



**6 June 2023**

## **Half-year report – six months ended 31 March 2023**

### **Chairman's statement**

Over the six months to 31 March 2023, Starvest (the “Company”) benefited somewhat from the resilience of the natural resources sector in an atmosphere of continued inflation and economic effects of conflict in eastern Europe. Commodity prices, including gold, remained relatively high, providing a solid foundation for our investee companies.

The Company's portfolio value and net asset value increased 5% and 3% respectively during the six months to 31 March 2023, since the Company's financial year-end. Our discount to net asset value was 31% on 31 March 2023, compared to a discount of 29% on 30 September 2022.

The natural resources sector is forecast to continue to make gains in the post-pandemic economic recovery period. We also expect the sector to benefit from large-scale infrastructure and climate-focused projects at the forefront of government spending plans and private sector investment.

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 intrinsic value of the Company's portfolio with shareholder interests.

During the last six months, Greatland Gold (LON:GGP), which makes up substantially the largest part of our portfolio value, advanced its Paterson projects. Havieron, a joint venture with Newcrest Mining, continued to increase the resource base at the project through surface drilling, and decline development has accelerated over the period; a definitive feasibility study is expected before the end of calendar 2023. During May 2023, Havieron joint venture partner Newcrest Mining accepted a US\$19.1 billion buyout offer from the world's largest gold miner, Newmont. We believe this will bring a positive new dynamic to the Paterson project area over the coming months. Greatland is also concentrating on early-stage exploration targets within its other licences and has reported significant drill results in 100%-owned Rudall tenement, as well as strong mineralisation pathfinders at 100%-owned Scallywag, and a new joint venture agreement with Rio Tinto allowing Greatland to explore an additional 1,884sq km of prospective terrain in the Paterson region.

Ariana Resources (LON:AAU) continues to focus on exploration and development in south-eastern Europe, in particular with work on the Tavsan mine infrastructure in Türkiye. Its 75%-held subsidiary, West Tethyan Resources, signed an earn-in agreement on a gold project in Kosova. West Tethyan currently has a strategic agreement with Ariana and Newmont stemming from the five-year, US\$2.5 million strategic alliance Ariana has with Newmont.

Following the release of a definitive feasibility study in late November 2022, Cora Gold (LON:CORA) completed a capital raise of approximately US\$20m in ordinary shares and convertible loans in early March 2023. Funds will be used primarily to commence development of the Company's flagship Sanankoro Gold Project in southern Mali.

Kefi Minerals (LON:KEFI) continued with development of the Tulu Kapi gold mine in Ethiopia and remains on target to start full production during 2023, with full financing near completion. Kefi has also made significant advances on its Saudi Arabia projects and expects to complete a definitive feasibility study this year at the Jabil Qitman gold project; and a pre-feasibility study is near completion at its Hawiah copper-gold project.

Other investee companies continue their efforts as well. Oracle Power (LON:ORCP) has recently revised its strategy to focus more on green hydrogen energy in Pakistan, advancing plans for the project with strategic partners in relation to land, fuel cell development and offtake agreements. It also recently signed an MoU to continue its coal power station plans in Pakistan; as well as entering a farm-in agreement on its gold exploration assets in Western Australia.

Sunrise Resources (LON:SRES) continues to advance its pozzolan-perlite project in Nevada, USA towards mine permitting, while Alba (LON:ALBA) is developing its Welsh gold deposits and its spin-out company GreenRoc, in which it holds a 45% stake, advances its Greenland graphite and ilmenite projects.

Despite the prolonged increases in global interest rates to stem inflationary pressures, we continue to 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  
6 June 2023

**Statement of Comprehensive Income**

	<b>6 months to 31 March 2023</b>	<b>6 months to 31 March 2022</b>	<b>Year ended 30 September 2022</b>
	<b>Unaudited £</b>	<b>Unaudited £</b>	<b>Audited £</b>
Administrative expenses	<b>(154,040)</b>	(155,472)	(305,944)
(Loss)/gain on disposal of financial assets	-	(29,383)	(53,398)
Movement in fair value of financial assets through profit and loss	<b>308,500</b>	(2,195,966)	(7,234,928)
Investment income	-	29,628	53,428
<b>Operating profit/(loss)</b>	<b>154,460</b>	(2,351,193)	(7,540,842)
<b>Profit/(loss) on ordinary activities before tax</b>	<b>154,460</b>	(2,351,193)	(7,540,842)
Tax on (loss) on ordinary activities	-	587,798	1,671,086
<b>Profit/(loss) attributable to equity holders of the parent</b>	<b>154,460</b>	(1,763,395)	(5,869,756)
<b>Earnings per share – see note 3</b>			
Basic	<b>0.26 pence</b>	(3.04 pence)	(10.09 pence)
Diluted	<b>0.26 pence</b>	(3.04 pence)	(10.09 pence)

**Statement of Financial Position**

	<b>6 months ended 31 March 2023 Unaudited £</b>	<b>6 months ended 31 March 2022 Unaudited £</b>	<b>Year ended 30 September 2022 Audited £</b>
<b>Non-current assets</b>			
Financial assets at fair value through profit or loss	<b>6,464,672</b>	11,625,035	6,156,173
<b>Total non-current assets</b>	<b>6,464,672</b>	11,625,035	6,156,173
<b>Current assets</b>			
Trade and other receivables	<b>36,768</b>	53,615	77,424
Cash and cash equivalents	<b>284,016</b>	157,715	406,106
<b>Total current assets</b>	<b>320,784</b>	211,330	483,530
<b>Current liabilities</b>			
Trade and other payables	<b>(33,069)</b>	(70,636)	(41,776)
<b>Total current liabilities</b>	<b>(33,069)</b>	(70,636)	(41,776)
<b>Non-current liabilities</b>			
Provision for deferred tax	-	(1,083,288)	-
<b>Total non-current liabilities</b>	-	(1,083,288)	-
<b>Net assets</b>	<b>6,752,387</b>	10,682,441	6,597,297
<b>Capital and reserves</b>			
Called up share capital	<b>582,824</b>	581,144	582,824
Share premium account	<b>1,888,863</b>	1,868,696	1,888,863
Retained earnings	<b>4,280,700</b>	8,232,601	4,126,240
<b>Total equity shareholders' funds</b>	<b>6,752,387</b>	10,682,441	6,597,927

**Statement of Cash Flows**

	<b>6 months ended 31 March 2023 Unaudited £</b>	<b>6 months ended 31 March 2022 Unaudited £</b>	<b>Year ended 30 September 2022 Audited £</b>
<b>Cash flows from operating activities</b>			
Operating profit/(loss)	<b>154,460</b>	(2,351,192)	(7,540,842)
Shares issued in settlement of salaries and fees	-	21,847	43,694
Movement in fair value of investments	<b>(308,499)</b>	2,195,966	7,234,928
(Loss)/profit on sale of current asset investments	-	29,383	53,398
Decrease/(increase) in debtors	<b>40,656</b>	9,923	(13,885)
Decrease in creditors	<b>(8,707)</b>	(14,991)	(43,851)
<b>Net cash used in operating activities</b>	<b>(122,090)</b>	(109,064)	(266,558)
<b>Cash flows from investing activities</b>			
Sale of current asset investments	-	188,503	594,388
<b>Net cash generated from investing activities</b>	-	188,503	594,388
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(122,090)</b>	79,439	327,830
Cash and cash equivalents at beginning of period	<b>406,106</b>	78,276	78,276
<b>Cash and cash equivalents at end of period</b>	<b>284,016</b>	157,716	406,106

**Statement of Changes in Equity**

	Share capital £	Share premium £	Retained earnings £	Total Equity attributable to shareholders £
<b>At 30 September 2021</b>	<b>579,820</b>	<b>1,848,173</b>	<b>9,995,996</b>	<b>12,423,989</b>
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 contribution by and distributions to owners	1,324	20,523	-	21,847
<b>At 31 March 2022</b>	<b>581,144</b>	<b>1,868,696</b>	<b>8,232,601</b>	<b>10,682,441</b>
Loss for the period	-	-	(4,106,361)	(4,106,361)
Total recognised income and expenses for the period	-	-	(4,106,361)	(4,106,361)
Shares issued	1,680	20,167	-	72,839
Total contribution by and distributions to owners	1,680	20,167	-	72,839
<b>At 30 September 2022</b>	<b>582,824</b>	<b>1,888,863</b>	<b>4,126,240</b>	<b>6,597,927</b>
Profit for the period	-	-	154,460	154,460
Total recognised income and expenses for the period	-	-	154,460	154,460
Shares issued	-	-	-	-
Total contributions by and distributions to owners	-	-	-	-
<b>At 31 March 2023</b>	<b>582,824</b>	<b>1,888,863</b>	<b>4,280,700</b>	<b>6,752,387</b>

## Interim report notes

### 1. Interim report

The information relating to the six-month periods to 31 March 2023 and 31 March 2022 is unaudited.

The information relating to the year ended 30 September 2022 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 2022.

The Company will report again for the full year to 30 September 2023.

The Company’s investments at 31 March 2023 are stated at the current market value based on market quoted prices at the close of business on 31 March 2023. The Chairman’s statement includes a valuation based on market quoted prices at the close of business on 31 March 2023.

### 3. Earnings per share

	<b>6 months ended 31 March 2023 Unaudited £</b>	<b>6 months ended 31 March 2022 Unaudited £</b>	<b>Year ended 30 September 2022 Audited £</b>
Profit/(loss) for the period/ year:	<b>154,460</b>	(1,763,395)	(5,869,756)
Weighted average number of Ordinary shares of £0.01 in issue	<b>58,282,493</b>	58,080,245	58,181,646
Earnings per share – basic and diluted	<b>0.27 pence</b>	(3.04 pence)	(10.09 pence)

## Investment portfolio

Starvest now holds trade investments in the companies listed below; of these the following companies comprise 99% of the portfolio value as at 31 March 2023:

- |                              |  |
|------------------------------|--|
| • Alba Mineral Resources plc | <i>Exploration for gold in Wales, oil in England, lead-zinc in Ireland, and investment in GreenRoc graphite in Greenland</i><br>www.albamineralresources.com |
| • Ariana Resources plc       | <i>Gold-silver production and exploration in Turkey, and precious metal exploration in Eastern Europe</i><br>www.arianaresources.com                         |
| • Cora Gold Limited          | <i>Gold exploration in West Africa</i><br>www.coragold.com   |
| • Greatland Gold plc         | <i>Gold exploration and development in Australia</i><br>www.greatlandgold.com  |
| • Kefi Minerals plc          | <i>Gold and copper exploration and development in Ethiopia and Saudi Arabia</i><br>www.kefi-minerals.com   |
| • Oracle Power plc           | <i>Coal and green hydrogen development in Pakistan and gold exploration in Australia</i><br>www.oraclepower.co.uk  |

Other direct and indirect mineral exploration companies:

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

Other investee companies are listed in the Company's 2022 annual report available on request or from the Company web site - [www.starvest.co.uk](http://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](mailto:info@starvest.co.uk) or from the Company's website - [www.starvest.co.uk](http://www.starvest.co.uk)

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