



Results for the year ended 30 September 2007

Chairman's statement

I am pleased to present my sixth annual statement to Shareholders for the twelve month period ended 30 September 2007.

Highlights

Your Directors' chosen investment policy has generated exciting returns during the year to 30 September 2007. The headline results are:

- a gross profit of £5.3m,
- a profit before tax of £5.0m,
- a profit after tax of £3.5m,
- a 36% increase in the fully diluted net asset value per share,
- the payment of a maiden dividend of one penny per share to be followed by a final dividend of 0.5 pence per share, making a total of 1.5 pence for the year, and
- the buy-back of 2,050,000 of the Company's Ordinary shares for treasury at prices from 17 to 32 pence.

As at 30 September, the Company had:

- net assets with a balance sheet value of £5.2m, an increase of 98% during the year;
- a net asset value of £15.1m consisting of trade investments at mid market valuation, cash less liabilities;
- unrealised investment appreciation of £9.9m before tax.

Company statistics

	30 September 2007	30 September 2006	Change
• Portfolio net asset value	£15.1m	£12.1m	+ 25%
• Net asset value – basic per share	42.89p	31.18p	+ 37%
• Net asset value – fully diluted per share	38.45p	28.29p	+ 36%
• Share price	29.75p	17.00p	+ 75%
• Discount to basic net asset value	44.17%	83.41%	

Unless otherwise stated, all net asset values are based on mid market prices or the Directors' valuation, if lower.

Review of business and current activities

The highlight of the year must be the successful takeover of African Platinum plc (Afplats) by Impala Platinum Holdings Limited at 55 pence per share. Whilst the Company sold a part of its holding in earlier periods and made two market sales in the current year, the total proceeds during the year amounted to £5.49m. With a cost price of one penny per share, the result is excellent; not only has it facilitated the payment of a special dividend, but provided welcome cash for investment in new opportunities and a share buy-back programme.

Your Company now has 72% by value of its current investments in the natural resource sector, a reduction from 78% a year ago. This reduction arises in part from the diversification following the Afplats sale and in part from continued growth in Myhome International plc.

The natural resource sector continues to be the Company's prime focus; your Board remains of the opinion that this sector shows no sign of anything other than exciting growth in the medium term with the worldwide demand for access to natural resources continuing unabated. New opportunities are continually presented to us.

As occurred during 2006, this year the net asset value peaked in June, this time at 48 pence per share, since when declining sentiment has been a feature of the market and therefore of share prices generally. Therefore, as occurred during the previous year, it is not surprising to find that the net asset value has fallen a little from the peak.

During the year your Company made seven new investments and increased its commitment to seven existing investee companies. Of the new investments, five are mineral exploration ventures. Having added one further investment since the year end, your Company now holds a spread of thirty-one active investments of which sixteen are quoted on AIM, and ten are quoted on PLUS; one has suspended its PLUS quotation pending further developments. In addition, one is expecting to be admitted to AIM and another to PLUS during the December quarter, one is quoted on and another is intending to join the Toronto exchange.

Your Company has board representation on nine investee companies: Tony Scutt is a non executive director of Addworth plc, Agricola Resources plc, Beowulf Mining plc and of Oracle Coalfields plc. John Watkins is chairman of Lisungwe plc and of Franchise Investment Strategies plc and a non executive director of Greatland Gold plc, Red Rock Resources plc and of Regency Mines plc.

The Company continues to seek opportunities to invest in small company new issues and to support pre-IPO opportunities so as to enhance shareholder value and to make disposals as market conditions permit.

Funding requirement

Given the £5.49m proceeds from the disposal of the remaining interest in Afplats, coupled with bank and loan facilities, the Company has been able to expand its spread of investments without the need to raise new finance and thereby dilute the existing shareholdings.

Share buy-backs

During 2006, the Company was able to clear the deficit on the profit and loss account and so move to a position where, for the first time, it was in a position to pay a dividend and/or buy back its own shares for treasury. The buy-backs during the year totalled 2,050,000 shares which equates to 5.5% of the shares in issue.

At the annual general meeting in December 2007, the Board will seek a renewal of its authority to buy back up to 15% of its shares.

Dividends

In furtherance of our previously stated objective of paying a dividend, I am pleased that we were able to utilise the funds arising from the successful takeover of Afplats and pay a first special dividend of one penny per share on 20 June 2007.

At the forthcoming annual general meeting, your Board will seek Shareholders' approval for the payment of a final dividend of 0.5 penny, making a total of 1.5 pence for the year. The payment will be made on 11 January 2008 with a record date of 14 December 2007.

Subject to conditions at the time, it is the present intention of the Board to maintain a dividend in future years.

Shareholder information

We expect to make a net asset value statement immediately prior to the annual general meeting. Thereafter, we expect to issue an interim statement during mid April and quarterly updates by mid January and mid July.

During the year, the Company's shares were admitted to trading on PLUS, although AIM remains the prime market.

Announcements made to the London Stock Exchange are sent to those who register at the Company website, www.starvest.co.uk where historic reports and announcements are also available.

Outlook

Given the increased spread of investments, the Directors look forward with optimism to reporting increased asset values in the year ahead.

Annual general meeting

As indicated on page 31, we plan to hold our annual general meeting on Wednesday 12 December when we look forward to meeting those Shareholders able to attend.

R Bruce Rowan

Chairman & Chief Executive

29 October 2007

Telephone: 020 7486 3997

Review of portfolio

The Starvest portfolio value has increased dramatically over the past five years with a 24% increase in the last year.

At 30 September 2007, the portfolio comprised investments in the following companies:

Addworth plc – (AIM ticker: ADW)

Website: www.addworth.co.uk

Addworth is an active capital investment company specialising in financing, promoting and launching early-stage entrepreneurially-managed companies, seeking eventual admission to the AIM or PLUS markets. Addworth provides strategic consultancy services for their further development while retaining key equity interests and thereby establishing its own investment portfolio. Successful introductions in the past year notably include Branded Entertainment plc, Gaming Ventures plc, Oil and Gas Support Services plc, and Uranium Prospects plc. Work continues on promoting a number of further new flotations in an expanding range of market sectors in the coming year.

Agricola Resources plc – (PLUS ticker: AGRI)

Website: www.agricolaresources.com

Agricola Resources is continuing its exploration for uranium in both Finland and Sweden, and has extended its work programme through a joint venture in Sweden with Beowulf Mining plc on the latter's Ballek four copper-gold-uranium exploration permits. In May Agricola placed a 29.9% strategic stake in its enlarged share capital with the Australian Energy Ventures Limited, enabling it to accelerate and broaden its exploration programme with the application of the resultant funds.

Ariana Resources plc – (AIM ticker: AAU)

Website: www.arianaresources.com

Ariana Resources focuses on exploring for, acquiring and developing economic gold deposits in Turkey, concentrating on the Tethyan metallogenic belt, which is believed to have the potential to host a multi-million ounce world-class deposit. The company portfolio extends over 1,820 sq km under 114 exploration permits across Turkey, as a result of its active acquisition policy, with its flagship asset in western Turkey being the 235 sq km Sindirgi project, covering some 45 sq km of gold-silver bearing quartz alone. Its on-going drilling programme is being expanded as a result of a recent share placement which could lead to its current JORC gold resource reaching its baseline target of 250,000 oz.

Belmore Resources (Holdings) plc – (PLUS ticker: BEL)

Website: www.belmoreresources.com

Belmore Resources is a minerals exploration company focusing on projects in the Republic of Ireland and Northern Ireland, priority being given to its zinc exploration properties in County Clare. Here it has a 50% interest in six prospecting licences covering 267 sq km and a 100% interest in two prospecting licences covering 86 sq km. Previous exploration had identified a high grade resource of zinc and lead-rich massive sulphides of approximately 400,000 tonnes at 12% zinc plus lead and 75 g/t silver. Further 100% interest blocks are held in Donegal and Dromore, Northern Ireland.

Beowulf Mining plc – (AIM ticker: BEM)

Website: www.beowulfmining.com

Beowulf's focus is on the exploration and development of mineral deposits in Northern Sweden where its more recent activities have been focused on its Ruotevare iron titanium deposit, its Grundtrask gold deposit, and its Ballek copper, gold and uranium prospect. Ruotevare has a non-JORC compliant resource of 116 million tonnes, grading 38.2% iron, 5.6% titanium dioxide, and 0.17% vanadium oxide. Detailed geological mapping has suggested that the ore reserves could be increased significantly by the extra diamond drilling now being undertaken so as to make them JORC-compliant. The project scoping study is expected to be completed in 2008.

The drilling programme completed in early 2007 in Grundtrask returned gold grades of up to 5.2m at 4.28 g/t from the Southern gold structure; Beowulf are seeking a joint venture partner to continue exploration and development.

Meanwhile for Ballek, an earn-in agreement with Agricola Resources plc has been concluded whereby the latter was granted the option to acquire a 51% interest by undertaking a specific programme of survey and diamond drilling work by the end of 2008, with this interest to be increased to 70% in the event of further specific project expenditures.

Black Rock Oil & Gas plc – (AIM ticker: BLR)

Website: www.blackrockoilandgasplc.co.uk

Black Rock Oil & Gas is an exploration and production company with licences in onshore Colombia, and in the Southern Gas Basin of the UK North Sea. In Colombia it is in a 50/50 joint venture with operator Kappa Resources in the Las Quinchas Association Contract and the Alhucema E & P Contract, both situated in the prolific hydrocarbon basin of the Middle Magdalena Valley. For Las Quinchas, following completion of its farm-in obligations, its 50% interest is subject to the approval of Ecopetrol, the state oil company. This block contains the Arce and Baul heavy oilfields and a number of exploration prospects including the Acacia Este oil discovery: The Arce oilfield is currently undergoing a steam injection test to determine commerciality and development options. Black Rock made a placement of new shares in June to raise additional working capital and to cover the costs of an appraisal well on the Acacia Este discovery and an exploration well for the Alhucema area planned for late 2007 and early 2008. In the UK, Black Rock has a 15% interest in two adjacent North Sea blocks, one of which contains the Monterey Gas discovery and the Stinson and Winchester prospects; the joint venture has under application a four year extension to the licence with the aim of improving the marginal economics of the Monterey discovery, although a 50% relinquishment would be applied if the licence extension is approved.

Brazilian Diamonds Limited – (AIM ticker: BDY)

Website: www.braziliandiamonds.com

Brazilian Diamonds is a leading Brazil-based exploration company focused on the discovery of kimberlites in its 100% owned properties in the States of Minas Gerais and Bahia. Its diamond exploration databases were largely acquired from De Beers. The Company now awaits final approval before seeking local State environmental authorisation for the development of the Canastra 1 kimberlite, for which mine feasibility work has been completed and Mines Department approval granted. Mines Department and Bahia State environmental licences have already been obtained to start planned bulk testing on the Salvador 1 kimberlite; excavation work of trenches to collect large samples for further assessment of its diamond potential are expected to yield first results before the 2007 year-

end. The company strategy for non-core activities on its properties is to form joint ventures. A feasibility study is also currently underway for a joint venture to mine alluvial diamonds on its San Antonio river drainage properties.

Carpathian Resources Limited – (AIM ticker: CPNR and Sydney ASX ticker: CPN)

Website: www.carpathian.com.au

Carpathian Resources is an Australian oil and gas explorer and producer focusing on projects in the Czech Republic. Its main producing asset is its 60% interest in the Janovice gas field in Northern Moravia with the adjacent marginal Krasna oil field where the current 75% interest reduces to 50% after pay-out. Janovice produces 1.2 million cubic feet of gas a day, and from latest production testing, shows up to 4 billion cubic feet in place.

Exploration activities cover the 90% interest Mosnov, Roznov, and Morava permits and the 60% interest Raskovice – Moravka permit. The Morava project is located in the northern part of the Vienna Basin, an area of prolific oil and gas production, and while oil is the principal target with a 5 million barrel potential, gas is also seen as a possibility. The company is evaluating the acquisition of other interests in Russian, European, Middle Eastern, and Kazakhstan oil and gas fields and infrastructure to broaden its growth strategy.

Concorde Oil and Gas plc

Website: www.concordeoilandgas.com

Concorde Oil & Gas was incorporated in August 2005 to locate, evaluate, acquire, explore, develop, and operate oil and gas properties and projects primarily in the Russian Federation. The company experienced difficulties in 2006 in raising sufficient finance for its first major acquisition target, Pechora Energy which holds an exclusive production licence valid until 2014 for the Luzkoye oil field in the Komi Republic of Russia. Following the agreement of a financing package with Altima Partners LLP, an offer to acquire Pechora for US\$33 million was accepted. Subsequently, Altima injected US\$41 million in exchange for the issue of 113 million new Concorde shares valued at 0.9p a share, the value now used by Starvest.

Existing shareholders have faced a substantial dilution of their original stake, but now have an investment in a much larger company as a result of the restructuring, since when the Kuwait Energy Company has acquired part of the Altima stake and now holds one third of the equity. Kuwait Energy appointees have assumed the chairmanship and two non-executive directorships of the company.

Concorde's listing was suspended in November 2006 and withdrawn from PLUS in October 2007. The company has deferred its intention to seek an alternative listing until late 2008, by which time further expansion and development plans in Russia already under consideration should have been concluded, promising drilling results released, new oil reserve figures officially ratified, production expected to reach 8,000 barrels/day, and any further funding needs by then secured.

The Core Business plc – (AIM ticker: CORE)

Website: www.thecorebusiness.co.uk

The Core Business seeks to create, develop, launch and distribute personal care products from make-up and skin care to men's grooming and hair care. As a personal care and beauty management group, it assists companies and individuals in leveraging, diversifying, and creating brands in the global beauty sector, and helps in the developing of existing brands and the creating of new ones. It continues to attract considerable retailer interest through dynamic presentation of its brands and consultancy services.

DTT plc – (PLUS ticker: DTT)

Website: www.drivertransporttraining.co.uk

DTT is the UK's largest and fastest growing group of companies specialising in the training of commercial drivers. Operating through a network of 11 regional training centres, practical and theoretical courses are offered leading to licences and qualifications with some 5,500 drivers being trained each year followed by support into employment through its recruitment services offering

temporary or permanent staff employment through its Driver Supply brand. Under the company's strategic plan, growth by acquisitions is expected over the next two years to enable DTT to be in a position to capitalise on the advent of the European Training Directive and the business opportunities that this will create. The recent acquisition of ODK for a mixture of cash and DTT shares is the first step in this plan. DTT sees growth being achieved by establishing further new branch operations or developing new partnerships through DTT franchising arrangements.

Franchise Investment Strategies plc: (PLUS ticker: FIN)

Franchise Investment Strategies was originally created as a holding company for the development of franchising operations in diverse sectors of the UK, with a view to applying the franchise model that had been so successfully developed by Myhome International, and by supporting particularly strong franchise businesses in subscribing for key equity stakes if they were ultimately to be launched as quoted companies. However, the lack of experienced managers specialising in franchise operations has severely restricted the development of this business, which currently serves as an investment holding company with interests held in Myhome International and DTT only.

Franconia Minerals Corporation – (Toronto ticker: TSX-V)

Website: www.franconiaminerals.com

Franconia Minerals, an Alberta-formed corporation, is focused on the exploration and development of Platinum Group Metals (PGM) and Base Metals in the continental United States, with its corporate head office in Spokane, Washington. Its most advanced project is the Birch Lake Platinum-Palladium-Copper-Nickel project located in the Duluth Complex in north eastern Minnesota. The project includes two inferred PGM resources, the 100 million tonnes Birch Lake resource and the 120 million tonnes Maturi resource. The company is also actively exploring for base metals at its Red Knoll copper property in Arizona. Franconia has exploration agreements with Teck Cominco American Inc. to advance zinc and copper projects in the western United States.

Fundy Minerals Limited – (PLUS ticker: FUND)

Website: www.fundyminerals.com

Fundy Minerals, with head office in New Brunswick, Canada, is actively involved in the exploration of gold, diamond and base metals in Canada and Africa. It has a 100% interest in eight mineral exploration and development properties in New Brunswick, two of which have gold deposits, one a deposit model, and three reflect base metal deposits. Also, it has a high-grade limestone deposit, with production expected by December 2007. In West Africa, Fundy holds a permit over 2,000 sq km of Liberia, where it has confirmed that a significant quantity of gem quality alluvial diamonds has been extracted. Its initial interest in Liberia was in possible gold mineralisation, but its alluvial diamond discovery in the southern area of its permit led to its efforts being concentrated on locating the Kimberlitic source of these diamonds. The company has expressed its intention to move from trading on PLUS to a more senior exchange.

Gippsland Limited – (AIM ticker: GIP and Sydney ASX ticker: GIP)

Website: www.gippslandltd.com.au

Gippsland is an Australian-based international resource company with its prime assets being tantalum-tin projects in the Central Eastern desert of Egypt adjacent to the Red Sea, and notably include the 40 million tonne Abu Dabbab and the 98 million tonne Nuweibi projects, where its 50% interest is matched by an Egyptian State partner. The recently completed Abu Dabbab feasibility study, based on an annual mill-feed rate of 2 million tonnes for a production level in excess of 650,000 lbs of tantalum pentoxide, will rank Gippsland as the world's second largest producer. Current spot market prices for tantalum pentoxide are approaching US\$ 50 per lb. However, several years of production has been already pre-sold. In addition, Gippsland has been undertaking exploration drilling within the Wadi Allaqi region and has obtained highly encouraging gold results in three separate tenements.

Goliath Resources Inc – (Pink sheets: GHRI)

Website: www.goliathresources.com

Goliath Resources is a Vancouver-based minerals exploration company with interests in copper, gold and molybdenum in Canada and Zambia. It acquired three mineral projects in Canada from the BellMin Group in late 2006, the main focus being on the Phelps Dodge-owned Mazenod Lake in the North-West Territories where, under a joint venture agreement, Goliath will ultimately earn a 75% interest. Previous drilling and geophysics had identified project areas of mineralisation prospective for large-scale copper, gold and possibly uranium. The second project is the Flume Licence in the Yukon, again owned by Phelps Dodge, in which Goliath has the right to earn a 100% interest under earn-in expenditure commitments; large areas of this project are as yet unexplored, but earlier geochemical studies indicated a high potential for gold mineralisation. The third project is the Java property in British Columbia, a copper-molybdenum porphyry prospect formerly owned by Kennecott. The Zambia project involves a Goliath-led consortium which has been issued a 25 year mining licence covering main tailing dumps exceeding 100 million tons in the Zambian Copper Belt; their treatment is seen by management to have substantial near-term cash-flow potential.

Greatland Gold plc – (AIM ticker: GGP)

Website: www.greatlandgold.com

Greatland Gold has gold projects covering a total area of some 300 sq km in Tasmania, consisting of the Firetower project in the north with an initial inferred JORC-compliant resource of 90,000 oz. of gold, and three historic gold fields, Warrentinna, Forrester and Waterhouse, which were mined some 100 years ago and had produced a substantial amount of high grade gold at surface. In addition to these Tasmanian interests, the company has the Lackman Rock project in Western Australia where gold and nickel sulphide have already been ear-marked as targets for future exploration drilling. The main focus of the company until now has been on Firetower, and on deciding whether to mine an existing resource of some 50,000 oz, or whether to establish first a larger resource and then to build its own mine. However recent rock chip sampling at Warrentinna has also yielded very encouraging results, and calls for further exploration effort to be undertaken on seeking new high-grade shoots beneath the historic workings and in un-mined quartz-lodes. The future therefore holds useful promise.

Guild Acquisitions plc – (PLUS ticker: GACQ)

Guild Acquisitions is a fledgling investment trading company established to grow early-stage small to medium sized companies by injecting seed capital, management support, and access to further funds from capital markets for their development.

Hidefield Gold plc – (AIM ticker: HIF)

Website: www.hidefieldgold.com

Hidefield is a gold company focusing on the acquisition and development of highly prospective projects in North and South America. The company has a diverse portfolio of projects. In South America and Alaska the projects are directly held by Hidefield, while those projects in Canada, Nevada and Arizona are held in independent self-funded associate companies.

The company's substantial direct gold project interests are principally in Argentina where it is actively exploring the advanced stage East Santa Cruz gold project in Santa Cruz Province.

Hidefield also operates in joint venture with Minera Sud Argentina S.A. with which it is currently exploring a number of gold exploration licences in three Patagonian provinces. In Brazil the company is focused on the evaluation of the advanced stage Cata Preta gold project in Minas Gerais state. In Alaska Hidefield has a 60% interest in the Golden Zone and South Estelle mineral projects and an option to earn up to 100% subject to its expenditures. The Golden Zone property has a measured and indicated resource of 253,000 oz of gold, 1.2 million oz of silver, and 6.1 million pounds of copper. The South Estelle property is in joint venture with International Tower Hill Mines.

India Star Energy plc – (AIM ticker: INDY)

Website: www.indiastarenergy.co.uk

India Star Energy is an investment company focused on gold, platinum group metals and uranium interests in Canada. Investments include a 15% stake in Canadian Golden Dragon with interests in two high grade platinum and palladium properties in Ontario; an interest in Canadian explorer East West

Resource Corporation with a portfolio of early stage properties for platinum, palladium, gold and base metals, a copper-molybdenum deposit in Thunder Bay, and a 50% share in the Magotte joint venture with East West Resource, targeting uranium.

KEFI Minerals plc – (AIM ticker : KEFI)

Website: www.kefi-minerals.com

Kefi Minerals is an early stage gold and copper exploration company with four 100%-owned projects in Turkey and one in Bulgaria. It owns an extensive exploration database which contains information regarding some one hundred further prospective sites in Turkey, where recent changes to the mining law and the progressive development attitude of the Turkish Government have generated a positive environment for exploration and mining companies. Kefi has recently announced a gold discovery at its Yanikli Prospect in the Artvin project in north eastern Turkey, with geological mapping and geochemical data already having defined 15 new targets in the same project area. The Bulgarian interest is focused on the Lehovo project area, located 150 km south of Sofia and bordering Greece, where Kefi has met with encouraging results for gold and silver from its initial rock chip sampling work. Bulgaria has a long tradition of mining for base metals and precious metals and currently has a number of operating mines; the growing benefits of the change-over from a state to a market economy form an increasingly attractive background to the local mining sector.

Lotus Resources plc – (Expected to be admitted to PLUS)

Website: www.lotus-resources.com

Lotus Resources is focused on China where it is assembling a portfolio of mining and exploration interests that have the potential to generate early cash flow from production and where it can add value through the application of modern Western techniques thus improving productivity. The initial focus is on a number of gold projects. The company has a mixed Board of Chinese and British executives and a team of experienced Chinese geologists. The company expects to be admitted to PLUS during the fourth quarter 2007 and to move to AIM during 2008.

Matisse Holdings plc – (AIM ticker: MAT - suspended)

Matisse Holdings was originally established to invest in publishing businesses. It has been seeking either reverse takeovers or key acquisitions, but presently has its shares suspended through the application of AIM regulations governing inactive cash shells.

Myhome International plc – (PLUS ticker: MYH)

Website: www.myhomeplc.com

Myhome International is a leading residential homecare services franchise business continuing to enjoy an impressive rate of expansion throughout the UK, Ireland and, more recently, Australia

The past year has seen a further extension of the range of branded services offered to its clients through its very successful franchising model, which is being rapidly rolled out across the whole of the UK. In addition to home cleaning and garden maintenance, its range of services now include fabric cleaning (Stainbusters), ironing and dry cleaning (Ferrum), and plumbing and drainage (DSH Services), all services appealing to “cash rich, time poor” clients, encouraging significant cross-selling opportunities, and attracting serious reliable entrepreneurs as franchisees, who now total over 400 in number. There is clear potential for Myhome’s model to be applied more widely through overseas expansion and joint ventures with, say, insurers and financial services companies. Myhome is well down the path to becoming a multi-branded, multi-product international residential franchise operation. The acquisition of Chipsaway was announced in October 2007 which, subject to shareholder approval, will increase the number of franchisees to 750.

Oracle Coalfields plc – (PLUS ticker: ORCP)

Website: www.oraclecoalfields.com

Oracle Coalfields operates as an explorer and developer of coal in the Sindh Province of Pakistan. In February 2007, an exploration licence was granted over a 100 sq km area of the Indus East coalfield and after the company’s successful introduction to PLUS in August, a programme of exploration drilling to establish the best location of the envisaged mine site is being undertaken from October

onwards, with the exploration licence then expected to be converted to a mining lease. Plans for the financing and construction of the coal mine and the commencement of production will follow. Oracle has entered into a joint venture agreement (Oracle 80% interest) with Sindh Koela Limited, a local Pakistani company, which will work with Oracle to achieve these objectives as well as assuming the role of establishing one or more mine-mouth power plants. Pakistan has a major, yet largely untapped, coal resource of 185 billion tonnes (Indus East 1.8 billion tonnes), along with a serious shortage of electricity that is hindering its planned economic growth, so the role of Oracle Coalfields should assume increasing importance as its project nears fruition. Oracle recognises its major ethical responsibility of ensuring that any coal-fired power generating plant with which it is associated, conforms to international emission standards.

Red Rock Resources plc – (AIM ticker: RRR)

Website: www.rrrplc.com

Red Rock, in which Regency Mines holds a 43.5% interest, operates as a mineral exploration and development company focusing on manganese, iron ore and gold and hopes to move to early bulk production and sales of manganese from its high grade Zambian resource. Two of its high grade iron ore properties in Western Australia have been farmed out in an option/royalty agreement with Jupiter Mines, although its nearby Mt Alfred property has been retained. It also has tenements in the Northern Territory of Australia containing further iron ore mineralisation and manganese targets.

It has recently disposed of its Australian and Malawi uranium interests to Retail Star Limited (ASX: RSL) for shares equivalent to 15.6% of Retail Star with options to increase which suggests a readiness to exchange assets for equity interests at the right price. Its wide portfolio suggests that it is well placed to benefit from rising commodity prices.

Regency Mines plc – (AIM ticker: RGM)

Website: www.regency-mines.com

Regency Mines, apart from its interest in Red Rock Resources, is focused on exploring areas of copper and nickel potential in Western Australia and Queensland and, where appropriate, on the development of these assets by joint venture, acquisition or disposal. The company broadened its portfolio in 2006 with the acquisition of a 75% interest in the 140 sq km Mambare open pit nickel and cobalt project in Papua New Guinea where the aim is to offer direct shipping of ore production to Asian Pacific rim customers within the next two years. Regency has assembled a sound investment portfolio including equity interests in small mining companies, evidencing its well executed strategy of converting licence interests into equity stakes.

Sheba Exploration (UK) plc – (PLUS ticker: SHE)

Website: www.shebagold.com

Sheba is a mineral exploration company operating in the Tigray State of Ethiopia within the Northern Ethiopia gold fields area, which it chose for its numerous gold occurrences, most of which have not been explored. Sheba holds a 100% interest in the two exclusive exploration licences for Mereto and Shehagne, and has new projects under current licence application. At Mereto, trenches at the Adi Gefa prospect have returned gold intersections of 8m at 2.3g/t and 6m at 3.7 g/t, directly beneath the soil anomaly, while soil sampling on the flanks of the licence area located a further extension of the soil anomaly up to 690 ppb gold. The trenching here has indicated at least five drill-ready targets, with more in the pipeline, and the style of gold mineralisation is seen to enforce the potential for low cost bulk mining. Joint venturing of mature properties, to raise capital for resource estimation and new property acquisitions, and the initiation of feasibility studies of small-scale opportunities for mining gold, remain the strategic objectives for this operation.

St Helen's Capital plc – (PLUS ticker: SHCP)

Website: www.sthelenscapital.co.uk

St Helen's Capital is a fully integrated corporate financial services firm with a fast-growing list of clients formed by start-up, early-stage, and fast-growing companies. Its services on offer include fund-raising, financial services, investment recommendations, leasing, mergers and acquisitions, and business service advice. It sees itself as a one-stop shop for growth, and as a reliable experienced

corporate adviser. It has thus established itself as a major conduit for fledgling companies seeking to access the AIM and PLUS markets.

Sunrise Diamonds plc – (AIM ticker : SDS)

Website: www.sunrisediamonds.com

Sunrise Diamonds is focused on the identification, acquisition, exploration, and development of diamond projects in its present Finland operations in the Karelian Craton, a prospective block which, over the border in Russia, hosts world-class diamond deposits. Sunrise's planned drilling operations this summer have been held back somewhat by the current global shortage of drilling service providers which with the larger number of explorers operating today in Scandinavia, caused tightened drill rig availability. As a result, Sunrise was not able to complete all its drilling plans, and had to concentrate instead on gathering and analyzing more geophysical data. Sunrise enjoys exclusive access to the valuable BHP Billiton database from its former Finnish diamond exploration activities, which has resulted in Sunrise now having a surplus of drilling targets on hand, so that the rig slots that it has been able to book for the coming year should ensure faster progress and more regular news flow.

Treslow Limited – (Expecting to be admitted to AIM)

Treslow has a copper-nickel prospect near Armstrong in north-west Ontario, Canada. Following its conversion to a plc and expected introduction to AIM, it will be seeking further funding to advance the project. Drilling is expected to be started in January 2008. Commercial quantities of uranium and rare earths are also a possibility, but the initial focus is on nickel.

**Profit and loss account
for the year ended 30 September 2007**

	Year ended 30 September 2007	14 month period ended 30 September 2006 £
Operating income	5,494,067	1,699,430
Direct costs	(177,924)	(97,613)
Gross profit	<u>5,316,143</u>	<u>1,601,817</u>
Administrative expenses	(272,076)	(266,683)
Operating profit	<u>5,044,067</u>	<u>1,335,134</u>
Interest receivable	71,114	7,728
Interest payable	(84,413)	(4,334)
Profit on ordinary activities before taxation	<u>5,030,768</u>	<u>1,338,528</u>
Tax on profit on ordinary activities	(1,505,236)	(400,000)
Profit on ordinary activities after taxation	<u>3,525,532</u>	<u>938,528</u>
Earnings per share – basic	9.6 pence	2.5 pence
Earnings per share – fully diluted	<u>8.8 pence</u>	<u>2.4 pence</u>

There are no recognised gains and losses in either period other than the profit for the period.

All operations are continuing.

Balance sheet

As at 30 September 2007

	30 September 2007		30 September 2006	
	£	£	£	£
Fixed assets				
Investments		-		2
Current assets				
Debtors	10,257		107,902	
Trade investments	4,750,185		3,082,898	
Cash at bank	3,006,588		-	
	<u>7,767,030</u>		<u>3,190,800</u>	
Creditors – amounts due within one year	(2,548,969)		(553,369)	
Net current assets		5,218,061		2,637,431
Total assets less current liabilities		<u>5,218,061</u>		<u>2,637,433</u>
		<hr/>		<hr/>
Share capital and reserves				
Called-up share capital	372,173		372,173	
Share premium account	2,026,396		2,026,396	
Profit and loss account	2,819,492		238,864	
	<u>5,218,061</u>		<u>2,637,433</u>	
Equity shareholders' funds		<u>5,218,061</u>		<u>2,637,433</u>
		<hr/>		<hr/>

Cash flow statement for the year ended 30 September 2007

	Year ended 30 September 2007	Period ended 30 September 2006
	£	£
Net cash inflow/(outflow) from operating activities	3,484,305	(234,249)
Returns on investment and servicing of finance:		
Interest receivable	71,114	7,728
Interest payable	(84,413)	(4,334)
	<u>(13,299)</u>	<u>3,394</u>
Taxation paid	(395,880)	(86,472)
Equity dividends paid	(367,172)	-
Financing:		

Company shares repurchased	(577,732)	-
New short term loan	1,000,000	-
	422,268	-
Increase/(decrease) in cash in the year	3,130,222	(317,327)

The financial information set out above does not constitute statutory accounts as defined in section 240 of the Companies Act 1985.

The balance sheet at 30 September 2007, the profit and loss account, and the cash flow statement for the year then ended have been extracted from the Company's statutory financial statements upon which the auditor's opinion is unqualified and does not include any statement under Section 237 of the Companies Act 1985.

Copies of the report and financial statements will be posted to Shareholders no later than 14 November and will be available for a period of one month thereafter from the Company Secretary at the registered office.

123 Goldsworth Road, Woking, Surrey, GU21 6LR
email: email@starvest.co.uk

Alternatively, the report may be downloaded from the Company's website, www.starvest.co.uk.

Enquiries to:

- Bruce Rowan, telephone 020 7486 3997
- John Watkins, telephone 01483 771992, or to john@starvest.co.uk
- Gerry Beaney or Colin Aaronson, Grant Thornton Corporate Finance, telephone 020 7383 5100

END