for construction and operation and maintenance. WUC intends to participate in the operation and maintenance of the long term solution and will also engage with the successful party on the long term tender to introduce the benefits from the work already completed by WUC and to fully explain the ABC process which according to the WUC DFS completed in November 2009 will be the most economical process.

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The Company remains very active in engaging all interested parties – especially Government and industry as well as Black Economic Empowerment Groups – to continue working towards a long term solution. Whilst the press in South Africa and various pressure groups continue to raise the issue and apply pressure for urgent action it should be noted that at this stage the Company continues to be unable to provide a definitive timeframe as to when further progress will be made or what WUC's role in any longer term solution will be. Accordingly, the Company will continue to manage its cash resources judiciously and minimise its costs in a manner that will enable it to continue to operate on a reduced basis until such time as its role becomes clear.

### **2011 Fundraising**

On 1<sup>st</sup> June 2011, Watermark announced a conditional placing of up to 430,000,000 new ordinary shares in the Company at a price of 0.35p raising gross proceeds of £1,505,000. The Placing helped to ensure continuity of existing operations, without any interruption or loss of competitive advantage as we hope to move into a period where we can actively assist in the Government's plan to clean up AMD as part of the short term and long term projects. The Placing was conducted in two tranches of £462,000 and £1,043,000 respectively with the second tranche subject to shareholder approval at the Company's AGM on 30 June 2011.

Completion of the Placing has allowed the Company to continue to progress discussions with the TCTA on how it can be involved further with both the short term and long term solutions. It has also provided sufficient working capital to allow us to expand our technical team should we need to as the projects advance. At the same time, the Company is seeking to utilise its extensive intellectual property into other business areas. Accordingly, some of the Placing proceeds have been set aside for the purpose of reviewing and carrying out due diligence in relation to other investment opportunities which, if completed, would be expected to add to the Company's asset base and enhance shareholder value.

As previously reported, there are at present two opportunities which we have identified as prospective. One is an AMD remediation project associated with anthracite coal mining and briquetting of the resulting waste fines. The other involves the separation of water and oil from an oil producing field to create industrial grade usable water. It is expected that further updates on the status of these opportunities will be provided to the market in the coming weeks. It should be stressed that neither of these opportunities should in any way be seen as a diminution of our resolve or attitude towards the treatment of AMD in the gold fields of South Africa which remains the focus of Watermark's business.

### **Outlook**

The directors of Watermark continue to believe that its solution to AMD problem is favoured by many of the mining companies themselves and we believe that we remain well ahead of any competing technologies in terms of getting our selected process, technology, and approvals to market. It remains clearly in the government's court and that of its various key agencies, to urgently demonstrate that it can be an agent of change for good.

In closing, I would like to formally welcome Mr Hartley Dikgale to the Board of Watermark. Hartley's appointment was announced on 18 August 2011. He brings to the Board extensive skills and experience in the commercial and legal aspects of mining, water remediation and other environmental issues as well as

having substantial contacts and links throughout the South African bureaucracy. I would also like to thank retiring director Adam Gunn for his valuable contribution to Watermark and its activities during his tenure as a director.

Once again, I wish to thank our dedicated staff in South Africa who have continued to operate in a difficult environment. In the face of the need to conserve cash, they have continued to maintain a number of important cost cutting measures to keep the project afloat while the Government considers the issue. I would also like to thank our strong shareholder base for their continued support and interest in the Company and for this very important project.

Peter Marks

**Condensed Consolidated Statement of Comprehensive Income**  
**For the period ending 30 June 2011**

	Note	Six months ended	
		30/06/2011	30/06/2010
		£'000	£'000
<b>Continuing operations</b>			
Revenue		121	20
Cost of sales		-	-
<b>Gross profit</b>		121	20

Investment revenue		1	1
Depreciation and amortisation expenses		(4)	(5)
Finance cost	4	(139)	(116)
Consulting expenses		-	(34)
Other expenses		(724)	(286)
<b>Loss before tax</b>		(745)	(420)
Income tax		-	-
<b>Loss for the period from continuing operations</b>		(745)	(420)
<b>Other comprehensive income</b>			
<i>Exchange differences on translating foreign operations</i>			
Exchange differences arising during the period		116	(122)
Total comprehensive loss for the period		(629)	(542)
<b>Total comprehensive loss attributable to</b>			
Owners of Watermark Global Plc		(629)	(542)
<b>Loss per share</b>			
<b><i>From continued operations</i></b>			
Basic	6	0.076p	0.059p
Fully diluted	6	0.076p	0.059p

**Condensed Consolidated Statement of Financial Position**  
**As at 30 June 2011**

	Notes	30/06/2011 £'000	31/12/2010 £'000
<b>Assets</b>			
<b>Non Current assets</b>			
Intangible assets	7	3,220	3,474
Property, plant and equipment		5	9
		<u>3,225</u>	<u>3,483</u>
<b>Current assets</b>			
Trade and other receivables		150	6
Cash and cash equivalents		1,500	396
		<u>1,650</u>	<u>402</u>
<b>Total assets</b>		<b><u>4,875</u></b>	<b><u>3,885</u></b>
<b>Equity and liabilities</b>			
Share capital		2,140	1,454
Share premium account	10	10,723	9,808
Share option reserve	10	1,420	1,420
Foreign exchange reserves	10	264	148
Retained earnings	10	(11,899)	(11,154)
<b>Equity attributable to owners of the Company</b>		<b><u>2,648</u></b>	<b><u>1,676</u></b>
<b>Non-current liabilities</b>			
Borrowings	8	1,365	1,324
<b>Current liabilities</b>			
Trade and other payables		367	350
Borrowings	8	495	535
<b>Total liabilities</b>		<b><u>2,227</u></b>	<b><u>2,209</u></b>
<b>Total equity and liabilities</b>		<b><u>4,875</u></b>	<b><u>3,885</u></b>

**Condensed Consolidated Statement of Changes in Equity**  
**For the period ended 30 June 2011**

	Share Capital £'000	Share Premium £'000	Share Option Reserve £'000	Retained Earnings £'000	FX Reserves £'000	Attributable to Owners £'000	Total £'000
<b>Balance 01/01/2010</b>	<b>1,031</b>	<b>9,454</b>	<b>1,420</b>	<b>(10,068)</b>	-	<b>1,837</b>	<b>1,837</b>
Loss for the period	-	-	-	(420)	-	(420)	(420)
Other comprehensive income					(122)	(122)	(122)
Total comprehensive income for the period	-	-	-	(420)	(122)	(542)	(542)
Share placement	368	307	-	-	-	675	675
Issue of ordinary shares for raising fees	18	15			-	33	33
<b>Balance 30/06/2010</b>	<b>1,417</b>	<b>9,776</b>	<b>1,420</b>	<b>(10,488)</b>	<b>(122)</b>	<b>2,003</b>	<b>2,003</b>
<b>Balance 01/01/2011</b>	<b>1,454</b>	<b>9,808</b>	<b>1,420</b>	<b>(11,154)</b>	<b>148</b>	<b>1,676</b>	<b>1,676</b>
Loss for the period	-	-	-	(745)		(745)	(745)
Other comprehensive income					116	116	116
Total comprehensive income for the period	-	-	-	(745)	264	(629)	(629)
Share placement	645	860	-	-	-	1,505	1,505
Issue of ordinary shares for raising fees	41	55			-	96	96
<b>Balance 30/06/2011</b>	<b>2,140</b>	<b>10,723</b>	<b>1,420</b>	<b>(11,899)</b>	<b>264</b>	<b>2,648</b>	<b>2,648</b>

The following describes the nature and purpose of each reserve within owners' equity:

<b>Reserve</b>	<b>Description and purpose</b>
Share capital	Amount subscribed for share capital at nominal value
Share premium	Amount subscribed for share capital in excess of nominal value, net of allowable expenses
Share option reserve	Reserve for shares granted but not exercised
Retained earnings	Cumulative net gains and losses recognised in the statement of comprehensive income
Foreign exchange reserves	Cumulative net gains and losses recognised on foreign currency transactions

**Condensed Consolidated Statement of Cash Flows**  
**For the period ended 30 June 2011**

	<b>Six Months ended</b>	
	<b>30/06/2011</b>	<b>30/06/2010</b>
	<b>£'000</b>	<b>£'000</b>
<b>Cash flows from operating activities</b>		
Loss before taxation	(745)	(420)
Depreciation	4	5
Foreign exchange differences	370	36
Gain on disposal of assets	-	(1)
Expenses for equity settled commissions	96	33
Interest paid	139	116
Interest received	(1)	(1)
	<u>(137)</u>	<u>(232)</u>
<b>Changes in working capital</b>		
(Increase) / Decrease in trade and other receivables	(143)	52
Increase / (Decrease) in trade creditors and other payables	18	(170)
<b>Net cash used in operating activities</b>	<u>(262)</u>	<u>(350)</u>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment and development costs	-	(213)
Proceeds from disposal of fixed assets	-	1
Interest received	-	1
<b>Net cash used in investing activities</b>	<u>-</u>	<u>(211)</u>
<b>Cash flows from financing activities</b>		
Proceeds from share placement	1,505	675
Proceeds from IDC Investment	-	435
Proceeds from Mine Loan Agreements	-	48
Interest paid	(139)	(116)
<b>Net cash from financing activities</b>	<u>1,366</u>	<u>1,042</u>
<b>Net increase in cash and cash equivalents</b>	1,104	481
<b>Cash and cash equivalents brought forward</b>	396	279
<b>Cash and cash equivalents carried forward</b>	<u>1,500</u>	<u>760</u>

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**Notes to the condensed consolidated financial statements**  
**For the period ended 30 June 2011**

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**1. Incorporation and principal activities**

**Country of incorporation**

Watermark Global Plc was incorporated in the United Kingdom as a public limited company on 19 August 2005. Its registered office is 42, Queen Anne's Gate, London SW1H 9AP. The Company is domiciled in South Africa.

**Principal activities**

The principal activity of the Group during the period was that of commercialising process technologies, namely the process technology for the treatment of acid mine drainage. The principal activity of the Company was that of a holding Company.

**2. Accounting policies**

**2.1 Statement of compliance**

These financial statements do not comprise statutory accounts within the meaning of Section 434 of the Companies Act 2006. The financial information contained in this condensed set of financial statements in respect of the year ended 31 December 2010 has been extracted from the Annual Report and Accounts, which were approved by the Board of Directors on 2<sup>nd</sup> June 2011 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified but did contain an emphasis of matter paragraph in respect of going concern and intangible assets, and did not contain any statement under Section 498 of the Companies Act 2006.

The half-yearly results for the current and comparative periods are unaudited. The auditors have carried out a review of this condensed set of financial statements for the six months ended 30 June 2011 and their report is set out on page 15.

This condensed set of financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union. This condensed set of financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2010 which have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 December 2010 as described in those annual financial statements.

**2.2 Going Concern**

The directors of the company are of the opinion that the Company and Group will continue to trade as a going concern for the next twelve months despite the delay in government approvals. The company has a history of successfully raising capital. The company and group are adept at controlling expenses and reducing our burn to ensure we maintain sufficient cash reserves and we have a program in place to ensure this is the case.

The condensed financial statements do not include the adjustments that would result if the company and group were unable to continue as a going concern.

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**Notes to the condensed consolidated financial statements (continued)**  
**For the period ended 30 June 2011**

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**3. Segmental Information**

**3.1 Segmental information for the period ended 30 June 2010**

For management purposes, the Group is organised into two operating divisions; Corporate and Water Technology. These divisions are the basis on which the Group reports its primary segment information. This information also represents the geographical segments of the United Kingdom and South Africa.

	<b>Corporate</b>	<b>Water Technology</b>	
	<b>United Kingdom</b>	<b>South Africa</b>	<b>Total</b>
	£'000	£'000	£'000
<b>Revenue</b>			
External	15	5	20
Total revenue from continuing operations	15	5	20
<b>Result</b>			
Segment result from continuing operations	(229)	(192)	(421)
Finance income			1
Loss before tax			(420)
Income tax credit			-
			(420)

Other segment items included in the income statement:

	<b>Corporate</b>	<b>Water Technology</b>	
	<b>United Kingdom</b>	<b>South Africa</b>	<b>Total</b>
	£'000	£'000	£'000
Depreciation	-	5	5
Share based Employee Payments	33	-	33

Notes to the condensed consolidated financial statements (continued)  
For the period ended 30 June 2011

3. Segmental Information (continued)

3.1 Segmental information for the period ended 30 June 2010 (continued)

Statement of Financial Position	Corporate	Water	Consolidation	Total
	United Kingdom	Technology South Africa		
	£'000	£'000	£'000	£'000
Segment assets	3,684	3,246	(2,897)	4,033
Segment liabilities	(145)	(4,782)	2,897	(2,030)
<b>Net assets/(liabilities)</b>	<b>3,539</b>	<b>(1,536)</b>	-	<b>2,003</b>

3.2 Segmental information for the period ended 30 June 2011

	Corporate	Water	Total
	United Kingdom	Technology South Africa	
	£'000	£'000	£'000
<b>Revenue</b>			
External	-	121	121
Total revenue from continuing operations	-	121	121
<b>Result</b>			
Segment result from continuing operations	(302)	(444)	(746)
Finance income			1
Loss before tax			(745)
Income tax credit			-
			(745)

**Notes to the condensed consolidated financial statements (continued)**  
**For the period ended 30 June 2011**

**3. Segmental Information (continued)**

**3.2 Segmental information for the period ended 30 June 2011 (continued)**

Other segment items included in the income statement:

	<b>Corporate United Kingdom £'000</b>	<b>Water Technology South Africa £'000</b>	<b>Total £'000</b>
Depreciation	-	4	4
Share based payments for capital raising	96	-	96

<b>Statement of Financial Position</b>	<b>Corporate United Kingdom £'000</b>	<b>Water Technology South Africa £'000</b>	<b>Consolidation Adjustments £'000</b>	<b>Total £'000</b>
Segment assets	5,027	4,465	(2,390)	7,102
Segment liabilities	(186)	(5,600)	3,559	(2,227)
<b>Net assets/(liabilities)</b>	<b>4,841</b>	<b>(1,135)</b>	<b>1,169</b>	<b>4,875</b>

**4. Finance cost**

	<b>Six months ended</b>	
	<b>30/06/2011</b>	<b>30/06/2010</b>
	<b>£'000</b>	<b>£'000</b>
Interest on non-recourse loan (DBSA)	139	116
	139	116

Interest payable on the Development Bank of South Africa ("DBSA") loan is based on a fixed contract rate of 25%. The loan of ZAR 10 million is a non-recourse loan based on the final implementation of the AMD project in South Africa. Should financial closure for the AMD project not be reached, the loan is written-off, alternatively if the project reaches financial closure, the DBSA has the right to fund up to 50% of the debt portion for the project, estimated at ZAR 1 billion.

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**Notes to the condensed consolidated financial statements (continued)**  
**For the period ended 30 June 2011**

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**5. Taxation**

No provision has been made for income tax for the period under review.

**6. Loss per share**

Loss for the period under review attributable to shareholders is £ 744,975 (2010: £420,429). This is divided by the weighted average number of shares outstanding for the period calculated to be 969,540,827 (2010: 707,049,265) to give basic loss per share of 0.076p (2010: 0.059p loss)

The calculation of dilutive loss per share is based on the weighted average number of shares outstanding adjusted by dilutive share options. The group's share options are non-dilutive as the market price of the shares is below the exercise price. Consequently the diluted loss per share has been stated at the same figure as the loss per share.

**7. Intangible assets**

	<b>£'000</b>
<b>Cost</b>	
At 1 January 2011	3,474
Exchange Differences	(254)
At 30 June 2011	<u>3,220</u>
	<b>£'000</b>
<b>Net book value</b>	
31 December 2010	<u>3,474</u>
30 June 2011	<u>3,220</u>

Intangible assets relate to the development costs associated with the Definitive Feasibility Study (DFS) for the Group's AMD project in South Africa. WUC started with the development of the commercial scale plant through the development of a DFS that, amongst others, included the design and costing of the full scale plant, together with the Environmental Impact Assessment (EIA) and resource verification studies.

The Group's AMD project reached the final stages of development during the fourth quarter of 2009, with the DFS being completed by Golder Associates and the submission of the detailed Scoping Report for the EIA. Negotiations commenced with the authorities and with Rand Water for an off-take agreement and with respect to the operating and project model. Progress in this regard has been limited as the mining companies and the authorities have yet to agree on certain important issues pertaining to the project. The cost of the DFS is regarded as a development cost and as such has been capitalised.

Despite the uncertainty above, the directors consider it appropriate to carry these costs as an asset.

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**Notes to the condensed consolidated financial statements (continued)**  
**For the period ended 30 June 2011**

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**8. Other financial liabilities**

<b>Held at amortised cost</b>	<b>30/06/2011</b>	<b>31/12/2010</b>
	<b>£'000</b>	<b>£'000</b>
Development Bank of South Africa Limited	1,365	1,324
Industrial Development Corporation of South Africa	452	486
South African Mining Companies	43	49
	<u>1,860</u>	<u>1,859</u>

*Development Bank of South Africa Limited*

Security held: First ranking pledge and cession in security of the Borrower's shareholders claims in the Borrower; first ranking cession security of all the bank and investment accounts of the Borrower; first ranking pledge and cession of all debtors' balances and claims which the Borrower may have against third parties.

The interest rate is 25% per annum.

The repayment terms: Loan is repayable on the 5<sup>th</sup> anniversary of the commencement date or on the date of the subsequent financial close. Subsequent financial close means the date after which all conditions precedent stipulated in the legal agreements for the undertaken project have been fulfilled, deferred or waived. The undertaken project means the acid mine drainage treatment project to be implemented by the Borrower and/or the Sponsor as a result of the completion of the project. The creditor will forfeit the claim regarding the original loan and any interest accrued if at any stage the undertaken project is assessed as not feasible and all the development regarding the project is abandoned.

*Industrial Development Corporation of South Africa*

IDC has the right to participate in the equity of the Project up to 10% if the Project is implemented.

If one Party elects not to continue, all rights accrued to the non-continuing Party will lapse with the agreement and the non-continuing Party will forthwith settle all amounts owing and the contribution made by such Party will not be recoverable.

If both Parties decide not to continue with the implementation of the Project, neither of the Parties will be entitled to proceed with the Project or any part thereof for a period of 5 years from the date of such decision without first offering the other Party an opportunity to participate.

**Notes to the condensed consolidated financial statements (continued)**  
**For the period ended 30 June 2011**

*South African Mining Companies*

As part of the development project for the treatment of AMD a number of mining companies in South Africa have agreed to support Western Utilities Corporation (PTY) Ltd until additional capital could be raised. The following companies made a contribution based on the terms set out below.

- Harmony Gold Mine (Pty) Ltd - £ 8,600
- West Wits Mining Ltd - £ 8,600
- Rand Uranium (Pty) Ltd - £ 8,600
- Central Rand Gold (Pty) Ltd - £ 8,600, and
- Mintails South Africa (Pty) Ltd - £ 8,600

The agreements were signed in March 2010. These loans bear interest at a rate of 8% per annum.

If the capital raising for the implementation of the long-term solution for AMD on the Witwatersrand is successful, the mines will have the opportunity either to convert the balance of the loan into equity in Western Utilities Corporation (Pty) Ltd or to demand repayment of the full amount of the loan or a combination of repayment and equity conversion. If the capital raising is not successful, each of the mines will waive its rights to repayment and any ancillary rights it may have and in this sense the loan is a non-recourse loan.

**9. Share capital**

In June 2011, the Company completed a capital raising through placing of shares to UK and Australian institutions to raise £1,505,000 (430,000,000 ordinary shares at 0.35 pence). The placing was done in two tranches with the first tranche (132,000,000 ordinary shares at 0.35 pence) completed on the 7 June 2011. The second tranche of the placing was approved by shareholders at the Annual General Meeting held on the 30 June 2011.

**10. Reserves**

	Group foreign exchange reserve	Company and Group share option reserve	Company and Group share premium account	Group profit and loss account
	£'000	£'000	£'000	£'000
At 1 January 2010	-	1,420	9,454	(10,068)
Loss for the year	-	-	-	(1,086)
Exchange difference	148	-	-	-
New shares issued	-	-	307	-
Share based payments	-	-	47	-
At 31 December 2010	148	1,420	9,808	(11,154)
Loss for the period	-	-	-	(745)
Exchange difference	116	-	-	-
New shares issued	-	-	860	-
Share based payments	-	-	55	-
At 30 June 2011	264	1,420	10,723	(11,899)