

COMPANY REGISTRATION NUMBER 04228788

**ALL STAR MINERALS PLC**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

**ALL STAR MINERALS PLC**  
CONTENTS PAGE  
FOR THE YEAR ENDED 31 DECEMBER 2016

---

<b>CONTENTS</b>	<b>PAGES</b>
Officers and professional advisors	1
Strategic report	2
Directors' report	4
Statement of directors' responsibilities	6
Independent auditor's report	7
Income statement	9
Statement of other comprehensive income	10
Statement of changes in equity	11
Statement of financial position	12
Statement of cash flows	13
Notes to the financial statements	14

**ALL STAR MINERALS PLC**  
OFFICERS AND PROFESSIONAL ADVISORS  
FOR THE YEAR ENDED 31 DECEMBER 2016

---

<b>Company registration number</b>	04228788
<b>The board of directors</b>	Mr T Nugent - Chairman Mr J L Featherstone Mr D Bourne
<b>Registered office</b>	C/O Ensors Accountants LLP Cardinal House 46 St Nicholas Street Ipswich Suffolk IP1 1TT
<b>Independent auditors</b>	Price Bailey LLP Price Bailey Chartered Accountants 6 High Street Ely Cambridgeshire CB7 4JU
<b>Bankers</b>	RBS Cambridge Branch 82-88 Hills Road Cambridge CB2 1LG
<b>Solicitors</b>	Birketts LLP Kingfisher House 1 Gilders Way Norwich Norfolk NR1 3UB

## **REVIEW OF THE BUSINESS – Chairman’s Statement**

The past twelve months have been a period in which the Company has witnessed continued positive momentum and solid progress following the withdrawal from Australia. Additionally, the Company passed a Resolution at the Annual General Meeting to broaden its investment strategy to include non-resource opportunities. This was a significant step given that the commodities sector was experiencing a severe downturn with mining companies of all sizes struggling due to high levels of debt and negative investor sentiment towards supporting equity raisings. That said however, All Star was able to raise capital and extend existing Convertible Loan Notes.

The board of All Star has continued to review options as to how best advance the Company. The appointment of David Bourne as Non-Executive Director at our AGM, who has many years of valuable business and finance experience, was an important step in what the board is aiming to achieve. During the period, the board entered into non-disclosure agreements and held meetings with the management or owners of companies that looked to have potential and the ability to deliver growth. Going forward, these discussions will continue and it is hoped that a suitable transaction will be identified in due course to complete the transformation of the Company since I took up the position of Executive Chairman in 2013.

As a Company with a listing on the NEX Exchange Growth Market, our access to capital is predominantly through UK investors, whether that be private client brokers or sophisticated and high net worth individuals. This funding route has continued to be a very tough environment for raising capital during the past twelve months. In spite of this, All Star successfully raised money during the period under review, which enabled the Company to strengthen its balance sheet and pay creditors.

The Company’s principal asset since relinquishing and selling its Australian assets has been its shareholding in investee company, NQ Minerals Plc. Throughout 2016, All Star continued holding 5,519,545 shares in the Company, which equated to 3.9% ownership of the Company at the start of 2016. NQ has continued to develop and proved to be a very exciting asset for All Star.

However like all mining companies, weak investor sentiment did effect the share price of NQ during the year and as at 31 December 2016, the shareholding was valued at £413,965, which was a significant decrease in value compared to the end of our previous financial year. However, given the newsflow in recent weeks and updates provided by NQ including the aim to move onto the London Stock Exchange’s Standard List, the board of All Star looks forward to the performance of its investment over the course of 2017.

## **CORPORATE**

On a further positive note during the period, All Star extended the maturity of Convertible Loan Notes in issue and raised £110,400 through the issue of new ordinary shares. As covered in detail above, the equity story continued to be developed in our investee company, NQ Minerals Plc.

This has continued to be worthy of the patience and loyalty shown by All Star as a significant shareholder owning more than 3% of the Company. The future of NQ continues to look attractive with the board of All Star remaining highly encouraged about the outlook over the next six to twelve months.

**ALL STAR MINERALS PLC**  
STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2016

---

**FINANCIALS**

The financial results for the 12 month period to 31 December 2016 shows a loss after taxation of £186,933 (2015: profit of £161,022). The decrease in value of NQ Minerals' shares and general corporate overheads meant that the Company recorded a loss for the period.

The basic loss per share from continuing operations was 0.02p (2015: earnings of 0.02p ).

The Directors do not recommend the payment of a dividend.

**PRINCIPAL RISKS AND UNCERTAINTIES FACING THE COMPANY**

The principal risks faced by the Company are as follows:

- The ability to raise sufficient funds to continue to execute the Company's strategy; and
- The performance of the investment in NQ Minerals plc which is an overseas mining and exploration company.

**OUTLOOK**

I believe that All Star could be enhanced through a number of different means. The part or complete disposal of the NQ shareholding may mean a balance sheet transformation. If that was to occur, then potentially there would be a significant amount of cash that would be utilised towards a single or multiple transactions. This would completely change the current corporate structure of the Company and benefit shareholders.

However, in the interim the Company's working capital position still requires careful management.

I would like to take this opportunity to thank my fellow board members, shareholders and our advisers for their continued support and patience over the past twelve months. In what overall has been another pleasing period, the Company has continued with its transition and is shaping for the future.

Tomas Nugent

Executive Chairman

30 May 2017

# **ALL STAR MINERALS PLC**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2016**

---

The Directors present their report and financial statements for the year ended 31 December 2016.

#### **RESULTS AND DIVIDENDS**

The Company's loss for the year, after taxation, amounted to £186,933 (2015 – profit of £161,022). The Directors do not recommend the payment of any dividend.

#### **PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS**

The principal activity of the Company was updated during the year to broaden then investment strategy to include financial services, engineering and support services, renewable energy, construction and technology as well as exploration for minerals and investment in exploration companies. The rationale behind the proposed change in investing strategy is to allow the board to explore a wider range of opportunities with a view to seeking a return on investment for its shareholders.

#### **EVENTS AFTER THE REPORTING YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

#### **CREDITOR PAYMENT POLICY AND PRACTICE**

It is the Company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the Company and its suppliers, provided that all trading terms and conditions have been complied with.

At 31 December 2016, the Company had an average of 64 days purchases outstanding in trade creditors (2015: 201 days).

#### **DIRECTORS**

The Directors set out below have held office during the whole of the period from 1 January 2016 to the date of this report, unless otherwise stated.

Mr J L Featherstone  
Mr T Nugent  
D Bourne (appointed 25 July 2016)

#### **FINANCIAL INSTRUMENTS**

Details of the Company's financial risk management objectives and policies, including the use of financial instruments, are included in note 2 to the financial statements.

#### **PROVISION OF INFORMATION TO AUDITORS**

We, the Directors of the Company who held office at the date of approval of these financial statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the Company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as Directors in order to make ourselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**ALL STAR MINERALS PLC**  
DIRECTORS' REPORT (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2016

---

**INDEPENDENT AUDITORS**

Price Bailey LLP have signified their willingness to continue in office and a resolution to re-appoint them as auditor will be proposed at the Annual General Meeting.

Approved by the board on 30 May 2017  
and signed on its behalf by

Tomas Nugent  
Chairman  
30 May 2017

# ALL STAR MINERALS PLC

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

### FOR THE YEAR ENDED 31 DECEMBER 2016

---

The Directors are responsible for preparing the Strategic Report, the Directors' Report and financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and applicable law. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

International Accounting Standard 1 requires that financial statements present fairly for each financial period the Company's financial position, financial performance and cash flows. This requires faithful representation of the effect of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out on the International Accounting Standards Board's 'Framework for the Preparation and Presentation of Financial Statements'. In virtually all situations, a fair presentation will be achieved by complying with all applicable IFRSs. In preparing these financial statements, the Directors are also required to:

- select suitable accounting policies and then apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance;
- state that the Company has complied with IFRSs, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# **ALL STAR MINERALS PLC**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALL STAR MINERALS PLC FOR THE YEAR ENDED 31 DECEMBER 2016**

---

We have audited the financial statements of All Star Minerals plc for the year ended 31 December 2016 which comprise the Income Statement, the Statement of Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position, the Statements of Cash Flows and the related notes.

The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted in the European Union.

This report is made solely to the Company's members, as a body, in accordance with chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

As explained more fully in the Statement of Directors' Responsibilities, set out on page 6, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of the loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion, based on the work undertaken during the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

# **ALL STAR MINERALS PLC**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALL STAR MINERALS PLC  
PLC (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2016

---

## **EMPHASIS OF MATTER – GOING CONCERN**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 2 to the financial statements concerning the Company's ability to continue as a going concern. The ability of the Company to continue to trade is dependent on the performance of its investments held and continued ability to raise sufficient funds in support of its forecast expenditure. While the Company has a track record of raising the necessary funding it does represent, coupled with the performance of investments, a material uncertainty which may cast significant doubt around the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would be necessary if the Company was unable to continue as a going concern.

## **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of our knowledge and understanding of the Company and its environment obtained during the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all of the information and explanations we require for our audit.

**Paul Cullen FCCA** (Senior Statutory Auditor)

For and on behalf of:

Price Bailey LLP  
Chartered Accountants &  
Statutory Auditors  
6 High Street  
Ely  
Cambridgeshire  
CB7 4JU

30 May 2017

**ALL STAR MINERALS PLC**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

	Notes	2016 £	2015 £
Administrative expenses		<b>(133,335)</b>	(207,722)
Impairment of investment in subsidiary undertakings	11	-	(49,993)
Fair value movement: available for sale investments	7	<b>(27,598)</b>	-
Finance costs	6	<b>(26,000)</b>	(22,827)
Other income	11	-	441,564
<b>(LOSS)/PROFIT BEFORE TAX</b>		<b>(186,933)</b>	161,022
Income tax expense	8	-	-
<b>(LOSS)/PROFIT FOR THE YEAR</b>		<b>(186,933)</b>	161,022
		<b>2016 £</b>	<b>2015 £</b>
<b>(LOSS)/PROFIT PER SHARE expressed in pence per share</b>	<b>9</b>		
<b>Basic</b>		<b>(0.02)</b>	0.02
<b>Diluted</b>		<b>(0.02)</b>	0.02

The notes on pages 14 to 31 form part of these financial statements

**ALL STAR MINERALS PLC**  
**STATEMENT OF OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

---

	<b>Notes</b>	<b>2016</b> £	2015 £
(LOSS)/PROFIT FOR THE YEAR		<b>(186,933)</b>	161,022
OTHER COMPREHENSIVE INCOME			
Items that may be subsequently reclassified to profit or loss:	7		
Fair value movement: available for sale investments		<b>(289,961)</b>	262,363
Less: impairment loss included in profit or loss		<b>27,598</b>	-
		<u><b>(262,363)</b></u>	<u>262,363</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u><b>(449,296)</b></u>	<u>423,385</u>

The notes on pages 14 to 31 form part of these financial statements

**ALL STAR MINERALS PLC**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

	<b>Issued capital £</b>	<b>Share premium £</b>	<b>Other reserves £</b>	<b>Accumulated losses £</b>	<b>Total equity £</b>
Balance at 1 January 2016	394,240	1,539,402	982,815	(2,531,035)	385,422
<b>Comprehensive income for the year</b>					
Loss for the year	-	-	-	(186,933)	(186,933)
<b>Other comprehensive income</b>					
Items that may be subsequently reclassified to profit or loss:					
Fair value movement: available for sale investments	-	-	(289,961)	-	(289,961)
Less: impairment loss Included in profit or loss	-	-	27,598	-	27,598
	-	-	(262,363)	-	(262,363)
<b>Total comprehensive income for the year</b>	-	-	(262,363)	(186,933)	(449,296)
<b>Transactions with owners, recorded directly in equity</b>					
Issue of shares	16,129	107,272	-	-	123,401
Balance at 31 December 2016	<u>410,369</u>	<u>1,646,674</u>	<u>720,452</u>	<u>(2,717,968)</u>	<u>59,527</u>
	<b>Issued capital £</b>	<b>Share premium £</b>	<b>Other reserves £</b>	<b>Accumulated losses £</b>	<b>Total equity £</b>
Balance at 1 January 2015	379,078	1,393,499	720,452	(2,692,057)	(199,028)
<b>Total comprehensive income for the year</b>					
Profit for the year	-	-	-	161,022	161,022
<b>Other comprehensive income</b>					
Items that may be subsequently reclassified to profit or loss:					
Fair value movements on available for sale investments	-	-	262,363	-	262,363
	-	-	262,363	-	262,363
Total comprehensive income for the year	-	-	262,363	161,022	423,385
<b>Transactions with owners, recorded directly in equity</b>					
Issue of shares	15,162	145,903	-	-	161,065
Balance at 31 December 2015	<u>394,240</u>	<u>1,539,402</u>	<u>982,815</u>	<u>(2,531,035)</u>	<u>385,422</u>

The notes on pages 14 to 31 form part of these financial statements

**ALL STAR MINERALS PLC**  
STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	10	-	-
Investments at cost	11	-	-
		<u>-</u>	<u>-</u>
<b>CURRENT ASSETS</b>			
Trade and other receivables	14	2,811	10,641
Cash and cash equivalents	16	20,785	4,384
Available for sale financial assets	7	413,966	703,927
		<u>437,562</u>	<u>718,952</u>
<b>TOTAL ASSETS</b>		<u><b>437,562</b></u>	<u><b>718,952</b></u>
<b>EQUITY</b>			
<b>ISSUED CAPITAL AND RESERVES</b>			
Issued share capital	17	410,369	394,240
Share premium		1,646,674	1,539,402
Reserves	18	720,452	982,815
Accumulated losses		(2,717,968)	(2,531,035)
<b>TOTAL EQUITY</b>		<u><b>59,527</b></u>	<u><b>385,422</b></u>
<b>CURRENT LIABILITIES</b>			
Borrowings	20	147,710	134,710
Trade and other payables	19	230,325	198,820
		<u>378,035</u>	<u>333,530</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>437,562</b></u>	<u><b>718,952</b></u>

Approved by the Board on 30 May 2017  
And signed on its behalf by

Tomas Nugent  
Chairman

Company registration number: 04228788

The notes on pages 14 to 31 form part of these financial statements

**ALL STAR MINERALS PLC**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016 £	2015 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Total operating (loss)/profit	(186,933)	161,022
<b>ADJUSTMENTS TO RECONCILE TO LOSS FROM OPERATIONS</b>		
Interest expense	26,000	22,827
Fair value movement on listed investments	27,598	
Impairment of investment	-	49,993
Other income	-	(441,564)
<b>ADJUSTMENTS TO RECONCILE LOSS FROM OPERATIONS</b>	<u>53,598</u>	<u>(368,744)</u>
<b>LOSS FROM OPERATIONS</b>	<u>(133,335)</u>	<u>(207,722)</u>
<b>NON CASH ADJUSTMENTS</b>		
Provision against related party debts	-	41,400
<b>NON CASH ADJUSTMENTS</b>	<u>-</u>	<u>41,400</u>
<b>CASH FLOWS BEFORE CHANGES IN WORKING CAPITAL</b>	(133,335)	(166,322)
<b>INCREASE/(DECREASE) IN WORKING CAPITAL</b>		
Decrease in trade and other receivables	7,830	2,103
Increase in trade and other payables	31,506	39,695
<b>INCREASE IN WORKING CAPITAL</b>	<u>39,336</u>	<u>41,798</u>
<b>CASH FLOW USED IN OPERATING ACTIVITIES</b>	<u>(93,999)</u>	<u>(124,524)</u>
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Gross proceeds from issue of equity share capital	110,400	126,000
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<u>110,400</u>	<u>126,000</u>
	<u>16,401</u>	<u>1,476</u>
Cash and cash equivalents brought forward	<u>4,384</u>	<u>2,908</u>
<b>CASH AND CASH EQUIVALENTS AS AT 31 DECEMBER</b>	<u>20,785</u>	<u>4,384</u>

The notes on pages 14 to 31 form part of these financial statements

# ALL STAR MINERALS PLC

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2016

---

#### 1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH IFRS

The Company's financial statements for the year were authorised for issue and the statement of financial position signed on the board's behalf by Mr T Nugent. All Star Minerals Plc is a public limited company incorporated and domiciled in England & Wales. The nature of the Company's operations and its principal activities are set out in the Directors' Report.

These financial statements are presented in UK Sterling because that is the currency of the primary economic environment in which the Company operates. Foreign currencies are accounted for in accordance with the policies set out in note 2.

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006. The principal accounting policies adopted by the Company are set out in note 2.

#### **New Standards and Interpretations adopted with no affect on the financial statements**

The following new and revised standards and interpretations have been adopted in these financial statements. Their adoption has not had any significant impact on the amounts reported in these financial statements but may affect the accounting for future transactions or arrangements:

#### ***Annual Improvements to IFRSs 2012–2014 Cycle – various standards & Annual Improvements to IFRSs 2011–2013 Cycle – various standards***

These are a collective of amendments to IFRSs resulting from issues discussed and subsequently included in Exposure Drafts which are effective for the Company as at 31 December 2016. Management have assessed the impact of each of the amendments and concluded that there is no impact of the Company's accounting policies as a result.

#### ***Amendment to IAS 1: Disclosure Initiative***

The amendments aim at clarifying IAS 1 to address perceived impediments to preparers exercising their judgment in presenting their annual reports. Management have assessed the impact of this amendment and applied its principles in preparing this annual report.

#### ***Amendment to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation***

The amendment introduced a rebuttable assumption that revenue is not an appropriate amortisation method for intangible assets. Furthermore, it prohibits the use of revenue-based depreciation for property, plant and equipment. The Company does not base rates of depreciation or amortisation rates on revenue. Accordingly, the impact of this amendment on the Company is limited.

Certain standards and interpretations that have been issued and are effective from 1 January 2016 but Management do not consider that they have a material impact on the Company's financial statements. These standards and interpretations are:

- IFRS 14 Regulatory Deferral Accounts
- Amendments to IFRS 11 Accounting for acquisitions in Joint Operations
- Amendments to IAS 16 and IAS 41 Agriculture: Bearer Plants
- Equity method in separate financial statements (amendments to IAS 27)
- Investment entities: Applying the consolidation exception (amendments to IFRS 10, IFRS 12 and IAS 28)

**1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH IFRS (continued)**

**Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company**

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published by the IASB but are not yet effective, and have not been adopted early by the Company.

The Directors anticipate that all of the pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement. Certain standards and interpretations that have been issued but are not expected to have a material impact on the Company's financial statements include:

- *Amendments to IFRS 4*
- *Amendments to IAS 12*
- *Amendments to IAS 40*
- *IFRIC 22 Foreign currency transactions and advance consideration*
- *IFRS 15 Revenue from Contracts with Customers*
- *IFRS 16 Leases*

Information on new standards, amendments and interpretations that are expected to be relevant to the Company's financial statements is provided below.

***IFRS 9 Financial Instruments (effective from 1 January 2018)***

The IASB have completed its project to replace IAS 39 with IFRS 9 which includes requirements for the classification and measurement of financial assets and liabilities, impairment methodology and general hedge accounting. The Group's main area of focus in assessing the impact of IFRS 9 will be the classification of the Group's financial assets and the implementation of the expected credit loss model for recognising impairment losses in respect of the Group's financial assets such as trade receivables. While the Board have started to assess the impact of IFRS 9 it is not yet in a position to provide quantitative information in this regard.

***Amendments to IAS 7 Cash Flow Statement (effective from 1 January 2017)***

The amendments will require entities to provide disclosures that enable investors to evaluate changes in liabilities arising from financing activities, including changes arising from cash flows and non-cash changes.

***Amendments to IFRS 2 Share Based Payment (effective from 1 January 2018)***

The amendments address the following areas: the effect of vesting conditions on the measurement of both cash and share based payments; the classification of a share-based payment transactions with net settlement features for withholding tax obligations; and the accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash-settled to equity settled.

# ALL STAR MINERALS PLC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

---

### 1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH IFRS (continued)

#### *Annual Improvements to IFRSs 2014-2016 Cycle (effective from 1 January 2017)*

These are a collective of amendments to IFRSs resulting from issues discussed and subsequently included in Exposure Drafts which are effective for the Company as at 1 January 2017. Management have assessed the impact of each of the amendments and concluded that there is no impact of the Company's accounting policies as a result.

Unless otherwise stated above, Management have yet to assess the impact that these amendments are likely to have on the financial statements of the Company.

### 2. ACCOUNTING POLICIES

#### **Consolidated financial statements**

At 31 December 2016, the Company had no subsidiary undertakings. In accordance with Section 399 of the Companies Act 2006 and the requirements of IFRS as adopted by the European Union the Company has therefore not prepared consolidated financial statements.

#### **Going concern**

The Company has reduced the costs associated with running the business from £207,722 in 2015 to £133,335. In addition, the Company raised cash of £110,400 during the year through equity share issues. The Company continue to hold its investment in NQ Minerals plc which gives the Company access to a source of liquid funds as required.

The Directors have considered the cash flow requirements of the Company for a period in excess of 12 months from the date of signing these financial statements. Based on the resources now available to the Company and anticipated expenditure over the next 12 months the Directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the annual report and accounts.

#### **Foreign currency exchange**

The principal place of business of the Company is the United Kingdom with sterling being the functional currency.

Transactions in currencies other than the functional currency of the Company are recorded at the rates of exchange prevailing on the dates of the transactions. At each statement of financial position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the statement of financial position date.

Gains and losses arising on retranslation are included in net profit or loss for the period, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised directly in equity.

**2. ACCOUNTING POLICIES (continued)**

**Significant accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for revenues and expenses during the period and the amounts reported for assets and liabilities at the balance sheet date. However, the nature of estimation means that the actual outcomes could differ from those estimates.

The Company has significantly streamlined its activities removing many areas of estimation uncertainty. Within the next financial year Management consider that there are no sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**Exceptional items**

Exceptional items are presented in the financial statements where there are material items of income and expense which, because of their nature and the expected rarity of the circumstances which generate them, they should be presented separately to shareholders so as to enhance their judgement of the current year's financial performance and its comparability with prior years.

**Income tax**

Income tax expense represents the sum of the tax currently payable and deferred income tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Income Statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the Statement of Financial Position date.

**Property, plant and equipment**

Items of property, plant and equipment are stated at cost of acquisition or production cost less accumulated depreciation and impairment losses.

Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives, using the straight line method, on the following bases:

Plant and equipment	- 20%
---------------------	-------

**Investment in subsidiaries**

Investments in subsidiaries are stated in the Company's balance sheet at cost less any provision for impairment.

**2. ACCOUNTING POLICIES (continued)**

**Deferred tax**

Deferred tax is provided in full, using the statement of financial position liability method, on temporary differences arising between the tax bases of assets and liabilities and the carrying amounts in the financial statements.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than as a business combination) or other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, and interest in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is charged or credited to the Income Statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax is determined using the tax rates that are expected to apply in the period when the asset is realised or the liability is settled.

The carrying amount of deferred tax assets is reviewed at each Statement of Financial Position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when they relate to income taxed levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

**Compound financial instruments**

Compound financial instruments issued by the Company comprise the convertible loan notes which can be converted at the expiry of the notes' term at the option of the holder into a fixed number of ordinary shares.

The liability component of a compound financial instrument is recognised initially at fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Subsequent to initial recognition, the liability component is measured at amortised cost using the effective interest method. The equity component is not subsequently re-measured.

**2. ACCOUNTING POLICIES (continued)**

**Financial risk management objectives and policies**

The objective of the Company's capital management is to ensure that it maintains strong credit ratings and capital ratios. This will ensure that the business is correctly supported and shareholder value is maximised.

The Company manages its capital structure through adjustments that are dependant on economic conditions. In order to maintain or adjust the capital structure, the Company may choose to change or amend dividend payments to shareholders or issue new share capital to shareholders. There were no changes to the objectives, policies or processes during either the year ended 31 December 2016 or the year ended 31 December 2015.

**Financial assets**

All investments are initially recorded at cost, being the fair value of the consideration given and including acquisition charges associated with the investment.

After initial recognition, investments which are classified as either at fair value through profit or loss or available-for-sale. Gains and losses on financial assets classified at fair value through profit or loss are recognised in the Income Statement until the investment is sold, collected or otherwise disposed of. Gains or losses on available-for-sale investments are recognised as a separate component of equity until the investment is sold, collected or otherwise disposed of, or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in income.

For investments that are actively traded in organised financial markets, fair value is determined by reference to Stock Exchange quoted market bid prices at the close of business on the Statement of Financial Position date. For investments where there is no quoted market price, fair value is determined by reference to the current market value of another instrument which is substantially the same or is calculated based on the expected cash flows of the underlying net asset base of the investment.

All regular way purchases of financial assets are recognised on the trade date i.e. the date that the Company commits to purchase the asset. All regular way sales of financial assets are recognised on the settlement date i.e. the date the asset is delivered to the counter party. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

**2. ACCOUNTING POLICIES (continued)**

**Trade and other receivables**

Trade and other receivables are recognised by the Company and carried at original invoice amount less an allowance for any uncollectible or impaired amounts.

An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when they are identified as being bad.

Other receivables are recognised at fair value.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short term deposits. Short term deposits are defined as deposits with an initial maturity of three months or less.

Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purposes of the Statement of Cash Flows.

**Trade and other payables**

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

**Share based payments**

The Company issues equity-settled share based payments to certain employees including Directors.

Equity-settled Share based payments are measured at fair value at the date of grant.

Fair value is measured using an appropriate options pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The fair value determined at the grant date of the equity-settled Share based payments is expensed on a straight-line basis over the vesting period, together with a corresponding increase in equity, based upon the Company's estimate of the shares that will eventually vest.

Where the terms of an equity-settled transaction are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in value of the transaction as a result of the modification, as measured at the date of the modification.

Where an equity-settled transaction is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the transaction is recognised immediately. However, if a new transaction is substituted for the cancelled transaction, and designated as a replacement transaction on the date that it is granted, the cancelled and new transactions are treated as if they were a modification of the original transaction, as described in the previous paragraph.

**ALL STAR MINERALS PLC**  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2016

---

**3. (LOSS)/PROFIT**

(Loss)/profit is stated after charging the following:

	<b>2016</b> £	2015 £
Auditor's remuneration – audit of financial statements	<u>7,000</u>	<u>8,500</u>
<b>Included in administrative expenses:</b>	<b>£</b>	<b>£</b>
Loss on foreign exchange movements	<u>2,989</u>	<u>950</u>

**4. EMPLOYEES EXPENSES**

The average monthly number of employees during the year was made up as follows:

	<b>2016</b> <b>Number</b>	2015 Number
Directors	1	2
Non-executive directors	<u>2</u>	<u>1</u>
	<u>3</u>	<u>3</u>

**5. KEY MANAGEMENT REMUNERATION (COMPENSATION)**

	<b>2016</b> £	2015 £
Consultancy fees	<u>100,000</u>	<u>91,944</u>
	<u>100,000</u>	<u>91,944</u>

	<b>2016</b> <b>Number</b>	2015 Number
During the year the following number of directors exercised Share options	<u>-</u>	<u>-</u>

Key management only comprises statutory directors.

**6. FINANCE COSTS**

	<b>2016</b> £	2015 £
Interest expense: Debentures and other secured borrowings	<u>26,000</u>	<u>22,827</u>
	<u>26,000</u>	<u>22,827</u>

**ALL STAR MINERALS PLC**  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

---

**7. AVAILABLE FOR SALE FINANCIAL ASSETS**

	<b>2016</b>	2015
	£	£
At 1 January	703,927	-
Initial recognition	-	441,564
Impairment loss recognised in income statement	(27,598)	-
Fair value movement recognised in OCI	(262,363)	262,363
At 31 December	<u>413,966</u>	<u>703,927</u>

As described in note 11, the Company designated its interest in NQ Minerals plc as an available for sale financial asset during 2015. NQ Minerals plc is listed on NEX Exchange and its value determined by the market price (Level 1 input). If the market price of the shares in NQ Minerals plc had been 10% lower at 31 December 2016, both profit before tax and equity would have been £4,000 lower.

**8. INCOME TAX**

**Components of income tax expense**

	<b>2016</b>	2015
	£	£
<b>Current income tax expense</b>		
Current income tax charge	<u>-</u>	<u>-</u>

No liability to UK corporation tax arises on the ordinary activities for the year ended 31 December 2016, nor for the year ended 31 December 2015.

**Reconciliation of income tax charge to accounting (loss)/profit**

	<b>2016</b>	2015
	£	£
Tax at the domestic income tax rate of 20% (2015: 20%)	<b>(37,387)</b>	43,243
Loss/(Income) not subject to tax	<b>5,520</b>	(99,351)
Expenses not allowed	<b>1,366</b>	28,520
Unrecognised tax losses	<b>30,501</b>	27,588
	<u>-</u>	<u>-</u>

**Factors which may affect future tax charge**

The Company has estimated UK tax losses of £2,143,302 (2015: £2,016,434) to carry forward against future trading profits. A deferred tax asset has not been recognised in respect of these losses due to uncertainty over the timing of when these assets will be utilised.

The main rate of UK corporation tax is 20% during the current tax year and it will reduce to 19% during 2017. By 2020 it is proposed that the rate will fall to 17%. However, there is no effect on deferred tax as the Company has not recognised any deferred tax asset or liability.

**9. EARNINGS PER SHARE**

Basic earnings per share are calculated by dividing net result for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period. No adjustments were made to the net result for the year when calculating basic earnings per share in either year. The weighted average number of shares outstanding for 2016 was 896,366,134 (2015: 707,059,013).

**ALL STAR MINERALS PLC**  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

---

**9. EARNINGS PER SHARE (continued)**

Diluted Earnings per share amounts are calculated by dividing the net result attributable to ordinary equity holders after adjustments for instruments that dilute basic Earnings per share by the weighted average of ordinary shares outstanding during the period (adjusted for the effects of dilutive instruments). For the year ended 31 December 2016, as the Company was loss making the effect of any share options is anti-dilutive such that the diluted EPS figure is equivalent to the basic EPS figure.

For the year ended 31 December 2015, there was a weighted average of 32,966,073 dilutive share options bringing the weighted average number of shares for the diluted earnings per share calculation to 740,025,086. For the year ended 31 December 2016 there were 23,719,008 dilutive potential ordinary shares. As these were considered to be anti-dilutive they have not been included in the EPS calculations.

See note 22 for details of shares that were issued post year end.

**10. PROPERTY, PLANT AND EQUIPMENT**

	Plant and equipment £
<b>Cost</b>	
At 1 January 2016	2,527
Disposal	(2,527)
	<hr/>
At 31 December 2016	<u>-</u>
<b>Accumulated depreciation</b>	
At 1 January 2016	(2,527)
Disposal	2,527
	<hr/>
At 31 December 2016	<u>-</u>
Net book value at 1 January 2016	<hr/> <u>-</u>
Net book value at 31 December 2016	<hr/> <u>-</u>
	Plant and equipment £
<b>Cost</b>	
At 1 January 2015 and 31 December 2015	<hr/> <u>2,527</u>
<b>Accumulated depreciation</b>	
At 1 January 2015	(2,527)
Charge for the year	-
	<hr/>
At 31 December 2015	<u>(2,527)</u>
Net book value at 1 January 2015	<hr/> <u>-</u>
Net book value at 31 December 2015	<hr/> <u>-</u>

**ALL STAR MINERALS PLC**  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

---

**11. INVESTMENT IN SUBSIDIARIES**

	£
<b>Cost</b>	
At 1 January 2015	49,993
Impairment	<u>(49,993)</u>
At 31 December 2015 and 31 December 2016	<u><u>-</u></u>

During the 2015 the Company's subsidiaries all entered into solvent liquidation proceedings resulting in the Company no longer exercising control over these undertakings. At 1 January 2015 the Company owned the subsidiaries listed in the following table:

Name	Principal activities	Country of Incorporation	% Interest
Drummond Minerals Pty Ltd	Exploration	Australia	100
Blue Doe Gold Plc	Exploration and investment in exploration companies	England & Wales	53.3
NQ Mines Pty Ltd	Exploration	Australia	100
Blue Doe Gold Pty Ltd	Exploration	Australia	53.3

Blue Doe Gold Pty Ltd was indirectly held by Blue Doe Gold Plc.

As a consequence of all the Company's subsidiaries entering solvent liquidation processes, the Company impaired its investment in subsidiaries accordingly during 2015.

The Blue Doe Group, prior to liquidation, relinquished its mining interests to NQ Minerals Plc in exchange for a 10% interest in that company. NQ Minerals Plc subsequently listed on NEX Exchange and the Company recognised a gain on disposal in respect of its interest in Blue Doe Gold plc of £441,564 in the year ended 31 December 2015. The Company designated its interest NQ Minerals plc as an available for sale financial asset (see note 7).

**12. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Company's financial assets and liabilities are summarised in note 13. The main types of risk are market risk, credit risk and liquidity risk.

The Company does not actively engage in the trading of financial assets for speculative purposes. The most significant financial risks to which the Company is exposed are described below.

**Interest rate risk**

The Company's borrowings have fixed interest rates limiting the exposure to cash flow interest rate risk. The Company's exposure to fair value interest rate risk is similarly limited as a result of the short duration of borrowings.

**12. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**

**Credit risk**

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. Following the re-structuring of the Company's activities, its exposure to credit risk is minimal. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets at the reporting date (note 13).

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

None of the Company's other receivables are either past due or impaired. They relate to specific items, such as recoverable VAT, which by their nature do not give cause for concern in terms of credit quality.

**Liquidity risk**

Liquidity risk is that the Company might be unable to meet its obligations.

The Company has given responsibility of liquidity risk management to the board who have formulated liquidity management tools to service this requirement.

Management of liquidity risk is achieved by monitoring budgets and forecasts and actual cash flows.

The Company's main non-derivative financial liability is in respect of convertible loan notes shown in note 20. Trade payables are all due within 6 months.

As disclosed in the accounting policies (note 2) management expect to meet funding requirements through the raising of additional funds.

**Market risk**

Market risk is the risk that changes in market prices, such as commodity prices, foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holding in financial instruments. Following the restructuring of the Company's activities, as disclosed in note 11, the Company now owns a 3.9% interest in NQ Minerals plc which is listed on NEX. The investment is being accounted for as an available for sale investment such that changes in the market value of the shares will directly impact upon the Company's net assets. During the year, the market value of the investment in NQ Minerals plc's shares reduced resulting in an impairment loss of £27,598 being recognised in the income statement.

**Commodity price risk**

Following the restructuring of the Company's operations, there is minimal exposure to commodity price risk other than through its investment in NQ Minerals plc which is a mining and exploration business.

**Foreign currency risk**

The principal foreign currency risk arises from the investment in NQ Minerals plc whose activities are conducted in Australia. This represents an indirect foreign currency risk. However, the Company's investment in NQ Minerals plc is denominated in GBP and, as such, there is no direct foreign currency risk.

The Company does not enter into forward exchange contracts to mitigate the exposure to foreign currency risk



**ALL STAR MINERALS PLC**  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

---

**14. TRADE AND OTHER RECEIVABLES**

	<b>2016</b> £	2015 £
<b>Current</b>		
Other receivables	<b>2,811</b>	10,641
	<u><b>2,811</b></u>	<u>10,641</u>

The carrying value of the Company's short term receivables approximates to their fair values.

**15. RELATED PARTY TRANSACTIONS**

**Trading activities**

**Purchases and services provided**

	<b>2016</b> £	2015 £
C A Windham/Not Remotely Limited	-	8,000
Compredi & Co Limited	<b>104,000</b>	83,944
	<u><b>104,000</b></u>	<u>91,944</u>

Not Remotely Limited is a company under the control of Mr C A Windham who resigned on 1 June 2015. Compredi & Co Limited is a company under the control of Mr T Nugent.

The amounts relate to services provided and expenses reimbursed.

**ALL STAR MINERALS PLC**  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

---

**15. RELATED PARTY TRANSACTIONS (continued)**

**Payable to related parties**

	<b>2016</b> £	2015 £
C A Windham Loan	<b>11,963</b>	11,963
Unpaid directors' fees	<b>176,005</b>	125,903
Valiant investments plc	<b>665</b>	665
	<u><b>188,633</b></u>	<u>138,531</u>

The loan from C A Windham, the unpaid directors' fees and the amount due to Valiant Investments plc are interest free and repayable on demand. C A Windham has an interest in and is also a Director of Valiant Investments plc.

In addition to the above, in 2014 the Company issued a convertible loan note to Valiant Investments plc for £20,000. Interest of £2,340 (2015: £340) was accrued at 31 December 2016. During the year, the Company issued 1,428,571 ordinary shares at an average price of 0.14p per share to Valiant Investments plc in respect of interest payable. See note 20.

**RELATED PARTY TRANSACTIONS**

**Key management compensation**

	<b>2016</b> £	2015 £
Consultancy fees	<u><b>100,000</b></u>	<u>91,944</u>
	<u><b>100,000</b></u>	<u>91,944</u>

Following C A Windham's resignation on 1 June 2015, 47,500,000 share options that were issued to him lapsed.

**16. CASH AND CASH EQUIVALENTS**

	<b>2016</b> £	2015 £
Cash at bank	<u><b>20,785</b></u>	<u>4,384</u>
	<u><b>20,785</b></u>	<u>4,384</u>

**ALL STAR MINERALS PLC**  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

**17. SHARE CAPITAL**

	2016		2015	
	No.	£	No.	£
Ordinary shares at 1 January	788,546,173	78,855	636,928,320	63,693
New shares issues	161,285,715	16,129	151,617,853	15,162
Ordinary shares carried forward	949,831,888	94,984	788,546,173	78,855
Deferred shares	350,428,320	315,385	350,428,320	315,385
	<b>1,300,260,208</b>	<b>410,369</b>	<b>1,138,974,493</b>	<b>394,240</b>

At the last AGM the Company was authorised to issue a further 400,000,000 0.01 pence ordinary shares. The issued ordinary shares are fully paid.

The deferred shares do not have any rights to income or voting rights and are entitled to receive their nominal value back on a winding up only after the ordinary shareholders have received £100,000 per share. There is no authorisation in place to issue further deferred shares. The deferred shares are fully paid.

All issued share capital is classified as equity.

During the year 152,000,000 ordinary shares were issued at an average 0.07 pence per share raising £110,400 in cash as follows: 20,000,000 shares at 0.09 pence per share raising £18,000 and 132,000,000 at 0.07 raising £92,400. A further 9,285,715 ordinary shares were issued at an average price of 0.14 pence per share in respect of £13,000 of accrued convertible loan note interest.

**18. RESERVES**

	Other reserve	Capital redemption reserve £	Share scheme reserve £	Total £
At 1 January 2015	-	572,786	147,666	720,452
Revaluation of available for sale financial asset	262,363	-	-	262,363
At 31 December 2015	262,363	572,786	147,666	982,815
Fair value movement: available for sale financial asset	(262,363)	-	-	(262,363)
At 31 December 2016	-	572,786	147,666	720,452

The share scheme reserve includes the increase in equity resulting from accounting for the expense of issuing share options. The capital redemption reserves exists to maintain the Company's capital when shares are cancelled or repurchased. The other reserve includes the fair value movement on available for sale investments.

**ALL STAR MINERALS PLC**  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

---

**19. TRADE AND OTHER PAYABLES**

	<b>2016</b> £	2015 £
Trade and other payables	<b>41,692</b>	60,289
Payable to related parties	<b>188,633</b>	138,531
	<b><u>230,325</u></b>	<b><u>198,820</u></b>

The carrying value of the Company's short term payables approximates to their fair values.

**20. BORROWINGS**

	<b>2016</b> £	2015 £
Convertible loan notes	<b>147,710</b>	134,710
	<b><u>147,710</u></b>	<b><u>134,710</u></b>

During the year interest of £26,000 (2015: £22,827) accrued on the convertible loan notes. During the year, £13,000 of accrued interest was converted in ordinary shares as disclosed in note 17. The convertible loans noted mature in either January or May 2017 and carry a coupon of 20% p.a. The convertible loans are convertible into 130,000,000 0.01 pence ordinary shares in the Company.

The value of the liability component and the equity conversion component were determined on the issuance of the notes. The fair value of the liability component was determined using the market interest rate for an equivalent non-convertible bond.

The carrying amount of the Company's short term borrowings approximates to their fair values.

**ALL STAR MINERALS PLC**  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

---

**21. SHARE BASED PAYMENTS**

**Equity settled**

The Company has a share option programme that entitles the holders to purchase shares in the Company with the options exercisable at the price determined at the date of granting the option.

The terms and conditions of the grants are as follows; there are no vesting conditions to be met and all options are to be settled by the issue of shares.

Details of the number of share options and the weighted average exercise price (WAEP) outstanding during the period are as follows:

	2016		2015	
	WAEP	No.	WAEP	No.
Opening balance	<b>0.126p</b>	<b>85,000,000</b>	0.206p	144,000,000
Lapsed	<b>(0.25)p</b>	<b>(15,000,000)</b>	(0.32)p	(59,000,000)
Closing balance	<b>0.10p</b>	<b>70,000,000</b>	0.126p	85,000,000

No options were exercised in either period.

The share options outstanding at the end of the period have a weighted average remaining contractual life of 7 years (2015 – 6.76years) and have the following exercise prices (EP) that expire on the following dates:

	2016		2015	
	EP	No.	EP	No.
31 December 2016	<b>0.25p</b>	-	0.25p	15,000,000
31 December 2023	<b>0.10p</b>	<b>70,000,000</b>	0.10p	70,000,000
		<b>70,000,000</b>		85,000,000

**22. POST BALANCE SHEET EVENTS**

After the year end the Company issued 54,000,000 shares raising cash of £40,500.