



MARIANA RESOURCES LIMITED

(Incorporated in Guernsey, Registered No. 44276)

HALF YEAR REPORT

30 June 2007

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Chairman's Review

Dear Shareholder

Your Company completed its first year as an AIM listed junior explorer in May 2007 with programmes conducted in Argentina, Chile and Ecuador.

In the mining-friendly Province of Santa Cruz in Argentina, Mariana recently discovered in the middle part of the Sierra Blanca concession, two new vein and gossan zones, each exceeding 1 km in length and partly hidden by recent volcanic overburden. This concession is part of the joint venture with IAMGOLD. Rock chip sampling of the vein zones has produced very encouraging results. A total of 45 rock-chip samples was collected during the initial reconnaissance of the areas. Assays received to date have returned up to 1.6g/t (grams/tonne) gold & 90g/t silver over 1.4 metres width and >100g/t silver >1% lead, and 0.12% zinc over 1.2 metres width. Ground geophysical surveys and soil sampling are underway to help define drill targets for testing in the first half of 2008.

Early in the half, Mariana drilled for low sulphidation epithermal gold-silver deposits within extensive vein systems at Sierra Blanca and Canadon Largo in joint venture with IAMGOLD. Results indicate several epithermal veins strongly anomalous in gold, silver and pathfinder elements which are sufficiently encouraging to warrant further deep drilling.

Work recently started on the Mariana and Dynasty Metals & Mining (Dynasty) 50:50 joint venture set up to explore the Loma Alta (Mariana) concession and adjoining Chorrera (Dynasty) concessions, totaling over 8,641 hectares, located near Macara in Southern Ecuador. Mariana will manage the exploration phase and Dynasty any resultant mining development. Reconnaissance by Mariana has identified high grade stratabound gold mineralization with values up to 42 g/t gold in artisan workings close to the boundary between the two concessions. Three parallel target zones are believed to be present with geochemical soil sampling indicating an inferred length of over 600m. The mineralisation is hosted by calcareous volcanoclastics horizons one to two metres thick. Permitting for a drilling programme is in progress. Dynasty has recently obtained permits for construction of a gold processing plant to treat ore at its two million ounce Zaruma gold project in Southern Ecuador.

Drill target definition is progressing at other projects in Ecuador such as La Virgen, where epithermal quartz veins with widths of up to six metres have been mapped over 800 metres of strike. In this previously unexplored area, rock chip values range up to 5.7 g/t gold and 800 g/t silver.

In September 2007, Mariana acquired an option over the Perro Chico concessions approximately 500 kilometres north of the Chile capital, Santiago. Preliminary sampling has shown highly anomalous gold and copper in soils. The geological setting has similarities to the iron oxide-copper-gold deposits being mined elsewhere in Chile, such as Anglo's Manto Verde, and Freeport's Candelaria operations. Mariana has applied for additional concessions surrounding the optioned area which would take the total area to more than 7,000 hectares if all Mariana's applications are granted. A ground magnetic geophysical survey is planned, to be followed by target definition and drilling in the first half of 2008.

During the reporting period, Mariana completed a 2,755 metres programme of reverse circulation percussion drilling at the Exploradora and Charango properties in the prolific El

Salvador Porphyry Copper Region of Chile, targeting both secondary copper and epithermal gold-silver mineralization in its joint venture with Anglo American. Exploradora is adjacent to Codelco's low grade Exploradora copper-gold deposit. Mariana tested an area east of previous drilling by Anglo American. Best results were 34m @ 0.3% copper and 20m @ 0.7% copper. Two of five holes drilled by Mariana intersected substantial zones of low grade copper mineralisation over down-hole intervals of 188m and 168m averaging 0.2% copper. The drill programme successfully outlined a new zone of low grade primary copper mineralization, but the hoped-for zone of supergene enrichment, which often forms one or two hundred feet below the surface was not developed.

At nearby Charango, an eight-metre zone of quartz veinlets averaged 20grams/tonne silver and 0.5% lead & zinc was intersected at other targets. A review of these results is in progress.

In June, Mr Ray Angus was appointed to the Board as a Non-executive Director. Ray is an economic geologist with over 20 years international experience. He was co-founder of Monterrico Metals plc and was responsible for the acquisition and resource drilling of the world-class Rio Blanco copper-molybdenum project in Northern Peru. He brings to the company an excellent track record in identification and development of resource opportunities in South America and experience in the London capital markets.

In conclusion, Mariana is now well established as a junior explorer and is attracting attention for its exploration approach and quality of the team that MD John Sutcliffe has assembled. Looking ahead, the 2007 field season in Patagonia will see Mariana back in action at Sierra Blanca developing new drill targets. In addition, promising targets in Ecuador await drill permitting. Meanwhile, a number of new project initiatives are being pursued, particularly in Chile and Argentina.

John Horsburgh
Chairman

26 September 2007.

Mariana Resources Limited and its controlled entities.

Consolidated Profit and Loss Account for the half-year ended 30 June 2007

	Half-year 30 June 2007 Unaudited £	Half-year 30 June 2006 Unaudited £	Full year 31 December 2006 Audited £
TURNOVER	-		-
Administrative expenses	355,116	95,975	474,886
Net Operating Expenses	355,116	95,975	474,886
Operating loss	355,116	95,975	474,886
Interest receivable	38,376	4,861	63,614
Loss on ordinary activities before tax	(316,740)	(91,114)	(411,272)
Taxation on loss on ordinary activities	-	-	-
Loss for the financial period	(316,740)	(91,114)	(411,272)
Loss per share – basic and diluted	Pence (0.9)	Pence (0.3)	Pence (1.5)

Mariana Resources Limited and its controlled entities.
Consolidated Balance Sheet at 30 June 2007

	30 June 2007 Unaudited £	30 June 2006 Unaudited £	31 December 2006 Audited £
FIXED ASSETS			
Tangible assets	105,423	44,117	97,314
Intangible	1,723,812	504,532	966,508
	<u>1,829,235</u>	<u>548,648</u>	<u>1,063,822</u>
CURRENT ASSETS			
Debtors	62,503	60,502	24,302
Cash at bank and in hand and on deposit	1,292,702	3,139,549	2,491,258
	<u>1,355,204</u>	<u>3,200,051</u>	<u>2,515,560</u>
CREDITORS			
Amounts falling due within one year	24,620	28,536	126,637
NET CURRENT ASSETS	<u>1,330,585</u>	<u>3,171,515</u>	<u>2,388,923</u>
NET ASSETS	<u>3,159,820</u>	<u>3,720,164</u>	<u>3,452,745</u>
CAPITAL AND RESERVES			
Called up share capital	3,539	3,539	3,539
Share premium	3,896,333	3,896,333	3,896,333
Other Reserves	(12,040)	(62,560)	(35,855)
Profit and loss account	(728,012)	(91,114)	(411,272)
EQUITY SHAREHOLDERS' FUNDS	<u>3,159,820</u>	<u>3,720,164</u>	<u>3,452,745</u>

Mariana Resources Limited and its controlled entities.
Consolidated Statement of Changes in Equity for the half-year ended 30 June 2007

	Half-year 30 June 2007 Unaudited £	Half-year 30 June 2006 Unaudited £	Full year 31 December 2006 Audited £
Net loss for the period	(316,740)	(91,114)	(411,272)
Foreign exchange gain/(losses)	23,815	(62,560)	(35,855)
Total recognised gains/(losses)	<u>(292,925)</u>	<u>(153,674)</u>	<u>(447,127)</u>
Issue of share capital	-	3,873,837	3,899,872
Balance at beginning of period	3,452,745	-	-
Balance at end of period	<u>3,159,820</u>	<u>3,720,163</u>	<u>3,452,745</u>

Mariana Resources Limited and its controlled entities.

Consolidated Cash Flow Statement for the half-year ended 30 June 2007

	Half-year 30 June 2007	Half-year 30 June 2006	Full year 31 December 2006
	Unaudited	Unaudited	Audited
	£	£	£
Cash outflows from operating activities	(471,518)	(125,138)	(435,831)
Returns on investments	38,376	4,861	63,614
Capital expenditure and financial investment	(765,414)	(207,193)	(319,797)
Cash outflow before use of liquid resources and financing	(1,198,556)	(327,470)	(692,014)
Financing	-	3,467,019	3,183,272
Increase (decrease) in cash in the period	<u>(1,198,556)</u>	<u>3,139,549</u>	<u>2,491,258</u>
Reconciliation of net cash flow to movement in net cash funds			
Increase in cash in the period	(1,198,556)	3,139,549	2,491,258
Net funds at the beginning of the financial period	2,491,258	-	-
Net funds at the end of the financial period	<u>1,292,702</u>	<u>3,139,549</u>	<u>2,491,258</u>

Mariana Resources Limited and its controlled entities.

Notes to the Financial Statements for the half-year ended 30 June 2007

NOTE 1 General information and accounting policies

General information

These interim financial statements are for the period 1 January 2007 to 30 June 2007.

The financial reports for the half-years ended 30 June 2007 and 30 June 2006 are unaudited and do not constitute statutory accounts.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with any public announcements made by Mariana Resources Limited during the interim reporting period.

(a) Basis of preparation of the half-year financial report

These financial statements have been prepared under the historical cost convention. The same accounting policies and methods of computation are followed in the half-yearly financial report as for the last annual financial report

(b) Segment Reporting

The Mariana Resources Limited group has a single business segment, namely minerals exploration. The group has activities in Ecuador, Chile, Argentina, Australia and Guernsey.

(c) Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by Mariana Resources Limited and the results of all controlled entities for the period. Mariana Resources Limited and its controlled entities together are referred to in this financial report as the consolidated entity. The effects of all transactions between entities in the consolidated entity are eliminated in full.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group.

(d) **Earnings per share**

Basic earnings per share

Basic earnings per share is determined by dividing net loss after income tax attributable to members by the weighted average number of ordinary shares outstanding during the financial year.

Diluted Earnings per Share

As the company incurred a loss for the half year, basic earnings per share and diluted earnings per share are the same.

NOTE 2 SEGMENT INFORMATION

The consolidated entity operates predominantly in the mineral exploration industry, in Ecuador, Chile and Argentina.

NOTE 3 ISSUED CAPITAL

The total number of ordinary shares of .01P on issue at 30 June 2007 is 35,404,838 (31/12/2006: 35,404,838).

NOTE 4 OPTIONS

At 30 June 2007 the company had 9,329,672 options on issue, each of which entitles the holder to receive on exercise, one ordinary share in the company.

NOTE 5 RELATED PARTY TRANSACTIONS

On 6 June 2007 the company issued 1,380,000 options to directors in office on 30 May 2007 following the approval of shareholders at the annual general meeting. On 8 June 2007 the company issued 1,000,000 options to Mr Ray Angus following his appointment as a director commencing 1 June 2007.

Signed by authority of the Board.

J. R. Horsburgh
Chairman

26 September 2007