

**Templar Minerals Limited
("Templar" or the "Company")**

Interim Results

CHAIRMAN'S STATEMENT

I have pleasure in presenting the interim report for the Company for the period ending 30 September 2008.

As reported in the recent Annual report to shareholders, the Company has suspended operations at the Adjara project due to the recent conflict in the region. The Company advised it would only endeavour to recommence operations when deemed appropriate for further foreign direct investment. The Company continues to monitor the changing situation. As such the Company has deemed it prudent at this stage to fully provide for the costs capitalised to date which amounts to approx \$7.4 million. The Company will continue to advise its shareholders of its position with regards to this project.

In regards to the Company's investment in Vatukoula Gold Mines plc, the Company is pleased with progress being made at the Vatukoula Gold Mine which is achieving improved gold production rates.

The Company's AGM was held on 17 October 2008 and all resolutions were passed including renewal of its investment strategy as set out in its admission document. The Company continues to evaluate further acquisition opportunities both in gold and base metals projects.

On 21 November 2008, the Company placed 100 million new ordinary shares at a price of 0.3 pence with new and existing shareholders.

On 4 December 2008, the Company announced it had been granted an option for nil consideration to earn-in up to a 77% interest in the Rio Paranaiba iron ore project ("the Project"), which comprises some 14,000 hectares of mining claims and applications in the Minas Gerais State of Brazil.

It should be noted that the Project does not have any form of resource compiled in accordance with an internationally recognised geological standard. The intention is, if Templar proceeds following the conclusion of its due diligence period, to establish an inferred resource in accordance with such a standard by the end of 2010.

The Company has the sole and exclusive right and option to earn up to a 77% undivided interest in the Project in consideration for expenditures of up to C\$800,000 over a two year period as follows:

1. The Company has a period of 45 days from the 4th December (the "Review Period"), to exclusively review all available data concerning the Project, including title, environmental, geology, geochemistry, sampling, assay and drilling data and the right to physically inspect the Project during the Review Period and to conduct such sampling and other investigative activities as its deems appropriate.;
2. The Company then has the right to earn an initial 50% interest in the Project, by incurring a minimum expenditures of C\$200,000 before the date that is one hundred and eighty (180) days after the completion of the Review Period;
3. The Company has the right to increase its interest in the Project by a further 27% interest (i.e. our interest going from 50% to 77%), by incurring a further minimum expenditures of C\$600,000 before date that is two (2) years from the end of the Review Period.

The option agreement over this potentially large iron ore project is considered to be in line with the Company's stated objectives of acquiring high potential mineral deposits at low entry costs. The Paranaiba Iron Ore project has the potential to be a significant asset for the Company. Additional exploration work will be undertaken over the coming months to further confirm the likely grade and tonnage of any resource. If deemed economic, the deposit is ideally position to provide iron ore feedstock to one of the most important steel producing centers in Brazil.

Although the global market conditions are difficult, the directors are excited about the prospects for the Company in the year ahead and would like to take this opportunity of thanking all of our staff, employees, consultants and our shareholders for their ongoing support.

CONTACTS:

Templar Minerals
David Lenigas, *Chairman*

Tel: +44 (0) 7881 825378

Beaumont Cornish
Roland Cornish / Rosalind Hill Abrahams

Tel: +44 (0) 20 7628 3396

GROUP INCOME STATEMENT
FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2008

	Notes	Discontinuing operations (unaudited) \$'000	Continuing operations (unaudited) \$'000	Total for the Six months to 30 September 2008 (Unaudited) \$'000	Period 2 April to 30 September 2007 (Unaudited) \$'000	Year ended 31 March 2008 (Audited) \$'000
Administrative expenses		(50)	(149)	(199)	(256)	(1,776)
Impairment charge	8	(7,360)	-	(7,360)	-	-
Share of associates results		-	-	-	-	(232)
Share options expensed		-	-	-	(384)	(487)
Group operating loss		(7,410)	(149)	(7,559)	(640)	(2,495)
Interest receivable		-	23	23	407	541
Loss before taxation		(7,410)	(126)	(7,536)	(233)	(1,954)
Income tax expense				-	-	-
Loss for the financial period	2			(7,536)	(233)	(1,954)
Retained loss for the period attributable to:						
Equity holders of the parent company				(6,795)	(225)	(1,896)
Minority interest				(741)	(8)	(58)
Loss per share (US cents)						
Basic				(1.51)	(0.06)	(0.46)
Diluted				(1.51)	(0.06)	(0.46)

GROUP BALANCE SHEET
AS AT 30 SEPTEMBER 2008

	Notes	As at 30 September 2008 (Unaudited) \$'000	As at 31 September 2007 (Unaudited) \$'000	As at 31 March 2008 (Audited) \$'000
Assets				
Non-current assets				
Intangible assets	7	-	4,818	5,242
Tangible assets	6	-	20	77
Available for sale investments		7,771	-	-
Interest in associates		-	-	8,900
		7,771	4,838	14,219
Current assets				
Trade and other receivables		1,540	357	1,805
Cash		23	15,526	2,325
Total current assets		1,563	15,883	4,130
TOTAL ASSETS		9,334	20,721	18,349
Current Liabilities				
Trade and other payables		(63)	(518)	(298)
Total Liabilities		(63)	(518)	(298)
Net Assets		9,271	20,203	18,051
Shareholders' equity				
Called up share capital	4	-	-	-
Share premium		19,913	20,443	19,913
Share based payment reserve		484	384	484
Available for sale investment reserve		(1,131)	-	-
Foreign exchange reserve		(163)	(40)	(50)
Retained earnings		(8,691)	(225)	(1,896)
Equity attributable to equity holders of the parent		10,412	20,562	18,451
Minority interest		(1,141)	(359)	(400)
Total Equity		9,271	20,203	18,051

GROUP CASH FLOW STATEMENT
FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2008

	Six months to 30 September 2008 (Unaudited)	Period 2 April to 30 September 2007 (Unaudited)	Year ended 31 March 2008 (Audited)
	\$'000	\$'000	\$'000
Cash flows from operating activities			
Operating loss	(7,559)	(640)	(2,495)
Decrease/(increase) in trade and other receivables	265	(357)	(1,805)
(Decrease)/increase in trade and other payables	(235)	518	298
Foreign exchange translation	(113)	-	(22)
Share of associate results	-	-	232
Share options expensed	-	384	487
Impairment charge	7,360	-	-
Depreciation	77	-	36
Net cash outflow from operating activities	(205)	(95)	(3,269)
Cash flows from investing activities			
Interest received	23	407	541
Investment in an associate	-	-	(9,132)
Payments to acquire intangible assets	(2,120)	(340)	(2,971)
Payments to acquire tangible assets	-	(20)	(113)
Net cash (outflow) / inflow from investing activities	(2,097)	47	(11,675)
Acquisitions and disposals			
Payments to acquire subsidiaries	-	(2,047)	(2)
Cash acquired with subsidiaries	-	5	-
Net cash outflow from acquisitions and disposals	-	(2,042)	(2)
Cash flows from financing activities			
Issue of ordinary share capital	-	18,831	18,430
Share issue costs	-	(1,215)	(1,159)
Net cash inflow from financing activities	-	17,616	17,271
Net increase in cash and cash equivalents	(2,302)	15,526	2,325
Cash and cash equivalents at beginning of period	2,325	-	-
Cash and cash equivalents at end of period	23	15,526	2,325

GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2008

	Attributable to equity holders of the parent					Available for sale investment reserve	Total	Minority Interests	Total Equity
	Called up share capital	Share premium	Foreign exchange reserve	Share based payment reserve	Retained earnings				
Group	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$ 000's
As at 2 April 2007	-	-	-	-	-	-	-	-	-
Loss for the year	-	-	-	-	(1,896)	-	(1,896)	(58)	(1,954)
Currency translation differences	-	-	(50)	-	-	-	(50)	-	(50)
Total recognised income and expense	-	-	(50)	-	(1,896)	-	(1,946)	(58)	(2,004)
Share capital issued	-	21,102	-	-	-	-	21,102	-	21,102
Cost of share issue	-	(1,189)	-	-	-	-	(1,189)	-	(1,189)
Acquisition of subsidiaries	-	-	-	-	-	-	-	(342)	(342)
Share based payments	-	-	-	484	-	-	484	-	484
As at 31 March 2008	-	19,913	(50)	484	(1,896)	-	18,451	(400)	18,051
Loss for the period	-	-	-	-	(6,795)	-	(6,795)	(741)	(7,536)
Revaluation adjustment for available for sale investments	-	-	-	-	-	(1,131)	(1,131)	-	(1,131)
Currency translation differences	-	-	(113)	-	-	-	(113)	-	(113)
Total recognised income and expense	-	-	(113)	-	(8,691)	(1,131)	(10,412)	(741)	(9,271)
Share capital issued	-	-	-	-	-	-	-	-	-
Cost of share issue	-	-	-	-	-	-	-	-	-
Share based payments	-	-	-	-	-	-	-	-	-
As at 30 September 2008	-	19,913	(163)	484	(8,691)	(1,131)	10,412	(1,141)	9,271

1 Basis of preparation

The financial information has been prepared under the historical cost convention and on a going concern basis and in accordance with International Financial Reporting Standards and IFRIC interpretations adopted for use in the European Union ("IFRS") and those parts of the BVI Business Companies Act applicable to companies reporting under IFRS.

The financial information for the period ended 30 September 2008 has not been audited or reviewed in accordance with the International Standard on Review Engagements 2410 issued by the Auditing Practices Board. The figures were prepared using applicable accounting policies and practices consistent with those adopted in the statutory accounts for the period ended 31 March 2008.

The financial information contained in this document does not constitute statutory accounts. In the opinion of the directors the financial information for this period fairly presents the financial position, result of operations and cash flows for this period.

This Interim Financial Report was approved by the Board of Directors on 12 December 2008.

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ('IAS') 34 – Interim Financial Reporting as adopted by the European Union. Accordingly the interim financial statements do not include all of the information or disclosures required in the annual financial statements.

Basis of consolidation

The consolidated financial statements comprise the financial statements of Templar Minerals Limited and its controlled entities. The financial statements of controlled entities are included in the consolidated financial statements from the date control commences until the date control ceases.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

All inter-company balances and transactions have been eliminated in full.

Foreign currencies

The functional currency of each entity is determined after consideration of the primary economic environment of the entity. The group's presentational currency is US Dollars (\$).

2 Segmental analysis

Six months to 30 September 2008 (Unaudited)	Continuing operations UK/BVI \$'000	Discontinued operations Georgia \$'000	Total \$'000
Operating loss by geographical area			
Discontinued operations	-	(7,410)	(7,410)
Continuing operations	(149)	-	(149)
Operating (loss)/profit	(149)	(7,410)	(7,559)
Investment Revenue	23	-	23
(Loss) before taxation	(126)	(7,410)	(7,536)
Segment assets	7,771	-	7,771
Financial Assets	1,540	-	1,540

Cash	23	-	23
Consolidated Total Assets	9,334	-	9,334

Segment Liabilities	-	-	-
Trade and other payables	(63)	-	(63)
Consolidated Total Liabilities	(63)	-	(63)

Year ended 31 March 2008 (Audited)	UK/BVI	Georgia	Total
	\$'000	\$'000	\$'000

Operating loss by geographical area

Operating (loss)/profit	(1,983)	(512)	(2,495)
Investment revenue	541	-	541
(Loss)/profit before taxation	(1,442)	(512)	(1,954)

Segment assets	8,900	5,319	14,219
Financial Assets	1,604	201	1,805
Cash	2,325	-	2,325
Consolidated Total Assets	15,773	4,948	18,349

Segment Liabilities	-	-	-
Trade and other payables	(252)	(46)	(298)
Consolidated Total Liabilities	(252)	(46)	(298)

Period 2 April to 30 September 2007 (Unaudited)	UK/BVI	Georgia	Total
	\$'000	\$'000	\$'000

Operating loss by geographical area

Operating (loss)/profit	(558)	(82)	(640)
Investment revenue	407	-	407
(Loss)/profit before taxation	(151)	(82)	(233)

Segment assets	-	4,838	4,838
Financial Assets	200	157	357
Cash	15,416	110	15,526
Consolidated Total Assets	15,616	5,105	20,721

Segment Liabilities	-	-	-
Trade and other payables	(38)	(480)	(518)
Consolidated Total Liabilities	(38)	(480)	(518)

3. Loss per share

The calculation of earnings per share is based on the loss after taxation divided by the weighted average number of share in issue during the period:

	Six months to 30 September 2008 (Unaudited)	Period 2 April to 30 September 2007 (Unaudited)	Year ended 31 March 2008 (Audited)
	\$'000	\$'000	\$'000
Net loss after taxation	(6,795)	(225)	(1,896)
Weighted average number of ordinary shares used in calculating basic earnings per share	448.0m	370.4m	409.3m
Basic loss per share (expressed in US cents)	(1.51) cents	(0.06)cents	(0.46)cents

As the inclusion of the potential ordinary shares would result in a decrease in the loss per share they are considered to be antidilutive and, as such, a diluted loss per share is not included.

4. Share Capital

The authorised share capital of the Company and the called up and fully paid amounts at 30 September 2008 were as follows:

Authorised		\$'000
Unlimited ordinary shares of no par value each		-
Called up, allotted, issued and fully paid	Number of shares	Nominal value \$000's
Incorporation	1	-
20 April 2007 for cash at 0.0437p per share	239,999,999	-
4 May 2007 for cash at 5p per share	182,750,000	-
11 May 2007 for non-cash consideration	300,000	-
7 September 2007 for non-cash consideration at 5.3p per share	25,000,000	-
As at 30 September 2008	448,050,000	-

Total share options in issue

During the period ended 30 September 2008, no options were issued.

As at 30 September 2008 the options in issue were;

Exercise Price	Expiry Date	Options in Issue 30 September 2008
5p	4 May 2012	10,000,000
4.13p	4 January 2018	33,450,000
		<u>43,450,000</u>

No options lapsed or were cancelled and no options were exercised during the period ended September 2008.

5. Investment in group companies

Company	Country of Registration	Proportion held	Nature of Business
Direct			
Templar Georgia Ltd	BVI	100%	Holding Company
Indirect			
<i>Via Templar Georgia Ltd</i>			
Goldencrest Enterprises Ltd	BVI	90%	Holding Company
<i>Via Goldencrest Enterprises Ltd</i>			
Metalon Georgia LLC	Georgia	100%	Mineral Exploration

6. Tangible assets

	Plant and equipment	Total
	\$ 000's	\$ 000's
Group – net book value		
At 1 April 2008	77	77
Additions	-	-
Depreciation	(77)	(77)
As at 30 September 2008	-	-

7. Intangible assets

	Period 1 April to 30 September 2008 (Unaudited)	For the year ended 31 March 2008 (Audited)
Group	\$ 000's	\$ 000's
Cost		
Balance brought forward	5,242	-
Additions	2,118	5,242
	7,360	5,242
Impairment		
Balance brought forward	-	-
Impairment charge	(7,360)	-
Balance Carried Forward	(7,360)	-
Net book value	-	5,242
The cost is analysed as follows:		
Deferred exploration expenditure	-	236
Mining Licences	-	5,006
	-	5,242

Impairment Review

At 30 September 2008, the Directors have carried out an impairment review and have subsequently written down the value of the Mining Licences and deferred exploration expenditure in relation to the Georgian project by \$7.4 million. The Directors are of the opinion that carrying value is now stated at fair value.

8. Impairment Review

The Directors undertook an impairment review of the Group's assets as at 30 September 2008, and in view of subsequent events to this date. The format of the review was by assessing the carrying value of assets as at 30 September 2008 by country or sector of origin. The analysis and resultant impairment charges were considered as follows:

Georgia	Costs capitalised to 30 September 2008 \$000's	Impairment charge \$000's	Net costs carried forward \$000's
Intangible assets	7,360	(7,360)	-

The Company believes that due to the uncertainty surrounding all exploration projects in light of the current global financial and economic conditions, it would be prudent to write off these costs.

9. Post balance sheet events

On 17 October 2008, all resolutions were passed at the Company's AGM.

On 7 November 2008, Mr Stalker and Mr Mascall resigned from the board.

On 21 November 2008, the Company placed 100 million new ordinary shares at a price of 0.3 pence with new and existing shareholders.

On 4 December 2008, the Company announced it had been granted an option for nil consideration to earn-in up to a 77% interest in the Rio Paranaiba iron ore project, which comprises some 14,000 hectares of mining claims and applications in the Minas Gerais State of Brazil for expenditures of up to C\$800,000 over a 2 year period following completion of a 45 day due diligence review period.

10. The financial information set out above does not constitute the Group's statutory accounts for the period ended 31 March 2008, but is derived from those accounts.

11. A copy of this interim statement is available on the Company's website: www.templarminerals.com