



Interim report to 31 March 2015

7 May 2015

Half-year report – six months ended 31 March 2015

Chairman's statement

I am pleased to provide a half year update. Although the result as shown in the interim financial statement is not exciting, the net asset value continues to recover from the exceptional low point at 31 December 2014 when we reported a net asset value of £1.8m. At 31 March 2015 we reported a value of £2.26m which, by 30 April, had recovered further to £2.55m, a rise of 42% since 31 December 2014, albeit still much below the value of £4.40m at 30 September 2014.

The net asset value per share at 30 April was 6.85p compared with the closing mid-price of 3.38p, giving a discount of 51%.

The basis of valuation is as described in the 2014 annual report, but with one exception: the Company's holding in Kuwait Energy plc which arose from a holding in Concorde Oil & Gas, first acquired in 2005, has been valued at 75% of the original cost of the investment in Concorde Oil & Gas; previously, no value has been attributed to Concorde since early 2010.

Whilst generally the environment continues to be challenging for the early stage mineral exploration companies in which we invest, there are some signs of improvement with some positive discovery announcements, high stock turnover and improved share prices.

During the interim period, the Company acquired a small additional stake in Alba Mineral Resources plc. This was sold at a substantial profit in April after the period end.

The Company will next update the market as soon as practicable following 30 June 2015, or in the event of a significant change in valuation during the quarter.

R Bruce Rowan

Chairman & Chief Executive

7 May 2015

Investment portfolio update

As at 31 March 2015 and 30 April 2015, the Company held investments in the following companies, further details of which may be found in the Company's 2014 Annual Report available on request or on the following websites:

Interests in gold:

- Ariana Resources plc
Gold exploration in Turkey
www.arianaresources.com
- Goldcrest Resources plc
Gold exploration in Ghana
www.goldcrestresourcesplc.com
- Greatland Gold plc
Gold exploration in Western Australia and Tasmania
www.greatlandgold.com
- Kefi Minerals plc
Gold and copper exploration in Turkey and Saudi Arabia
www.kefi-minerals.com
- Minera IRL Limited
Gold in Argentina
www.minera-irl.com
- Red Rock Resources plc
Gold exploration in Kenya, Columbia and Ivory Coast with investments in other companies; iron ore and manganese exploration in Greenland
www.rrrplc.com

Interests in Iron Ore:

- Beowulf Mining plc
Iron ore, gold and copper exploration in Sweden
www.beowulfmining.com
- International Mining and Infrastructure Corporation plc
Iron ore in West Africa
www.imicplc.com

Interests in Oil & Gas

- Alba Mineral Resources plc
Oil exploration at Horse Hill, in Weald Basin, UK; nickel, uranium & gold in Scotland, Mauritania, Sweden and Ireland
www.albamineralresources.com
- Cap Energy plc
Oil exploration in sub-Saharan Africa
www.capenergy.co.uk
- Kuwait Energy plc
Oil exploration and operations in Middle East and North Africa
www.kec.com
- Nordic Energy plc
Oil and gas exploration in the North Sea
www.nordicenergyplc.com

Interests in Coal Mining and Power Generation:

- Oracle Coalfields plc
Coal mining in Pakistan
www.oraclecoalfields.com

Other investments:

- Regency Mines plc
Copper & nickel exploration in Australia and Papua New Guinea and investments in Red Rock Resources plc, and Direct Nickel Limited
www.regency-mines.com
- Sunrise Resources plc
Mineral exploration in Finland, Australia, USA and Ireland
www.sunriseresourcesplc.com
- Marechale Capital plc
Investment banking and corporate finance
www.marechalecapital.com

Profit & loss account

| | 6 months to 31 March 2015 | 6 months to 31 March 2014 | Year ended 30 September 2014 |
|--|---------------------------------|---------------------------------|------------------------------------|
| | Unaudited | Unaudited | Audited |
| | £ | £ | £ |
| Operating income | - | 262,941 | 262,940 |
| Direct costs | - | (194,801) | (194,801) |
| Gross profit | - | 68,140 | 68,139 |
| Administrative expenses | (133,886) | (113,410) | (206,837) |
| Amounts written off trade investments - net | 38,025 | (228,472) | (220,101) |
| Operating (loss) on ordinary activities | (95,861) | (273,742) | (358,799) |
| Interest receivable | 10,172 | 2,109 | 2,475 |
| Interest payable | - | - | - |
| (Loss) on ordinary activities before taxation | (85,689) | (271,633) | (356,324) |
| Tax on profit on ordinary activities | - | - | - |
| (Loss) on ordinary activities after taxation | (85,689) | (271,633) | (356,324) |
| (Loss) per share – see note 3 | | | |
| Basic | (0.2) pence | (0.7) pence | (0.96) pence |
| Fully diluted | - | - | - |

Balance sheet

| | 6 months ended 31 March 2015 | 6 months ended 31 March 2014 | Year ended 30 September 2014 |
|--|------------------------------------|------------------------------------|------------------------------------|
| | Unaudited | Unaudited | Audited |
| | £ | £ | £ |
| Current assets | | | |
| Debtors | 48,940 | 64,182 | 100,184 |
| Trading investments | 1,913,085 | 1,836,690 | 1,855,061 |
| Cash at bank and in hand | 142,309 | 371,666 | 239,540 |
| | 2,104,334 | 2,272,538 | 2,194,785 |
| Creditors - amounts falling due within one year | | | |
| Other creditors | (39,588) | (37,413) | (44,350) |
| Net current assets | 2,064,746 | 2,235,125 | 2,150,435 |
| Share capital and reserves | | | |
| Called up share capital | 394,173 | 394,173 | 394,173 |
| Share premium account | 2,118,396 | 2,118,396 | 2,118,396 |
| Profit and loss account | (447,823) | (277,444) | (362,134) |
| Equity shareholders' funds | 2,064,746 | 2,235,125 | 2,150,435 |

Cash flow statement

| | 6 months ended 31 March 2015 | 6 months ended 31 March 2014 | Year ended 30 September 2014 |
|---|------------------------------------|------------------------------------|------------------------------------|
| | Unaudited | Unaudited | Audited |
| | £ | £ | £ |
| Net cash (outflow)/inflow from operating activities | (107,403) | 112,001 | (20,491) |
| Returns on investment and servicing of finance: | | | |
| Interest receivable | 10,172 | 2,109 | 2,475 |
| (Decrease)/Increase in cash in the period | (97,231) | 114,110 | (18,016) |
| Opening cash balance brought forward | 239,540 | 257,556 | 257,556 |
| Closing cash balance | 142,309 | 371,666 | 239,540 |

Movement on equity shareholders' funds

| | 6 months ended 31 March 2015 | 6 months ended 31 March 2014 | Year ended 30 September 2014 |
|--|------------------------------------|------------------------------------|------------------------------------|
| | Unaudited | Unaudited | Audited |
| | £ | £ | £ |
| Total recognised (loss) relating to the period | (85,689) | (271,634) | (356,324) |
| Opening shareholders' funds | 2,150,435 | 2,506,759 | 2,506,759 |
| Closing shareholders' funds | 2,064,746 | 2,235,125 | 2,150,435 |

Interim report notes

1. Interim report

The information relating to the six month periods to 31 March 2015 and 31 March 2014 is unaudited.

The information relating to the year ended 30 September 2014 is extracted from the audited accounts of the Company which have been filed at Companies House and on which the auditors issued an unqualified audit report.

2. Basis of accounting

The report has been prepared using accounting policies that are consistent with those adopted by the Company in accordance with UK GAAP for the statutory accounts for the year ended 30 September 2014, although the information does not constitute statutory accounts within the meaning of section 435 of the Companies Act 2006.

The Company will report again for the full year to 30 September 2015.

With the exception noted in the Chairman's statement, the Company's investments at 31 March 2015 are valued at the lower of cost or the valuation adopted at 30 September 2014 or the current market value based on bid prices at the close of business.

3. Earnings per share

| | 6 months ended 31 March 2015 | 6 months ended 31 March 2014 | Year ended 30 September 2014 |
|---|---------------------------------|------------------------------------|------------------------------------|
| | Unaudited | Unaudited | Audited |
| | £ | £ | £ |
| These have been calculated on a (loss) of: | (85,689) | (271,633) | (356,324) |
| The weighted average number of shares used was: | 37,117,259 | 37,117,259 | 37,117,259 |
| Basic (loss) per share: | (0.2) pence | (0.7) pence | (0.96) pence |
| The weighted average number of shares and outstanding options used was: | 40,092,259 | 40,092,259 | 40,092,259 |



Enquiries to:

Bruce Rowan, Chairman 020 7486 3997 or John Watkins, Finance Director 07768 512404;
john@starvest.co.uk

Colin Aaronson or Harrison Clarke - Grant Thornton UK LLP 020 7383 5100.

Further copies are available from the Company by telephone to 01483 771992 or by email to
john@starvest.co.uk.

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