



18 May 2022

Half-year report – six months ended 31 March 2022

Chairman's statement

Over the six months to 31 March 2022, Starvest (the “Company”) benefited somewhat from the resilience of the natural resources sector against a backdrop of emerging inflation and global unrest due to the conflict in eastern Europe. Nonetheless, weakness in Greatland Gold’s share price resulted in a decline in portfolio value and net asset value of 17% and 16%, respectively, over the six months to 31 March 2022, since the Company’s financial year-end.

Our discount to net asset value remained consistent over the six-month period to 31 March 2022, being 34% on 30 September 2021 and 33% on 31 March 2022, while commodity prices, including gold have in general, remained relatively high, providing a solid foundation for our investee companies.

While many sectors have not yet recovered to pre-pandemic levels, the natural resources sector has made significant gains and is forecast to continue to do so in an economic recovery. We also expect large-scale infrastructure and climate-focused projects, at the forefront of government spending plans, will benefit the natural resource sector.

As part of routine operations, the Board regularly reviews its portfolio positions and may make adjustments to its holdings to take advantage of market conditions. The Board is currently considering opportunities more likely to better align the Company’s stock price with what it regards as the intrinsic value of the Company’s portfolio.

Continuing to advance its Paterson projects, Greatland Gold (LON:GGP), which makes up over 90% of our portfolio value, estimated its Havieron project at 6.5 Moz gold equivalent in an updated JORC compliant report. Its joint venture partner Newcrest Mining is continuing with mine development and growth drilling at Havieron, while Greatland Gold concentrates on early-stage exploration targets within its other licences.

Ariana Resources (LON:AAU) continues to focus on exploration in south-eastern Europe with a five-year, US\$2.5 million strategic alliance recently announced with Newmont Corporation through Ariana’s 75%-owned West Tethyan Resources, along with gold and silver production from its mining operations in Turkey.

Cora Gold (LON:CORA) has completed field work on a definitive feasibility study for its flagship Sanankoro gold project, the full report is due for completion in H2 2022. Cora has also started a 7,500m drill programme to continue expansion of the resource at the Sanankoro project.

Kefi Minerals (LON:KEFI) continues with construction of the Tulu Kapi gold mine in Ethiopia and remains on target to start full production in 2022. Kefi has also made significant advances

in its exploration and resource calculations of the Jabil Qitman and Hawiah project in Saudi Arabia.

Other investee companies continue their efforts as well. Oracle Power (LON:ORCP) has continued its exploration in Western Australia as well as expanding into the green energy sectors with a new hydrogen energy project in Pakistan.

Sunrise Resources (LON:SRES) is advancing its pozzolan-perlite project in Nevada, USA towards mine permitting, while Alba (LON:ALBA) is continuing the development of its Welsh gold deposits.

Despite the inevitable increase in global interest rates to stem inflationary pressures, we believe that the effects of expansionary monetary policies, continued fiscal stimulus and geopolitical tensions favour a positive outlook for gold and precious metals in the longer term.

Callum N Baxter

Chairman & Chief Executive
18 May 2022

Statement of Comprehensive Income

	6 months to 31 March 2022	6 months to 31 March 2021	Year ended 30 September 2021
	Unaudited £	Unaudited £	Audited £
Administrative expenses	(155,472)	(147,689)	(290,993)
(Loss)/gain on disposal of financial assets	(29,383)	19,313	19,339
Movement in fair value of financial assets through profit and loss	(2,195,966)	(1,088,092)	(3,645,360)
Investment income	29,628	-	56,000
Operating profit	(2,351,193)	(1,216,468)	(3,861,014)
Interest receivable	-	-	-
Profit on ordinary activities before tax	(2,351,193)	(1,216,468)	(3,861,014)
Tax on (loss) ordinary activities	587,798	-	332,532
(Loss) attributable to equity holders of the parent	(1,763,395)	(1,216,468)	(3,528,482)
Earnings per share – see note 3			
Basic	(3.04 pence)	(2.11 pence)	(6.11 pence)
Diluted	(3.04 pence)	(2.11 pence)	(6.11 pence)

Statement of Financial Position

	6 months ended 31 March 2022 Unaudited £	6 months ended 31 March 2021 Unaudited £	Year ended 30 September 2021 Audited £
Non-current assets			
Financial assets at fair value through profit or loss	11,625,035	16,596,261	14,038,887
Total non-current assets	11,625,035	16,596,261	14,038,887
Current assets			
Trade and other receivables	53,615	29,893	63,539
Cash and cash equivalents	157,715	125,344	78,276
Total current assets	211,330	155,237	141,815
Current liabilities			
Trade and other payables	(70,636)	(84,716)	(85,627)
Total current liabilities	(70,636)	(84,716)	(85,627)
Non-current liabilities			
Provision for deferred tax	(1,083,288)	(2,003,618)	(1,671,086)
Total non-current liabilities	(1,083,288)	(2,003,618)	(1,671,086)
Net assets	10,682,441	14,663,164	12,423,989
Capital and reserves			
Called up share capital	581,144	575,740	579,820
Share premium account	1,868,696	1,779,414	1,848,173
Retained earnings	8,232,601	12,308,010	9,995,996
Total equity shareholders' funds	10,682,441	14,663,164	12,423,989

Statement of Cash Flows

	6 months ended 31 March 2022 Unaudited £	6 months ended 31 March 2021 Unaudited £	Year ended 30 September 2021 Audited £
Cash flows from operating activities			
Operating loss	(2,351,192)	(1,216,468)	(3,861,014)
Shares issued in settlement of salaries and fees	21,847	-	72,839
Movement in fair value of investments	2,195,966	1,088,092	3,645,360
(Loss)/profit on sale of current asset investments	29,383	(19,313)	(19,339)
Decrease/(increase) in debtors	9,923	1,154	(32,493)
(Decrease) in creditors	(14,991)	(8,499)	(7,587)
Net cash used in operating activities	(109,064)	(155,034)	(202,234)
Cash flows from investing activities			
Sale of current asset investments	188,503	160,013	160,145
Net cash generated from investing activities	188,503	160,013	160,145
Net increase in cash and cash equivalents	79,439	4,979	(42,089)
Cash and cash equivalents at beginning of period	78,276	120,365	120,365
Cash and cash equivalents at end of period	157,716	125,344	78,276

Statement of Changes in Equity

	Share capital £	Share premium £	Retained earnings £	Total Equity attributable to shareholders £
At 30 September 2020	575,740	1,779,414	13,524,478	15,879,632
Loss for the period	-	-	(1,216,468)	(1,216,468)
Total recognised income and expenses for the period	-	-	(1,216,468)	(1,216,468)
Shares issued	-	-	-	-
Total contribution by and distributions to owners	-	-	-	-
At 31 March 2021	575,740	1,779,414	12,308,010	14,663,164
Loss for the period	-	-	(3,528,482)	(3,528,482)
Total recognised income and expenses for the period	-	-	(3,528,482)	(3,528,482)
Shares issued	4,080	68,759	-	72,839
Total contribution by and distributions to owners	4,080	68,759	-	72,839
At 30 September 2021	579,820	1,848,173	9,995,996	12,423,989
Loss for the period	-	-	(1,763,395)	(1,763,395)
Total recognised income and expenses for the period	-	-	(1,763,395)	(1,763,395)
Shares issued	1,324	20,523	-	21,847
Total contributions by and distributions to owners	1,324	20,523	-	21,847
At 31 March 2022	581,144	1,868,696	8,232,601	10,682,441

Interim report notes

1. Interim report

The information relating to the six-month periods to 31 March 2022 and 31 March 2021 is unaudited.

The information relating to the year ended 30 September 2021 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 preparation

This report has been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS102'), and with the Companies Act 2006. Although the information included herein does not constitute statutory accounts within the meaning of section 435 of the Companies Act 2006, the accounting policies that have been applied are consistent with those adopted for the statutory accounts for the year ended 30 September 2021.

The Company will report again for the full year to 30 September 2022.

The Company's investments at 31 March 2022 are stated at the current market value based on market quoted prices at the close of business on 31 March 2022. The Chairman's statement includes a valuation based on market quoted prices at the close of business on 31 March 2022.

3. Earnings per share

	6 months ended 31 March 2022 Unaudited £	6 months ended 31 March 2021 Unaudited £	Year ended 30 September 2021 Audited £
Loss for the year:	(1,763,395)	(1,216,468)	(3,528,482)
Weighted average number of Ordinary shares of £0.01 in issue	58,080,245	57,573,986	57,755,713
Earnings per share – basic and diluted	(3.04 pence)	(2.11 pence)	(6.11 pence)

Investment portfolio

Starvest now holds trade investments in the companies listed below; of these the following companies comprised 99% of the portfolio value as at 31 March 2022:

- Alba Mineral Resources plc *Exploration for oil in England, lead-zinc in Ireland, uranium in Mauritania and graphite in Greenland*
www.albamineralresources.com
- Ariana Resources plc *Gold-silver production and exploration in Turkey, and precious metal exploration in Eastern Europe*
www.arianaresources.com
- Cora Gold Limited *Gold exploration in West Africa*
www.coragold.com
- Greatland Gold plc *Gold exploration and development in Australia*
www.greatlandgold.com
- Kefi Minerals plc *Gold and copper exploration and development in Ethiopia and Saudi Arabia*
www.kefi-minerals.com
- iOracle Power plc *Coal development in Pakistan and gold exploration in Australia*
www.oraclepower.co.uk

Other direct and indirect mineral exploration companies:

- Block Energy plc (formerly Goldcrest Resources plc) *Oil and gas exploration in Bulgaria*
www.blockenergy.co.uk
- Sunrise Resources plc *Exploration for industrial minerals in United States, Finland, Australia and Ireland*
www.sunriseresourcesplc.com

Other investee companies are listed in the Company's 2021 annual report available on request or from the Company web site - www.starvest.co.uk

Copies of this interim report are available free of charge by application in writing to the Company Secretary at the Company's registered office, Salisbury House, London Wall, London EC2M 5PS, by email to info@starvest.co.uk or from the Company's website - www.starvest.co.uk

Enquiries to:

Starvest PLC

Callum Baxter or Gemma Cryan 02077 696 876 or info@starvest.co.uk

Grant Thornton UK LLP (Nomad)

Colin Aaronson, Harrison Clarke or Ciara Donnelly 02073 835 100

SI Capital Ltd (Broker)

Nick Emerson or Alan Gunn 01483 413 500