**TRI-STAR RESOURCES PLC**
(“**Tri-Star Resources**” or the “**Company**”)

**Results for the three and nine month periods ended 30 September 2014**

Tri-Star Resources (AIM: TSTR), the integrated antimony development company, is pleased to announce results for the three and nine months ended 30 September 2014.

***Results for the Period***

In the three months to 30 September 2014, the Company recorded a reduced loss after taxation of £1,146,000 (2013: loss of £1,232,000) and a total comprehensive loss of £1,132,000 (2013: loss of £1,052,000). In the nine months to 30 September 2014, the Company recorded a loss after taxation of £1,913,000 (2013: loss of £2,464,000) and a total comprehensive loss of £2,014,000 (2013: loss of £2,258,000).

***Roaster Project***

On 14 April 2014, the Company announced that it had entered into a shareholders’ agreement in respect of Strategic & Precious Metals Processing LLC (“SPMP”), a joint venture company which is intended will construct and operate a 20,000 tonne per annum nameplate capacity antimony metal and tri-oxide manufacturing roasting facility in the Sultanate of Oman (the “Roaster Project”).

SPMP has since been incorporated in the Sohar Free Trade Zone in Oman. During the period under review, SPMP extended its existing option over to enter into a land lease over a 22 hectare plot in Sohar FTZ to 31 March 2015 to allow for complex negotiations regarding the finalisation of the Roaster Project to continue. The Roaster Project remains subject to a number of conditions including securing banking finance and obtaining the necessary permits to operate the Roaster, including environmental approvals, which management are vigorously pursuing.

***Canada***

On 31 October 2014, Tri-Star announced that it had received an updated independent Technical Report on the Bald Hill Antimony Project. On 24 November 2014, the Company provided a further update detailing that reconnaissance exploration programs had highlighted two new prospective antimony trends in the Bald Hill area which had returned prospecting assays of 4.61% Sb and 21.7% Sb, respectively. These new areas together with the existing 3 trend areas are within a 4 km radius of the original Bald Hill deposit.

The Bald Hill deposit, one of the largest undeveloped antimony projects in Canada, is located within the Annidale Belt, approximately 40 kilometres northwest of Sussex, New Brunswick.

***Financing***

On 26 August 2014, the Company successfully completed a private placing of a further £2.0 million secured convertible bonds due June 2018 with Odey European Inc. This financing strengthened the Company’s financial position and will assist the Company in further developing the Roaster Project and meeting other working capital requirements.

***Outlook***

The Company is entering a phase of highly intensive activity as it seeks to bring to a successful conclusion a number of related work-streams underway with respect to the Roaster Project in Oman. The Company is also pro-actively investigating the recent new discovery at Bald Hill South and hopes to be able to update shareholders in the New Year.

**Enquiries:**


| | |
|---|---|
| **Tri-Star Resources Plc** | |
| Emin Eyi, Managing Director | Tel: +44 (0) 20 3463 2260 |
| Guy Eastaugh, Chief Financial Officer | |
| | |
| **SP Angel Corporate Finance (Nomad and Broker)** | |
| Robert Wooldridge / Katy Birkin | Tel: +44 (0) 20 3463 2260 |
| | |
| **Yellow Jersey PR Limited (Financial PR)** | |
| Dominic Barretto / Kelsey Traynor | Tel: +44 (0) 7768 537739 |
| | |
| **Keith, Bayley Roger & Co (Joint Broker)** | Tel: +44 (0) 20 7464 4098 |
| Brinsley Holman | |


*This news release may contain "forward-looking information", as defined under applicable Canadian securities laws. Forward-looking information typically contains statements that relate to future, not past, events and often contains words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. There can be no assurance that the forward-looking information contained in this release will prove to be accurate, and actual results and future events could differ materially from those anticipated in such information. All statements, other than statements of historical fact, included in this release including, without limitation, the viability of chemical processes, the financial assumptions, bases and outputs mentioned, constitute forward- looking information. Forward-looking information is based on a number of factors and assumptions which have been used to develop such information but which may prove to be incorrect, including, but not limited to, assumptions in connection with the ability to deliver any of the outcomes referred to, the availability of financing and general economic and market conditions. Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, risks associated with changes in laws, the ability to raise finance on acceptable terms for any of the projects or facilities mentioned, the volatility of commodity and raw material prices, currency exchange rates and interest rates, global economic conditions and the additional risks identified in the Company's Annual Report and Financial Statements for the year ended 31 December 2013 or other reports and filings with applicable securities regulators. Forward-looking information in this release is based on the Directors' beliefs, estimates and opinions on the date of this release and the Company does not undertake to update publicly or revise the forward-looking information contained in this release, except as required by applicable securities laws. Any financial outlook or future-oriented financial information in this release, as defined by applicable Canadian securities laws, has been approved by the Directors as of the date of this release. Such financial outlook or future oriented financial information is provided for the purpose of providing information about the Company's current expectations and plans relating to the future. Readers are cautioned that such outlook or information should not be used for purposes other than for which it is disclosed in this release.*

**TRI-STAR RESOURCES PLC**
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**
FOR THE 3 AND 9 MONTHS ENDED 30 SEPTEMBER 2014

| | *Notes* | **Unaudited 3 months ended 30 September 2014** | Unaudited 3 months ended 30 September 2013 | **Unaudited 9 months ended 30 September 2014** | Unaudited 9 months ended 30 September 2013 |
|---|---|---|---|---|---|
| | | **£'000** | £'000 | **£'000** | £'000 |
| Share based payment charge | | **(4)** | - | **(16)** | (400) |
| Exploration expenditure and other administrative expenses | | **(382)** | (1,173) | **(1,597)** | (1,991) |
| Share of losses of jointly controlled entity | *7* | **(164)** | - | **(164)** | - |
| Amortisation of intangibles | | **(1)** | (5) | **(4)** | (14) |
| Total administrative expenses | | **(551)** | (1,178) | **(1,781)** | (2,405) |
| Finance income | | **1** | - | **433** | 1 |
| Finance cost | | **(596)** | (54) | **(565)** | (60) |
| **Loss after taxation and loss attributable to the equity holders of the Company** | | **(1,146)** | (1,232) | **(1,913)** | (2,464) |
| **Loss before and after taxation attributable to** | | | | | |
| Non-controlling interest | | **(9)** | **-** | **(53)** | - |
| Equity holders of the parent | | **(1,137)** | (1,232) | **(1,860)** | (2,464) |
| **Other comprehensive income** | | | | | |
| **Items that will be reclassified subsequently to profit and loss** | | | | | |
| Exchange differences on translating foreign operations | | **14** | 180 | **(101)** | 206 |
| Other comprehensive (expenditure)/income for the period, net of tax | | **14** | 180 | **(101)** | 206 |
| **Total comprehensive loss for the period, attributable to owners of the company** | | **(1,132)** | (1,052) | **(2,014)** | (2,258) |
| **Total comprehensive loss attributable to** | | | | | |
| Non-controlling interest | | **(9)** | - | **(53)** | - |
| Equity holders of the parent | | **(1,123)** | (1,052) | **(1,961)** | (2,258) |
| **Loss per share** | | | | | |
| Basic and diluted (pence per share) | *5* | **(0.02)** | (0.02) | **(0.03)** | (0.04) |

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

FOR THE 3 AND 9 MONTHS ENDED 30 SEPTEMBER 2014

| | Share capital | Share premium account | Other reserves | Share-based payment reserve | Translation reserve | Retained earnings | Total attributable to owners of parent | Non-controlling interest | Total equity |
|---|---|---|---|---|---|---|---|---|---|
| | **£'000** | **£'000** | **£'000** | **£'000** | **£'000** | **£'000** | **£'000** | **£'000** | **£'000** |
| **Balance at 31 December 2013** | **2,520** | **13,162** | **(6,156)** | **1,072** | **(152)** | **(8,131)** | **2,315** | **(173)** | **2,142** |
| Issue of share capital | | 10 | | - | - | - | 10 | - | 10 |
| Share based payments | - | - | - | 12 | - | - | 12 | - | 12 |
| **Transactions with owners** | - | 10 | - | 12 | - | - | 22 | - | 22 |
| Loss for the period | - | - | - | - | - | (723) | (723) | (44) | (767) |
| Other comprehensive income for the period | - | - | - | - | (115) | - | (115) | - | (115) |
| **Total comprehensive loss for the period** | - | - | - | - | (115) | (723) | (838) | (44) | (882) |
| **Balance at 30 June 2014 (unaudited)** | **2,520** | **13,172** | **(6,156)** | **1,084** | **(267)** | **(8,854)** | **1,499** | **(217)** | **1,282** |
| Issue of share capital | 4 | - | - | - | - | - | 4 | - | 4 |
| Transfer on exercise of options | - | - | - | (347) | - | 347 | - | - | - |
| Share based payments | - | - | - | 4 | - | - | 4 | - | 4 |
| **Transactions with owners** | 4 | - | - | (343) | - | 347 | 8 | - | 8 |
| Loss for the period | - | - | - | - | - | (1,137) | (1,137) | (9) | (1,146) |
| Other comprehensive income for the period | - | - | - | - | 14 | - | 14 | - | 14 |
| **Total comprehensive loss for the period** | - | - | - | - | 14 | (1,137) | (1,123) | (9) | (1,132) |
| **Balance at 30 September 2014 (unaudited)** | **2,524** | **13,172** | **(6,156)** | **741** | **(253)** | **(9,644)** | **384** | **(226)** | **158** |

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**
AS AT 30 SEPTEMBER 2014

| | | **Unaudited** | Audited |
|---|---|---|---|
| | | **30 September** | 31 December |
| | | **2014** | 2013 |
| **Assets** | **Notes** | **£'000** | £'000 |
| **Non-current** | | | |
| Intangible assets | *6* | **4,763** | 4,897 |
| Property, plant and equipment | | **72** | 87 |
| | | **4,835** | 4,984 |
| **Current** | | | |
| Cash and cash equivalents | | **2,322** | 2,101 |
| Trade and other receivables | | **107** | 87 |
| **Total current assets** | | **2,429** | 2,188 |
| **Total assets** | | **7,264** | 7,172 |
| **Liabilities** | | | |
| **Current** | | | |
| Trade and other payables | | **451** | 413 |
| Owed to jointly controlled entity | | **11** | - |
| Financial liability | | **1,050** | 1,234 |
| **Total current liabilities** | | **1,512** | 1,647 |
| **Liabilities due after one year** | | | |
| Loans | *8* | **4,800** | 2,568 |
| Deferred tax liability | | **794** | 815 |
| **Total liabilities** | | **7,106** | 5,030 |
| **Equity** | | | |
| Issued share capital | *9* | **2,524** | 2,520 |
| Share premium | | **13,172** | 13,162 |
| Share based payment reserve | | **741** | 1,072 |
| Other reserves | | **(6,409)** | (6,308) |
| Retained earnings | | **(9,644)** | (8,131) |
| | | **384** | 2,315 |
| Non-controlling interest | | **(226)** | (173) |
| **Total equity** | | **158** | 2,142 |
| **Total equity and liabilities** | | **7,264** | 7,172 |

**CONSOLIDATED STATEMENT OF CASH FLOWS**
FOR THE 3 AND 9 MONTHS ENDED 30 SEPTEMBER 2014

| | **Unaudited 3 months ended 30 September 2014** | Unaudited 3 months ended 30 September 2013 | **Unaudited 9 months ended 30 September 2014** | Unaudited 9 months ended 30 September 2013 |
|---|---|---|---|---|
| | **£'000** | £'000 | **£'000** | £'000 |
| **Cash flows from operating activities** | | | | |
| Loss after tax | **(1,146)** | (1,232) | **(1,913)** | (2,464) |
| Amortisation of intangibles | **1** | 5 | **4** | 14 |
| Depreciation | **6** | 6 | **19** | 19 |
| Share of losses of jointly controlled entity | **164** | - | **164** | - |
| Finance income | **(1)** | - | **(3)** | (1) |
| Finance cost | **218** | 54 | **565** | 60 |
| Fees paid in shares | **-** | - | **10** | - |
| Equity settled share-based payments | **4** | - | **16** | 400 |
| Movement on fair value of derivatives | **378** | - | **(430)** | - |
| (Increase)/decrease in trade and other receivables | **25** | (97) | **(14)** | (141) |
| (Decrease)/increase in trade and other payables | **(74)** | 269 | **(49)** | 354 |
| **Net cash outflow from operating activities** | **(425)** | (995) | **(1,631)** | (1,759) |
| **Cash flows from investing activities** | | | | |
| Purchase of property, plant and equipment | **-** | - | **(9)** | (8) |
| Proceeds from sale of property, plant and equipment | **-** | - | **11** | - |
| Investment in jointly controlled entity | **(153)** | - | **(153)** | - |
| Finance income | **1** | - | **3** | 1 |
| **Net cash outflow from investing activities** | **(152)** | - | **(148)** | (7) |
| **Cash flows from financing activities** | | | | |
| Proceeds from issue of share capital | **4** | - | **4** | 500 |
| Share issue costs | **-** | - | **-** | (32) |
| Finance cost | **-** | (54) | **-** | (60) |
| New loans | **2,000** | 2,667 | **2,000** | 4,000 |
| **Net cash inflow from financing activities** | **2,004** | 2,613 | **2,004** | 4,408 |
| **Net increase/(decrease) in cash and cash equivalents** | **1,427** | 1,618 | **225** | 2,642 |
| **Cash and cash equivalents at beginning of period** | **896** | 1,632 | **2,101** | 601 |
| **Exchange differences on cash and cash equivalents** | **(1)** | 202 | **(4)** | 209 |
| **Cash and cash equivalents at end of period** | **2,322** | 3,452 | **2,322** | 3,452 |

**NOTES TO THE INTERIM REPORT**
FOR THE PERIOD ENDED 30 SEPTEMBER 2014

## 1. GENERAL INFORMATION

The financial information set out in this interim report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The Group's statutory financial statements for the year ended 31 December 2013 have been delivered to the Registrar of Companies. The auditors report on these financial statements was unqualified and did not contain statements under section 498(2) or section 498(3) of the Companies Act 2006.

## 2. ACCOUNTING POLICIES

BASIS OF PREPARATION

The Company's ordinary shares are quoted on the AIM market of the London Stock Exchange and the Company applies the Companies Act 2006 when preparing its annual financial statements.

The annual financial statements for the year ended 31 December 2014 will be prepared under International Financial Reporting Standards as adopted by the European Union (IFRS) and the principal accounting policies adopted remain unchanged from those adopted in preparing its financial statements for the year ended 31 December 2013.

The accounting policies have been applied consistently throughout the Group for the purposes of preparation of these condensed consolidated interim financial statements.

GOING CONCERN

The Directors have prepared cash flow forecasts for the period ending 30 November 2015. The forecasts identify unavoidable third party running costs of the Company and demonstrate that the Company has sufficient cash resources available to allow it to continue in business for a period of at least twelve months from the date of approval of these interim financial statements. Further development of the Company's exploration and investment activities, including any direct investment in the Roaster Project, will continue as and when finance is available. Accordingly, the accounts have been prepared on a going concern basis.

## 3. SEGMENTAL REPORTING

An operating segment is a distinguishable component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions about the allocation of resources and assessment of performance and about which discrete financial information is available. The chief operating decision maker has defined that the Group's only reportable operating segment during the period is mining.

The Group has not generated any revenues from external customers during the period.

In respect of the non-current assets, £55,000 (31 December 2013: £70,000) arise in the UK, and £4,780,000 (31 December 2013: £4,914,000) arise in the rest of the world.

## 4. TAXATION

Unrelieved tax losses of approximately £6.30 million (31 December 2013: £5.09 million) remain available to offset against future taxable trading profits. The unprovided deferred tax asset at 30 September 2014 is £1,501,000 (31 December 2013: £1,239,000) which has not been provided on the grounds that it is uncertain when taxable profits will be generated by the Group to utilise those losses.

## 5. LOSS PER SHARE

The calculation of the basic loss per share is based on the loss attributable to ordinary shareholders divided by the weighted average number of shares in issue during the period.

| | **Unaudited 3 months ended 30 September 2014 £'000** | Unaudited 3 months ended 30 September 2013 £'000 | **Unaudited 9 months ended 30 September 2014 £'000** | Unaudited 9 months ended 30 September 2013 £'000 |
|---|---|---|---|---|
| Loss on ordinary activities after tax (£'000) | **(1,146)** | (1,232) | **(1,913)** | (2,464) |
| Weighted average number of shares for calculating basic loss per share | **6,933,405,029** | 5,723,546,688 | **6,854,886,500** | 5,501,324,464 |
| **Basic and diluted loss per share (pence)** | **(0.02)** | (0.02) | **(0.03)** | (0.04) |

Diluted earnings per share is the same as basic loss per share in each year because the potential shares arising under the share option scheme, share warrants and convertible bonds are anti-dilutive.

The weighted average number of ordinary shares excludes deferred shares which have no voting rights and no entitlement to a dividend.

## 6. INTANGIBLE ASSETS

| | Exploration Asset | Mining & Mineral Licences | Goodwill | Total |
|---|---|---|---|---|
| | £'000 | £'000 | £'000 | £'000 |
| **Cost** | | | | |
| At 1 January 2014 | 4,076 | 102 | 815 | 4,993 |
| Exchange Difference | (108) | (1) | (21) | (130) |
| At 30 September 2014 | 3,968 | 101 | 794 | 4,863 |
| **Amortisation and impairment** | | | | |
| At 1 January 2014 | - | 96 | - | 96 |
| Amortisation charge in the period | - | 4 | - | 4 |
| At 30 September 2014 | - | 100 | - | 100 |
| ***Net book value*** | | | | |
| **At 30 September 2014** | **3,968** | **1** | **794** | **4,763** |
| At 1 January 2014 | 4,076 | 6 | 815 | 4,897 |

The exploration asset relates to the acquisition of Portage Minerals Inc. during 2013. The exploration asset has not been amortised in the year as actual exploitation or material development of the asset have yet to commence. The exploration asset is not required to be reviewed for impairment unless there are any indications that the carrying amount exceeds the recoverable amount. The directors consider that there are no indications that the carrying amount exceeds the recoverable amount as at 30 September 2014.

Goodwill on acquisition relates to goodwill arising on the acquisition of Portage Minerals Inc. Goodwill is not amortised but is reviewed for impairment on an annual basis or more frequently if there are any indications that goodwill may be impaired. The directors consider that there are no indications that the goodwill is impaired as at 30 September 2014.

Mining and mineral licenses are amortised on a straight line basis over the life of the licenses.

## 7. INVESTMENT IN JOINTLY CONTROLLED ENTITY

Tri-Star owns 40% of Strategic & Precious Metals Processing LLC ("SPMP") a company incorporated in the Sultanate of Oman. The Company accounts for its interest in SPMP using the equity method of accounting whereby the investment is initially recognised at cost and adjusted thereafter for the change in the Company's share of SPMP's net assets. As at 30 September 2014, the Company had invested £153,000 in SPMP and its share of losses of SPMP amounted to £164,000.

## 8. LOANS

On 27 August 2014 the Company completed a private placing of £2.0 million secured convertible bonds due June 2018 with Odey European Inc. in addition to the £4.0 million of secured convertible bonds also issued to Odey European Inc. in June 2013 (together, the "Convertible Bond").

The Convertible Bond is issued and redeemable at 100% of the principal amount plus accrued interest and, unless previously redeemed, converted or cancelled, mature in June 2018.

The Convertible Bond is convertible at 100% of the principal amount plus accrued interest at the holder's option into ordinary shares at a conversion price which is fixed at the time of conversion at a 10% discount to the lower of:

(i) the latest equity funding round completed prior to the issue of the conversion notice; and
(ii) any equity funding round completed within 10 days of the conversion notice.

As at 30 September 2014, 30 June 2014 and 31 December 2013, the conversion price stood at 0.27p per Tri-Star ordinary share.

The carrying value of the host debt component of the Convertible Bond at 30 September 2014 amounted to £4,800,000 (31 December 2013: £2,568,000, 30 June 2014: £2,915,000).

The conversion option (limited by the early repayment clause) is an embedded derivative treated as a liability at fair value through profit and loss. The fair value of the embedded derivative, calculated using the Black-Scholes option valuation model, was £1,137,000 (31 December 2013: £1,234,000, 30 June 2014: £426,000). The (decrease)/increase in fair value in the 3 and 9 month periods, amounting to (£378,000) and £430,000, respectively, has been recorded in finance cost/income in the Consolidated Income Statement for the period ended 30 September 2014 (31 December 2013: (£171,000), 30 June 2014: (£808,000)).

The Convertible Bonds are recorded in the Consolidated Statement of Financial Position as:

**2013 Bonds**

| Asset/(liability) | **On Issue** | **Profit and loss movement** | **At 31 December 2013** | **Profit and loss movement** | **At 30 June 2014** | **Profit and loss movement** | **At 30 September 2014** |
|---|---|---|---|---|---|---|---|
| | **£'000** | **£'000** | **£'000** | **£'000** | **£'000** | **£'000** | **£'000** |
| Carrying value of host debt instrument | (2,343) | (225) | (2,568) | (347) | (2,915) | (187) | (3,102) |
| Fair value of derivative | (1,405) | 171 | (1,234) | 808 | (426) | (368) | (794) |
| **TOTAL** | **(3,748)** | **(54)** | **(3,802)** | **461** | **(3,341)** | **(555)** | **(3,896)** |

**2014 Bonds**

| Asset/(liability) | **On Issue** | **Profit and loss movement** | **At 31 December 2013** | **Profit and loss movement** | **At 30 June 2014** | **Profit and loss movement** | **At 30 September 2014** |
|---|---|---|---|---|---|---|---|
| | **£'000** | **£'000** | **£'000** | **£'000** | **£'000** | **£'000** | **£'000** |
| Carrying value of host debt instrument | (1,667) | - | - | - | - | (31) | (1,698) |
| Fair value of derivative | (333) | - | - | - | - | (10) | (343) |
| **TOTAL** | **(2,000)** | - | - | - | - | **(41)** | **(2,041)** |

The movement in the carrying value of the host debt instrument relates to accrued interest.

The key data for the valuation model were the share price and number of shares, expected option maturity life, risk free interest rate and underlying volatility as set out in the table below.

| | **31 December 2013** | **30 June 2014** | **30 September 2014** |
|---|---|---|---|
| "Spot Tri-Star" price, in £ | 0.0028 | 0.0019 | 0.0016 |
| "Strike" conversion price, in £ | 0.0027 | 0.0027 | 0.0027 |
| Maturity | 31 December 2014 | 31 December 2014 | 31 December 2015 |
| Volatility | 58% | 86% | 87% |
| Number of shares | 1,803,010,994 | 1,803,010,994 | 2,984,370,116 |

On issue the host debt instrument liability for the 2013 bond was recorded at £2,343,000 being the difference between the fair value of the derivative and the proceeds. Thereafter, in line with accounting standards, the host debt instrument is carried at amortised cost with an effective interest rate of 27.24%.

On issue the host debt instrument liability for the 2014 bond was recorded at £1,667,000 being the difference between the fair value of the derivative and the proceeds. Thereafter in line with accounting standards the host debt instrument is carried at amortised cost with an effective interest rate of 20.18%.

**9. SHARE CAPITAL**

| | **Unaudited** | Audited |
|---|---|---|
| | **30 September 2014** | 31 December 2013 |
| | **£'000** | £'000 |
| Allotted, issued and fully paid | | |
| 1,363,925,475 deferred shares of 0.1p (30 September and 31 December 2012: 1,363,925,475) | **1,364** | 1,364 |
| 856,547,275 deferred shares of 0.095p (31 December 2013: 856,547,275) | **814** | 814 |
| 6,937,257,889 ordinary shares of 0.005p (31 December 2013: 6,843,546,532) | **346** | 342 |
| | **2,524** | 2,520 |

The deferred shares have no voting rights and are not eligible for dividends.