Tri-Star Resources Plc

(formerly Canisp PLC)

Annual Report and Financial Statements

for the year ended 31 December 2010

Annual Report and Financial Statements

for the year ended 31 December 2010

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Directors and Advisers

Company registration number	04863813
Registered office	Stanmore House 29-30 St James's Street London SW1A 1HB
Directors	**Michael Hirschfield** **Brian Spratley** **Jonathan Quirk** **Mehmet Eyi** **Adrian Collins** **Jocelyn Trusted**
Secretary	**Kitwell Consultants Limited**
Nominated adviser	**Strand Hanson Limited** 26 Mount Row London W1K 3SQ
Nominated broker	**Keith, Bayley, Rogers & Co. Limited** 2nd Floor Finsbury Tower 103-105 Bunhill Row London EC1Y 8LZ
Registrars	**Capita Registrars** The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
Bankers	**Lloyds TSB Bank Plc** PO Box 72 Bailey Drive Gillingham Business Park Kent ME8 0LS
Solicitors	**Fladgate LLP** 16 Great Queen Street London WC2B 5DG
Auditors	**Grant Thornton UK LLP** Registered Auditors Chartered Accountants Enterprise House 115 Edmund Street Birmingham B3 2HJ

Chairman's Statement

for the year ended 31 December 2010

Introduction

Tri-Star Resources Plc (formerly Canisp PLC) (AIM: TSTR) is pleased to announce its audited results for the year ended 31 December 2010.

On 27 August 2010, the Company completed the transaction whereby Üç Yildiz Antimon Madencilik İthalat Ve İhracat Sanayi ve Ticaret Anonim Şirketi ("Tri-Star") was reversed into the Company ("the Transaction"). In view of the size and nature of the Transaction, it was treated as a reverse takeover under the AIM Rules for Companies.

In the period under review, the Company recorded a loss after tax of £1,498,000 (year ended 31 December 2009 restated: loss after tax £7,000). Administrative expenses of £1,500,000 comprise non-recurring costs of £452,000 relating to professional fees in respect of the Transaction and a further £388,000 of costs associated with the Company's re-admission to trading on AIM, as a result of the Transaction being considered a reverse takeover ("Re-Admission"). Other administrative expenses include £275,000 relating to the operations in Turkey. The board of directors of the Company (the "Board") does not recommend that a dividend is paid at this time.

Capital restructuring

During the period, the Company's capital base was restructured through the conversion of each former ordinary share of 0.1 pence into one new ordinary share of 0.005 pence each ("New Ordinary Shares") and one deferred share of 0.095 pence each. A further 3,475,000,000 New Ordinary Shares were issued for cash during the period, raising £925,000, and 37,500,000 New Ordinary shares were issued in lieu of payment of fees to advisers. In addition, £383,500 of the Company's convertible debt was converted into a further 383,500,000 New Ordinary Shares.

Subsequent to the year end, the Company successfully placed a total of 270,800,000 New Ordinary Shares, at a placing price of one pence per share, with institutional and professional investors, raising £2.7 million, gross of expenses. Each placing share has a three year half warrant attached to it, exercisable at 2 pence, and a three year half warrant attached to it, exercisable at 3 pence. These shares rank pari passu with all existing ordinary shares in the capital of the Company, and were admitted to trading on AIM on 6 April 2011. Following the placing, the enlarged issued share capital of the Company is 5,033,347,275 ordinary shares.

Outlook

It has been a transformational period for the Company. In July 2010, the Company announced the proposed transaction involving Tri-Star. The cash consideration paid in respect of the Transaction is £300,000, of which £150,000 was funded through the issue of 3,100,000,000 New Ordinary Shares raising £155,000, before expenses, to the vendors of Tri-Star. The balance of £150,000 was paid on 19 April 2011, following specific milestones having been reached. The Transaction was approved by shareholders at the general meeting held on 26 August 2010.

Tri-Star holds licences and permits in respect of the mining and exploitation of mineral rights for antimony at Goynuk, located in the Gediz district of Turkey, and has an exploration concession over 783 hectares of land with a permit to mine antimony over a 24.62 hectare deposit area.

Chairman's Statement

continued

To date, the Company has drilled 20 diamond core holes and has received the assay results of the samples from the laboratory in Canada. On 31 January 2011, the Company announced that it had received all the assay results from the drilling programme completed in December 2010. Having considered these results, despite the area subject to survey representing only a very small part of the Company's licence area and that additional drilling and evaluation are necessary, the Board was satisfied that the mine contained sufficient antimony (Sb) resources to make mining and processing operations commercially viable. As a result, the Company immediately began the process of driving towards commercial production. Brian Spratley will discuss in more detail the findings and plans for the follow up exploration campaign at Goynuk in the Chief Executive Statement on page 5.

It is worth noting that the price of antimony metal, of which the vast majority of production comes from China, has risen from US$9,250 per tonne at the time of the Transaction to US$16,600 per tonne at present. This provides support for the increase in the Company's share price to 1.02 pence as at close of business on 20 April 2011. Vehbi Eyi, an executive director of the Company who has been involved in the trading of antimony metal products for nearly 40 years, comments on the metal market in more detail on page 8.

Finally, I would like to take this opportunity to thank our limited number of staff and consultants who have worked diligently over the past few months to bring the Company to the exciting position it is in today.

Adrian Collins
Chairman

26 April 2011

Chief Executive's Statement

for the year ended 31 December 2010

Following the completion of the Transaction, a modest scout drilling programme was commenced in October 2010 on the mining property, which has had historic production but minimal scientific evaluation and no exploration drilling conducted to date. The programme led to the discovery of a new area of high grade mineralisation and also showed that the formational geology of the rock units hosting the mineralisation was complex.

The drilling programme was completed on 11 December 2010, having drilled 1,311 metres in 20 drill holes between 24 metres and 129 metres deep from 18 drill sites. The drilling focused on an area inside the exploitation concession licence only, a small fraction of the overall concession area at Goynuk.

In conjunction with the drilling, surface mapping and sampling was undertaken of exposures created by the excavation and placement of drill roads and sites.

This mineralisation and additional intercepts in holes DH001, DH002, DH004, DH013 indicate that the significant high grade mineralising system is present in previously unexplored areas. Other holes, while not returning mineralisation, have led to a better understanding of the geologic controls and limits of the mineralising systems in a region of prolific antimony mineralisation.

Since December 2010, the mine site and surrounding area have been visited by the Company's independent consulting geologist to conduct a regional and mine surface mapping exercise and to assist with the specification of an expanded drilling programme due to commence in the second quarter of 2011.

The preliminary findings indicate that an internationally compliant resource may be established with further drilling and geological appraisal. The Board and management have reviewed the results and have approved engineering studies to construct facilities for early stage production.

The following tabulation shows the drill data from the three holes that were drilled into the high grade mineralisation to the south east of the mine workings down dip from some very high grade pillars. These holes are not representative of the whole area, but part of the Company's scout drilling programme, aiming to define the structure and context of the geology and mineralisation.

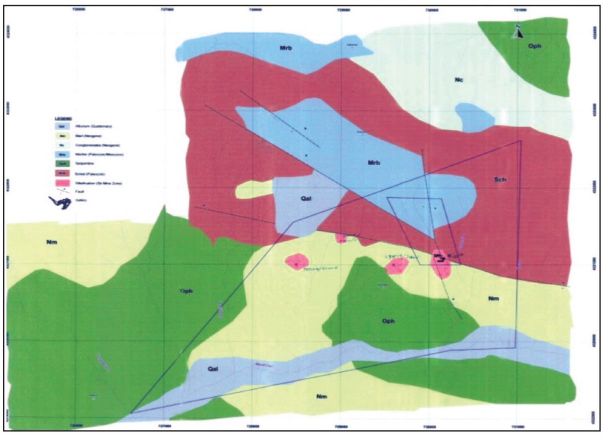
Borehole	From m	To m	Sample Length m	Au ppm	Sb %
TRI-DH-0001	46.60	47.60	1.00	0.112	0.05%
TRI-DH-0001	47.60	48.60	1.00	0.043	0.04%
TRI-DH-0001	48.60	49.60	1.00	0.116	0.05%
TRI-DH-0001	49.60	50.30	0.70	0.224	0.14%
TRI-DH-0001	50.30	50.50	0.20	0.645	5.71%
TRI-DH-0001	50.50	50.60	0.10	0.445	0.31%
TRI-DH-0001	50.60	51.70	1.10	0.347	0.17%
TRI-DH-0001	51.70	52.80	1.10	0.385	0.44%
TRI-DH-0001	52.80	53.60	0.80	0.255	0.05%
TRI-DH-0001	53.60	54.70	1.10	0.017	0.03%
TRI-DH-0001	54.70	55.70	1.00	0.336	0.15%
TRI-DH-0001	55.70	56.70	1.00	0.149	0.19%
TRI-DH-0001	56.70	57.70	1.00	0.117	0.05%
TRI-DH-0002	58.95	59.70	0.75	0.093	0.26%
TRI-DH-0002	59.70	60.70	1.00	0.149	0.96%
TRI-DH-0002	60.70	61.70	1.00	0.119	20.80%
TRI-DH-0002	61.70	62.00	0.30	0.132	1.22%
TRI-DH-0002	62.00	62.70	0.70	0.174	0.93%
TRI-DH-0002	62.70	63.00	0.30	0.13	6.70%
TRI-DH-0002	63.00	63.85	0.85	0.105	1.65%
TRI-DH-0002	63.85	64.70	0.85	0.08	2.89%
TRI-DH-0002	64.70	65.00	0.30	0.045	0.91%
TRI-DH-0002	65.00	65.20	0.20	0.043	0.08%
TRI-DH-0002	65.20	66.00	0.80	0.11	4.76%
TRI-DH-0004	34.70	35.20	0.50	0.053	0.62%
TRI-DH-0004	35.20	35.60	0.40	0.029	1.96%
TRI-DH-0004	35.60	36.20	0.60	0.032	0.74%
TRI-DH-0004	36.20	36.70	0.50	0.361	2.47%
TRI-DH-0004	36.70	37.00	0.30	0.006	0.31%

Chief Executive's Statement

continued

The potential quantity and grade of the mineralisation indicated by the holes can only be conceptual in nature, as there has been insufficient exploration to date to define a mineral resource, and it is uncertain whether further exploration will result in the target being delineated as a mineral resource in terms of reporting codes.

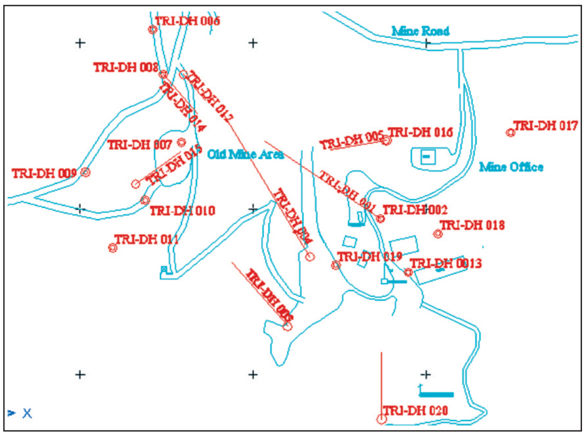
Goynuk Concession map



783 Ha Exploration Concession valid June 2015. 24 Ha Exploitation (Mining) Licence valid June 2015, renewable for 10 year periods thereafter.

The 2010 drill programme map

(inside the exploitation area)



Programme of 20 HQ Diamond drill holes total metres drilled 1,311.

Since these results were collected, the interpretation of the mineralisation in the region has been undertaken. The entire exploration concession has now been mapped. A programme of ground based geophysics is being planned on the concession area to identify structural features associated with mineralisation.

A better understanding of the complex Alpine style geology in the area has been achieved. The mineralisation is in a collision zone of oceanic ophilities and continental sediments, with a nearby volcanic intrusion adding a heat source, the Murat Dag. The deposition model being pursued is a low temperature epithermal mineral permeation in low angle thrust faults and other fractures associated with the axis of an anticline of some scale. The mineralised fluids are believed to have been trapped by silicification forming quartz and massive stibnite depositions. The axis of the anticline plunges to the South East where it was intersected by drill holes DH001, 002 and 004.

The mineralisation to the west of the ore body is stopped by serpentine rock. To the east the mineralisation is bounded by a downthrown fault, which has not been tested yet and is a target for our next drilling programme.

The mineralisation to the north remains open and is a target of our next round of drilling. Further sampling and assays were taken over the licence area.

Preliminary internal management estimates of the geological resources observed to date are in three locations. These assessments are not JORC or 43-101 compliant, as too few data points exist, and therefore do not constitute a resource. The following estimates must be treated with caution and are given only as a guide to the scale of mineralisation observed thus far.

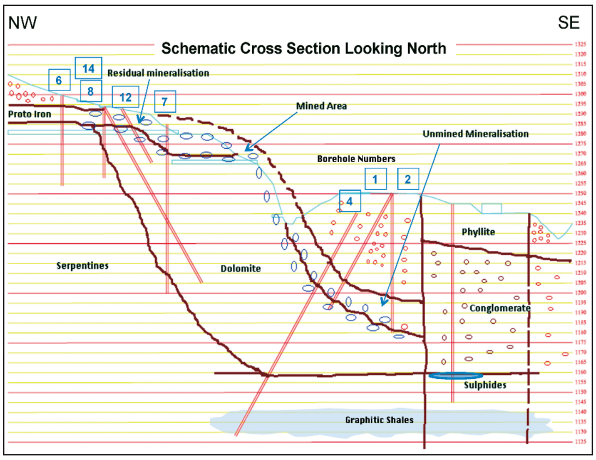
The first location is an extension of the orebody previously underground mined to the South East and extends from observed high grade pillars in old workings through boreholes DH001, DH002 and DH003 in a south easterly direction. The area is apparently constrained by faulting to the east and west, as mentioned above, however the area is still approximately 140m in strike, 5m in thickness and extends for approximately 100m. The estimated mineralisation in this area is about 210,000 tonnes at a grade of 5% Sb. It is the intention of this spring's resumed drilling to verify this area and then extend this zone by step out drilling, following the mineralisation.

Chief Executive's Statement

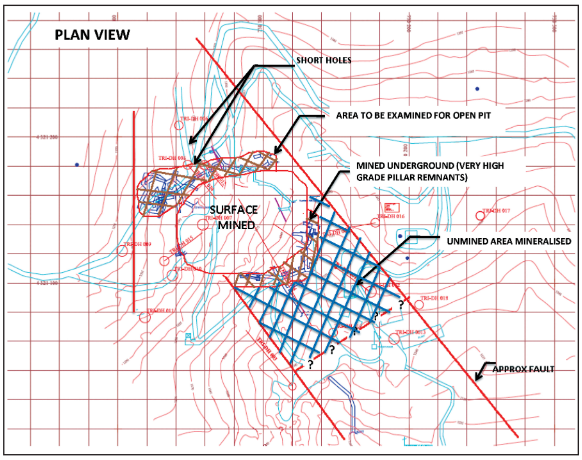
continued

Interpretation of mineralisation (schematic)

Section view



Plan View



The second location is the upper North West section of the mined area and is the area envisaged most suitable for an open pit. Although an area of more complex mineralisation, which occurs as rich plumes and fault filling and some disseminated material, internal estimates are in the region of 160,000 tonnes with an average grade at 4% Sb.

The mine has extensive accumulations of broken rock from various sources, open pit workings, underground workings, hand sorting and stockpiles. These dumps and accumulations are more extensive than originally believed and are estimated to contain approximately 80,000 tonnes at an average grade of 2% Sb. Owing to the difficulty of sampling the dumps that contain a mixture of rock types and various sized rocks and boulders, a systematic process of crushing bulk samples and re-assaying the dumps is underway.

So far the mineral inventory at Goynuk, following the first phase of scout drilling on a small portion of the licence area, is approximately 450,000 tonnes containing 18,500t of Sb at grades little over 4%. Note that these are internal management estimates and significant further work is required to bring these figures into an industry compliant category. However, the next phase of geological and drilling test work should improve our knowledge and level of confidence on these figures, and we hope to identify extensions and analogous structures to test on site. It is worth re-iterating that the potential quantity and grade of the mineralisation indicated can only be conceptual in nature, as there has been insufficient exploration to date to define a mineral resource, and it is uncertain whether further exploration will result in the target being delineated as a mineral resource in terms of reporting codes.

The recent financing of £2.7 million was completed mostly to fund the extended drilling programme, comprising in-fill resource and reserve drilling and assaying, engineering design of production facilities.

The management team has been expanded to include Len Holland, a metallurgical consultant, and Alain Chevalier, who joins as Chief Geologist.

Brian Spratley
Chief Executive

26 April 2011

Executive Director's Statement

for the year ended 31 December 2010

The Antimony Market

The price of antimony metal in European markets rose consistently in the last year, from US$9,000 at the time of the Transaction to currently over US$16,600 per tonne at present, delivered to a warehouse in an ARA port. Prices for China located antimony trioxide have also risen significantly, in line with the metal price. Antimony tri-oxide often trades at a premium to the metal price. Current prices for Chinese tri-oxide (standard grade 99.5% SbO3) are in excess of US$15,200 per tonne. As this product contains significant oxygen content and small moisture, the implied price of antimony metal is nearer US$19,000 per tonne, making tri-oxide production a means of value adding to the metal.

The antimony and tri-oxide market will be approaching a quieter period in the Western world Easter and Northern Hemisphere summer holiday season will lead to some chemical and manufacturing factories to operate on shortened working hours. However, demand should re-emerge from these markets in the build up to Q4 2011.

There has been considerable speculation that China has, apart from applying export quotas on antimony and antimony products (along with rare earth oxides and tungsten), actually commenced a programme of strategic stockpile accumulation. As the majority of antimony consumed by the USA, Europe and Japan is sourced from imports, any strategic stockpile accumulation from these important customer regions will contribute to the price pressures on the commodity for some time to come.

Vehbi Eyi
Executive Director

26 April 2011

Report of the Directors

for the year ended 31 December 2010

The Directors present their annual report together with the audited consolidated financial statements of the Group for the year ended 31 December 2010.

Principal activity

The principal activity of the Group is the identification, development and mining of antimony and other metal deposits in the Gediz area of Turkey.

Domicile and principal place of business

Tri-Star Resources Plc (formerly Canisp PLC) is domiciled in the United Kingdom. Its principal place of business is Turkey.

Business review

The results of the Group are shown on page 22. The Directors do not recommend the payment of a dividend.

A review of the performance of the Group and its future prospects is included in the Chairman's Statement, the Chief Executive's Statement and the Executive Director's Statement on pages 3 to 7.

Principal risks and uncertainties

The principal risks and uncertainties facing the Group involve the ability to raise funding in order to finance the continued development of the Group's mine, as well as the amount and quality of metals available, the costs of extraction and production and the exposure to fluctuating commodity prices.

Financial risk management objectives and policies

The Group's principal financial instruments comprise cash, bank overdrafts, and other financial liabilities. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial instruments such as trade receivables and trade payables, which arise directly from its operations. In addition, the Group issued equity instruments during the year in respect of services received.

It is, and has been throughout the year under review, the Group's policy that no trading in financial instruments shall be undertaken. The main risks arising from the Group's financial instruments are liquidity risk, credit risk and interest rate risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash reserves to fund the Group's exploration and operating activities. Management monitors the forecasts of the Group's cash flows and cash balances monthly and raises funds in discrete tranches to manage the activities through to revenue generation.

Credit risk

The Group trades with only recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit vetting procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Interest rate risk

The Group is primarily funded by equity capital and has limited exposure to interest rate risk.

Report of the Directors

continued

Directors

The membership of the Board during the period is set out below.

Michael Hirschfield
Brian Spratley (appointed 27/08/2010)
Jonathan Quirk (appointed 27/08/2010)
Joanna Unden (resigned 27/08/2010)
Mehmet Eyi (appointed 27/08/2010)
Adrian Collins (appointed 27/08/2010)
Jocelyn Trusted (appointed 27/08/2010)

Substantial shareholdings

Interests in excess of 3% of the issued share capital of the Company, which had been notified as at 18 April 2011, were as follows:

	Ordinary shares of 0.005p each Number	**Percentage of capital %**
Emin Eyi	1,560,000,000	30.99
Cemile Eyi	800,000,000	15.89
Corporate Services (TD Waterhouse)	593,224,065	11.79
Vehbi Eyi	500,000,000	9.93
The Bank of New York (Nominees)	245,100,000	4.87
WB Nominees Limited	244,469,674	4.86

Payment to suppliers

It is the Group's policy to agree appropriate terms and conditions for its transactions with suppliers by means ranging from standard terms and conditions to individually negotiated contracts and pay suppliers according to agreed terms and conditions, provided that the supplier meets those terms and conditions. The Group does not have a standard or code dealing specifically with the payment of suppliers.

In view of the low level of trading of the Group, the number of average days supplies for the year represented by trade payables at the year-end has not been calculated at either 31 December 2010 or 31 December 2009. Similarly, the number of days of average supplies for the year represented by the Company's trade payables at either year-end have not been calculated.

Post balance sheet events

Assay Results establishing commercial viability of mine

On 31 January 2011, the Board announced that it had received all of the assay results from the drilling programme completed in December 2010. Having considered the results, despite the area subject to survey representing only a very small part of the Group's licence area, and that additional drilling is necessary, the Board was satisfied that the mine contains sufficient antimony resources to make mining and processing operations commercially viable. As a result, the Board immediately began the process of driving the Group towards commercial production.

Placing of shares

On 29 March 2011, the Board announced the placing of 270,800,000 new ordinary shares (the "Placing Shares"), at a placing price of one penny per share with institutional and professional investors, raising £2.7 million. In addition, each Placing Share had a three year half warrant attached to it, which will be exercisable at 2 pence, and a three year half warrant attached to it, which will be exercisable at 3 pence.

Certain of the Directors' payments and the other financial liability of £150,000 recognised in the financial statements were contingent on both of these events. These liabilities, totalling £229,860, were therefore crystallised on 29 March 2011 and were paid on 4 April and 7 April 2011.

Report of the Directors

continued

Group Directors' responsibilities statement

The Directors are responsible for preparing the Group's Annual Report and the Group financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have to prepare the group financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs). Under Company law the directors must not approve the group financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the group financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group 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 Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as each of the Directors is aware:

- there is no relevant audit information of which the Company's auditor are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Auditors

Grant Thornton UK LLP offer themselves for reappointment as auditors in accordance with section 489(4) of the Companies Act 2006. A resolution to reappoint Grant Thornton UK LLP will be proposed at the Annual General Meeting to be held on 1 June 2011.

BY ORDER OF THE BOARD

Kitwell Consultants Limited
Secretary

26 April 2011

Corporate Governance

Directors

The Company supports the concept of an effective board leading and controlling the Company. The Board is responsible for approving Company policy and strategy. It meets on a regular basis and has a schedule of matters specifically reserved to it for decision. Procedures are in place for operational management to supply the Board with appropriate and timely information and the Directors are free to seek any further information they consider necessary. All Directors have access to advice from the Company Secretary and independent professional advice at the Company's expense.

On 27 August 2010, the date of the reverse acquisition, the Board was expanded significantly in order to provide a breadth of experience and knowledge to the Company. Details of Directors during the year are given on page 10. The Non-Executive Chairman of the Board is Adrian Collins.

Relations with shareholders

The Company values the views of its shareholders and recognises their interest in the Group's strategy and performance. The Annual General Meeting will be used to communicate with private investors and they are encouraged to participate. The Directors will be available to answer questions. Separate resolutions will be proposed on each issue so that they can be given proper consideration and there will be a resolution to approve the annual report and accounts.

Internal control

The Board is responsible for maintaining a strong system of internal control to safeguard shareholders' investments and the Group's assets and for reviewing its effectiveness. The system of internal financial control is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

The Audit Committee, chaired by Jonathan Quirk, was established on 27 August 2010. It is to meet at least twice a year to consider the integrity of the financial statements of the Company, including its annual and interim accounts, the effectiveness of the Company's internal controls and risk management systems, auditor reports, and terms of appointment and remuneration for the auditors.

The Remuneration Committee, chaired by Jos Trusted, was also established on 27 August 2010. It is to meet at least twice a year and has as its remit the determination and review of, amongst others, the remuneration of executives on the Board and any share incentive plans of the Company. A separate report on remuneration is contained on page 13.

The Board has considered the need for an internal audit function but has decided the size and complexity of the Group does not justify it at present. However, it will keep this decision under annual review.

Going concern

The operations of the Group are currently being financed from funds which the Company raised from private and public placings of its shares during the year. The Group has not earned revenue during 2010, as it is still in the exploration phase of its business. The Group is reliant on the continuing support from its existing and future shareholders.

As at 31 December 2010, the Group had cash resources of £362,640 which management felt to be sufficient funds to manage the business during the first quarter of 2011. The placing of shares on 29 March 2011 raised a further £2.7 million to finance the continued exploration and development of the mine.

The Directors have prepared cash flow forecasts for the period ending 30 April 2012. The forecasts identify unavoidable third party running costs of the Group of £709,347 and demonstrate that the Group has sufficient finance facilities available to allow it to continue in business for a period of at least twelve months from the date of approval of these financial statements. Further development and exploration of the mine will continue as and when finance is available. Accordingly, the accounts have been prepared on a going concern basis.

Report on Remuneration

Directors' remuneration

The Board recognises that Directors' remuneration is of legitimate concern to shareholders and is committed to following current best practice. The Company operates within a competitive environment and its performance depends on the individual contributions of the Directors and employees and it believes in rewarding vision and innovation.

Policy on Directors' remuneration

The policy of the Board is to provide executive remuneration packages designed to attract, motivate and retain Directors of the calibre necessary to maintain the Group's position and to reward them for enhancing shareholder value and return. It aims to provide sufficient levels of remuneration to do this, but to avoid paying more than is necessary. The remuneration will also reflect the Directors' responsibilities and contain incentives to deliver the Group's objectives.

The remuneration of the Directors was as follows:

	Year ended 31 December 2010								Year ended 31 December 2009
	M Hirschfield £	B Spratley £	J Quirk £	M Eyi £	J Unden £	A Collins £	J Trusted £	Total £	Total £
Short-term employment benefits:									
Salary and fees	4,000	33,917	4,000	25,860	–	4,000	4,000	75,777	–
Success fee	50,000	–	–	–	–	–	–	50,000	–
Pension	–	–	–	–	–	–	–	–	–
Total	54,000	33,917	4,000	25,860	–	4,000	4,000	125,777	–
Share options	231,000	–	–	–	–	–	–	231,000	–
Total	285,000	33,917	4,000	25,860	–	4,000	4,000	356,777	–

In addition, £6,000 (2009: £nil) was paid to Kitwell Consultants Limited for company secretarial services, a company controlled by M Hirschfield.

Included in the table above are amounts of £25,860 payable to M Eyi and £54,000 payable to M Hirschfield, which were accrued at 31 December 2010 but not paid until the commercial viability of the mine was established and further funds were raised subsequent to 31 December 2010.

Pensions

The Group does not make pension contributions on behalf of the Directors.

Benefits in kind and share options

None of the Directors received any benefits in kind during the year ended 31 December 2010. During the year the Company adopted a new employee share plan and an option was granted for 90,000,000 New Ordinary Shares to Michael Hirschfield at par.

Bonuses

There is a discretionary bonus scheme in place for the Executive Directors based on the performance of the Group. No amounts are payable for bonuses in respect of the two years ended 31 December 2010.

Notice periods

The contracts of Brian Spratley and Mehmet Eyi are terminable on 12 months' notice on either side.

The contracts for Michael Hirschfield, Jos Trusted, Jonathan Quirk and Adrian Collins were for an initial six months from 3 August 2010 and are then terminable on 12 months' notice on either side, or if the Company does not receive proof of the commercial viability of the Goynuk antimony mine.

Report of the Independent Auditors

to the members of Tri-Star Resources Plc (formerly Canisp PLC)

We have audited the group financial statements of Tri-Star Resources Plc for the year ended 31 December 2010, which comprise the principal accounting policies, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated balance sheet, the consolidated cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS) as adopted by 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 the Directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 11, 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 (APB'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 APB's website at www.frc.ork.uk/apb/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's affairs as at 31 December 2010 and its 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 matter prescribed by the Companies Act 2006

In our opinion, the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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:

- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Other matters

We have reported separately on the parent Company financial statements of Tri-Star Resources Plc for the 9 month period ended 31 December 2010.

David Munton
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditors, Chartered Accountants
Birmingham

26 April 2011

Principal Accounting Policies

Basis of preparation

The group financial statements have been prepared under the historical cost convention and in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS). The Company's shares are listed on the AIM market of the London Stock Exchange. Separate financial statements of Tri-Star Resources Plc (the "Company") have been prepared on pages 40 to 51, under the historical cost convention and in accordance with applicable accounting standards under UK GAAP.

Acquisition of Üç Yildiz Antimon Madencilik İthalat Ve İhracat Sanayi ve Ticaret Anonim Şirketi

On 27 August 2010, Tri-Star Resources Plc (formerly Canisp PLC) agreed to pay cash of £300,000 to acquire 99% of the issued share capital of Üç Yildiz Antimon Madencilik İthalat Ve İhracat Sanayi ve Ticaret Anonim Şirketi (Üç Yildiz). After the acquisition, the former shareholders of Üç Yildiz owned 77.6% of the Company. An initial £150,000 of cash was paid and the remaining £150,000 was deferred. The initial £150,000 was funded by the issue of shares to the former shareholders of Üç Yildiz. The transaction has therefore been treated for accounting purposes as a share for share exchange and as a reverse acquisition. The remaining £150,000 has been treated as a financial liability in the financial statements and recognised in reserves as a distribution to the former shareholders. The deferred amount was paid in full during April 2011.

The initial payment of £150,000 was dependent on the issue of shares to the former Üç Yildiz shareholders and was a circular transaction as the cash didn't leave the Group.

This transaction falls outside the scope of IFRS 3 ("Business Combinations"), as it is a reverse acquisition into a listed shell, but the Group has adopted certain of the requirements of IFRS 3 in accounting for the reverse acquisition. The accounting policy adopted has been set out below.

The consolidated financial statements are presented as a continuation of the financial statements of the private operating entity (Üç Yildiz). The consideration transferred has been measured at fair value and has been calculated as the deemed cost of the combination based on the number of shares that Üç Yildiz would have to issue to achieve the same ratio of ownership interest that exists in the combined group. The assets and liabilities of Tri-Star have been recognised at fair value at the acquisition date. The surplus of the consideration transferred over the fair value of the net identifiable assets of Tri-Star arising on the acquisition has been recognised in the statement of comprehensive income as a cost of listing and no goodwill has, therefore, been recognised. The consideration transferred was not calculated based on the share price of the listed shell at the date of the acquisition as trading in the shares of the listed shell was suspended at that time. All other transaction costs have been treated as post transaction costs in the income statement.

The share capital and share premium at the period end represent the equity structure of the legal parent including the equity instruments issued by the legal parent to effect the transaction. This has been effected by the creation of an other reserve to reflect the reverse acquisition.

Accounting periods and comparative information

The comparatives represent those of Üç Yildiz to reflect the substance that the legal subsidiary is the acquirer and so the prior-year figures relate only to the legal subsidiary. The comparative IFRS information for Üç Yildiz for the five months to 31 December 2008 and the year to 31 December 2009 has been included within the document sent to shareholders relating to the proposed transaction and the subscription for new ordinary shares and certain other items dated 3 August 2010.

In accordance with IAS 1, three statements of financial position are presented, being the year ended 31 December 2010, the prior year comparative, and the opening statement of financial position for the earliest period for which comparatives are provided, being 1 January 2009.

Üç Yildiz has a year end of 31 December and as such Tri-Star has changed its year end to 31 December. Historically, Tri-Star had a year end of 31 March and produced full year financial statements at 31 March 2010.

The Company's shares are listed 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 have been prepared under IFRS and the principal accounting policies adopted remain unchanged from those adopted by Tristar in preparing its financial statements for the year ended 31 March 2010, except for the accounting for the reverse acquisition as detailed above.

Principal Accounting Policies

continued

Going concern

The operations of the Group are currently being financed from funds which the Company raised from private and public placings of its shares during the year. The Group has not earned revenue during 2010, as it is still in the exploration phase of its business. The Group is reliant on the continuing support from its existing and future shareholders.

As at 31 December 2010, the Group had cash resources of £362,640 which management felt to be sufficient funds to manage the business during the first quarter of 2011. The placing of shares on 29 March 2011 raised a further £2.7 million to finance the continued exploration and development of the mine.

The Directors have prepared cash flow forecasts for the period ending 30 April 2012. The forecasts identify unavoidable third party running costs of the Group of £709,347 and demonstrate that the Group has sufficient finance facilities available to allow it to continue in business for a period of at least twelve months from the date of approval of these financial statements. Further development and exploration of the mine will continue as and when finance is available. Accordingly, the accounts have been prepared on a going concern basis.

Basis of consolidation

The Group financial statements consolidate those of the Company and all of its subsidiary undertakings drawn up to the balance sheet date. Subsidiaries are entities over which the Group has the power to control the financial and operating policies so as to obtain benefits from their activities. The Group obtains and exercises control through voting rights.

Unrealised gains on transactions between the Company and its subsidiaries are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Revenue

The Group follows the principles of IAS18 "Revenue" in determining the appropriate revenue recognition policies. In principle, therefore, revenue is recognised to the extent that the Group has obtained the right to consideration through its performance.

Revenue represents the total value, excluding VAT, of sales made of antimony products. Revenue in respect of these sales is recognised on despatch of the antimony products.

Taxation

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the balance sheet date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable result for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in the income statement.

Deferred income taxes are calculated using the liability method on temporary differences. This involves the comparison of the carrying amounts of assets and liabilities in the consolidated financial statements with their respective tax bases. However, in accordance with IAS12 no deferred tax is recognised on the initial recognition of goodwill. This also applies to temporary differences associated with shares in subsidiaries if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognised to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognised as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

Principal Accounting Policies
continued

Intangible assets – licences
Licences are recognised as an intangible asset at historical cost and are carried at cost less accumulated amortisation and accumulated impairment losses. The licences have a finite life and no residual value and are amortised over the life of the licence, being six years to 2015.

Property, plant and equipment
Measurement bases
Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to the working condition and location for its intended use. Subsequent expenditure relating to property, plant and equipment is added to the carrying amount of the assets only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other costs, such as repairs and maintenance are charged to the income statement during the period in which they are incurred. When assets are sold, any gain or loss resulting from their disposal, being the difference between the net disposal proceeds and the carrying amount of the assets, is included in the income statement.

Depreciation
Depreciation is calculated so as to write off the cost of property, plant and equipment, less its estimated residual value, which is revised annually, over its useful economic life as follows:

Motor Vehicles	5 years
Equipment	3 years

Impairment testing of intangible assets and property, plant and equipment
For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Intangible assets with an indefinite useful life, and those intangible assets not yet available for use are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use based on an internal discounted cash flow evaluation. Impairment losses recognised for cash-generating units, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

An impairment loss on other assets is reversed if there has been a favourable change in the estimates used to determine the asset's recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation if no impairment loss had been recognised.

Principal Accounting Policies

continued

Financial assets

The Group's financial assets comprise trade and other receivables.

All financial assets are initially recognised at fair value, plus transaction costs.

Interest and other cash flows resulting from holding financial assets are recognised in the income statement using the effective interest method, regardless of how the related carrying amount of financial assets is measured.

Trade and other receivables are measured subsequent to initial recognition at amortised cost using the effective interest method, less provision for impairment. Trade and other receivables are provided against when objective evidence is received that the Group will not be able to collect all amounts due to it in accordance with the original terms of the receivables. The amount of the write-down is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows.

Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, bank deposits repayable on demand, and other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, less advances from banks repayable within three months from the date of advance if the advance forms part of the Group's cash management.

Equity

Share capital is determined using the nominal value of shares that have been issued.

The share premium account represents premiums received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Other reserves comprise the amounts arising on the reverse acquisition as described on page 15 and amounts in respect of translation of overseas subsidiaries.

Retained earnings include all current and prior period results as disclosed in the income statement.

Share based payments

All share based payment arrangements are recognised in the financial statements. The Company operates equity settled share based remuneration plans for remuneration of its employees and equity settled share based plans in respect of services received from external consultants.

All employee services received in exchange for the grant of any share based remuneration are measured at their fair values. These are indirectly determined by reference to the fair value of the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

Services received from external consultants are measured at their fair values. This has been assessed to be comparable to the fair value of the share warrants awarded, therefore these warrants have been measured in the same way as the employee options noted above.

All share based remuneration is ultimately recognised as an expense in the profit and loss account with a corresponding credit to the share based payment reserve, net of deferred tax where applicable. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of share options expected to vest differs from previous estimates. No adjustment is made to the expense recognised in prior periods if fewer share options ultimately are exercised than originally estimated.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to share capital with any excess being recorded as share premium. Upon exercise of warrants, the value of the warrants exercised is transferred from the share based payment reserve to share premium.

Principal Accounting Policies

continued

Financial liabilities

The Group's financial liabilities include bank overdrafts, convertible loans, bank loans, other loans, other financial liabilities and trade and other payables.

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All interest related charges are recognised as an expense in finance costs in the income statement using the effective interest method.

All financial liabilities are recognised initially at fair value, net of direct issue costs, and are subsequently recorded at amortised cost using the effective interest method with interest related charges recognised as an expense in the income statement.

Provisions, contingent liabilities and contingent assets

Provisions are recognised when present obligations will probably lead to an outflow of economic resources from the Group and they can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events, for example, legal disputes or onerous contracts.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the balance sheet date, including the risks and uncertainties associated with the present obligation. Any reimbursement expected to be received in the course of settlement of the present obligation is recognised, if virtually certain, as a separate asset, not exceeding the amount of the related provision. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. In addition, long term provisions are discounted to their present values, where time value of money is material. All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognised, unless it was assumed in the course of a business combination. In a business combination contingent liabilities are recognised in the course of the allocation of the purchase price to the assets and liabilities acquired in the business combination. They are subsequently measured at the higher amount of a comparable provision described above and the amount initially recognised, less any amortisation.

Probable inflows of economic benefits to the Group that do not yet meet the recognition criteria of an asset are considered contingent assets. These are disclosed but not recognised in the financial statements.

Foreign currencies

The financial statements are presented in UK Sterling. Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit or loss.

Sales of antimony in USD are translated into sterling at the rate of exchange ruling at the date of the transaction.

The results and financial position of Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of the balance sheet;
- income and expenses for each income statement are translated at average exchange rates; and
- all resulting exchange differences are recognised as a separate component of equity within other reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to shareholders' equity.

Principal Accounting Policies

continued

Segmental reporting

A segment is a distinguishable component of the Group that is engaged either in a particular business (business segment) or conducting business in a particular geographical area (geographical segment), which is subject to risks and rewards that are different from those of other segments.

Exploration of mineral resources

All costs associated with mineral exploration prior to 31 December 2010 have been expensed through profit or loss due to the uncertainty of the future revenues and speculative nature of the exploration costs. The Directors will continue to assess exploration of mineral resources on a project-by-project basis and will consider the treatment of costs in accordance with IFRS once the feasibility of the project is established.

Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next accounting year are discussed below:

Share based payment transaction

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of the charge for the year ended 31 December 2010 of £231,000 is determined by using a Black-Scholes valuation model, using the assumptions detailed in note 10.

Services received from external consultants are measured at their fair values. The Directors consider this to be comparable to the fair value of the share warrants awarded, therefore these warrants have been measured in the same way as the employee options noted above, with a charge of £29,000 recognised in the financial statements for the year ended 31 December 2010.

Reverse acquisition accounting and valuation

The Directors have treated the acquisition of Tri-star as a reverse acquisition. The initial £150,000 was raised by the issue of shares to former shareholders and was a circular transaction. The transaction has therefore been treated as a reverse acquisition. The Directors have included a financial liability in the financial statements of £150,000 in respect of deferred consideration on the transaction, being the maximum amount payable to be settled on the establishment of the commercial viability of the mine as well as following a successful fundraising to fund the next stage of development of the mine.

The accounting for the reverse acquisition is based on a valuation of Üç Yildiz at the acquisition date of £300,000. This valuation was established using a number of key assumptions including the volumes of antimony to be produced, market price of antimony, profit margins and initial capital expenditure required. A risk factor and pricing factor have also been taken into account in arriving at the valuation of £300,000.

Treatment of exploration and evaluation costs

IFRS 6 "Exploration for and Evaluation of Mineral Resources" requires an entity to consistently apply a policy to account for expenditure on exploration and evaluation of a mineral resource. The Directors have chosen to expense the exploration and evaluation costs to date on the basis that the future development of the mine remains uncertain as at 31 December 2010. Amounts expensed during the year to 31 December 2010 were £148,000.

Principal Accounting Policies

continued

VAT in Turkey

Under Turkish law, VAT on purchases is not refunded, instead it can offset the VAT arising and due on sales made. Included in the financial statements are amounts receivable in relation to VAT in Turkey of £39,000. The Directors consider that VAT on future sales will be sufficient to offset the amounts claimed.

Contingent directors' emoluments

Salaries of £29,860 and a success fee of £50,000, totalling £79,860 were payable on the establishment of the commercial viability of the mine as well as successful fundraising to fund the next stage of development of the mine. At 31 December 2010, the Directors considered that these two events were probable, therefore a liability has been recognised in the financial statements for the full amount of £79,860.

Adoption of new or amended IFRS

The Directors anticipate that the adoption of new standards which are in issue but not yet effective and have not been early adopted by the Group will not result in significant changes to the Group's accounting policies. These are:

- IFRS 2 (Amendment) Group Cash-Settled Share-Based Payment
- IAS 32 (Amendment) Classification of Rights Issues
- IAS 39 (Amendment) Recognition and Measurement: Eligible Hedged Items
- IAS 27 (Amendment) Consolidated and Separate Financial Statements.

Consolidated Statement of Comprehensive Income

for the year ended 31 December 2010

	Note	2010 £'000	Restated 2009 £'000
Revenue		–	68
Cost of sales		–	(69)
Gross loss		–	(1)
Deemed cost of listing	15	(388)	–
Costs associated with the transaction		(452)	–
Amortisation of intangible assets		(9)	(8)
Other administrative expenses		(651)	5
Total administrative expenses		(1,500)	(3)
Loss before taxation	2	(1,500)	(4)
Taxation income/(expense)	3	2	(3)
Loss for the year		(1,498)	(7)
Loss after taxation and loss attributable to the equity holders of the Company		(1,498)	(7)
Other comprehensive income/(expenditure)			
Exchange differences on translating foreign operations		9	(19)
Total comprehensive expenditure for the period		(1,489)	(26)
Basic and diluted loss per ordinary share (pence)	4	(0.04p)	(0.00p)

The 2009 comparatives are restated as they relate to Üç Yildiz as described in the accounting policies.

The accompanying principal accounting policies and notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

for the year ended 31 December 2010

	Share capital £'000	Share premium £'000	Other reserves £'000	Share based payment reserves £'000	Translation reserve £'000	Retained earnings £'000	Total equity £'000
At 1 January 2009 (restated)	212	–	15	–	–	(7)	220
Transactions with owners	–	–	–	–	–	–	–
Exchange difference on translating foreign operations	–	–	–	–	(19)	–	(19)
Loss for the year	–	–	–	–	–	(7)	(7)
Total comprehensive expenditure for the year	–	–	–	–	(19)	(7)	(26)
At 31 December 2009 (restated)	212	–	15	–	(19)	(14)	194
Share based payments	–	19	–	241	–	–	260
Arising on Reverse acquisition	2,165	4,165	(6,171)	–	–	(143)	16
Issue of share capital	38	1,115	–	–	–	–	1,153
Transactions with owners	2,203	5,299	(6,171)	241	–	(143)	1,429
Exchange difference on translating foreign operations	–	–	–	–	9	–	9
Loss for the year	–	–	–	–	–	(1,498)	(1,498)
Total comprehensive expenditure for the year	–	–	–	–	9	(1,498)	(1,489)
At 31 December 2010	2,415	5,299	(6,156)	241	(10)	(1,655)	134

The accompanying principal accounting policies and notes form an integral part of these financial statements.

Consolidated Statement of Financial Position

as at 31 December 2010

	Note	31 December 2010 £'000	Restated 31 December 2009 £'000	Restated 1 January 2009 £'000
Assets				
Non-current assets				
Intangible assets	6	33	41	54
Property, plant and equipment	7	62	38	49
		95	79	103
Current assets				
Inventory		–	–	3
Cash and cash equivalents		363	59	81
Trade and other receivables	8	59	168	182
Total current assets		422	227	266
Total assets		517	306	369
Liabilities				
Current liabilities				
Other financial liabilities		150	–	–
Bank loans		15	–	–
Other loans		–	112	126
Trade and other payables	9	218	–	23
Total current liabilities		383	112	149
Total liabilities		383	112	149
Equity				
Share capital	11	2,415	212	212
Share premium		5,299	–	–
Share based payment reserve		241	–	–
Other reserves		(6,166)	(4)	15
Retained earnings		(1,655)	(14)	(7)
Total equity attributable to equity holders of the Company		134	194	220
Total equity and liabilities		517	306	369

The consolidated financial statements were approved by the Board on 26 April 2011.

Brian Spratley
Director

The accompanying principal accounting policies and notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

for the year ended 31 December 2010

	2010 £'000	2009 £'000
Cash flows from operating activities		
Continuing operations		
Loss after taxation	(1,498)	(7)
Amortisation of intangibles	9	8
Depreciation	11	9
Deemed cost of listing	388	–
Non-cash transaction costs	75	–
Share based payments	260	–
(Increase)/decrease in stock	–	3
(Increase)/decrease in trade and other receivables	45	(8)
Increase/(decrease) in trade and other payables	102	(17)
Foreign exchange	7	(7)
Net cash outflow from operating activities	(601)	(19)
Cash flows from investing activities		
Net cash arising from the Reverse Acquisition	146	–
Purchase of fixed assets	(35)	(3)
Net cash inflow from investing activities	111	(3)
Cash flows from financing activities		
Proceeds from issue of share capital	775	–
Proceeds from share capital paid up	116	–
New loans	15	–
Repayment of loans	(112)	–
Net cash inflow from financing activities	794	–
Net change in cash and cash equivalents	304	(22)
Cash and cash equivalents at beginning of period	59	81
Cash and cash equivalents at end of period	363	59

The accompanying principal accounting policies and notes form an integral part of these financial statements.

Notes to the Financial Statements

for the year ended 31 December 2010

1 Segmental reporting

As defined under International Financial Reporting Standard 8 (IFRS 8) management have defined that the Group's only material business segment is mining.

As noted in the accounting policies, Tri-Star Turkey is deemed to be the acquiring Company under application of reverse acquisition rules. Therefore, the comparative results to the date of acquisition consist solely of Tri-Star Turkey. The results for the year ended 31 December 2010 include Canisp PLC from the date of acquisition, 27 August 2010. There is no difference between segmental revenue and Group revenue for the comparative periods.

Segment profit or loss is reported to the Board on a monthly basis and consists of earnings before interest, tax, depreciation and amortisation.

	Note	Unallocated 2010 £'000	Mining operations 2010 £'000	Total 2010 £'000	Mining operations and Total 2009 £'000
Sales		–	–	–	68
Cost of sales		–	–	–	(69)
Gross loss	2	–	–	–	(1)
Deemed cost of listing		(388)	–	(388)	–
Costs associated with the transaction		(452)	–	(452)	–
Amortisation of intangible assets		–	(9)	(9)	(8)
Other administrative expenses		(394)	(257)	(651)	5
Total administrative expenses		(1,234)	(266)	(1,500)	(3)
Loss before taxation	1	(1,234)	(266)	(1,500)	(4)
Taxation credit/(expense)	3	2	–	2	(3)
Loss for the year		(1,232)	(266)	(1,498)	(7)
Loss after taxation and loss attributable to the equity holders of the Company		(1,232)	(266)	(1,498)	(7)
Segment assets		348	169	517	306
Segment liabilities		312	71	383	112

Notes to the Financial Statements

continued

1 Segmental reporting (continued)

As defined under International Financial Reporting Standard 8 (IFRS 8), management have defined that the Group operates in the UK and Turkey.

	Note	UK 2010 £'000	Turkey 2010 £'000	Total 2010 £'000	Turkey and Total 2009 £'000
Sales		–	–	–	68
Cost of sales		–	–	–	(69)
Gross loss		–	–	–	(1)
Deemed cost of listing		(388)	–	(388)	–
Costs associated with the transaction		(452)	–	(452)	–
Amortisation of intangible assets		–	(9)	(9)	(8)
Other administrative expenses		(394)	(257)	(651)	5
Total administrative expenses		(1,234)	(266)	(1,500)	(3)
Loss before taxation	2	(1,234)	(266)	(1,500)	(4)
Taxation credit/(expense)	3	2	–	2	(3)
Loss for the year		(1,232)	(266)	(1,498)	(7)
Loss after taxation and loss attributable to the equity holders of the Company		(1,232)	(266)	(1,498)	(7)
Segment assets		348	169	517	306
Segment liabilities		312	71	383	112
Non-current assets		–	95	95	79

2 Revenue and loss before taxation

The revenue and loss before taxation is attributable to the principal activities of the Group.

The loss before taxation is stated after charging:

	2010 £'000	2009 £'000
Staff costs	141	17
Share-based payment – equity settled schemes	260	–
Depreciation of owned fixed assets	11	9
Exploration and evaluation expenditure	148	–
Foreign exchange translation differences	14	–
Fees payable to the Company's auditor for the audit of the financial statements	30	–
Fees payable to the Company's auditor and its associates for other services:		
Other services relating to taxation compliance and advice	3	–
All other services	61	–

Notes to the Financial Statements

continued

3 Taxation

There was a tax refund for the year of £2,000 (2009: £3,000 charge).

Unrelieved tax losses of approximately £1.85 million (2009: £1.4 million) remain available to offset against future taxable trading profits. The unprovided deferred tax asset at 31 December 2010 is £481,000 (2009: £364,000) 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.

	2010 £'000	2009 £'000
UK corporation tax at 28%	–	–
Adjustment in respect of prior year	2	–
Overseas taxation	–	(3)
Total current taxation	2	(3)
Deferred taxation	–	–
Origination of temporary differences	–	–
Adjustment in respect of prior years	–	–
Tax credit/(charge) for the year	2	(3)

The tax assessed for the period differs from the standard rate of corporation tax in the UK as follows:

	2010 £'000	2010 %	2009 £'000	2009 %
Loss before taxation	(1,500)		(4)	
Loss multiplied by standard rate of corporation tax in the UK	(420)	(28)	(1)	(28)
Effect of:				
Expenses not deductible for tax purposes	65		–	
Capital allowances in excess of depreciation	–		–	
Overseas loss not recognised	294		(4)	
Unrelieved tax losses	61		–	
Total tax credit/(charge) for year	–		(3)	

4 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. Under reverse accounting, the weighted average number of shares in issue during the period reflects Üç Yildiz's weighted average pre-combination ordinary shares multiplied by the exchange ratio established in the acquisition, and the weighted average total actual shares of the legal parent in issue after the date of acquisition. For the comparative period the weighted average number of shares in issue during the period is Üç Yildiz's weighted average pre-combination ordinary shares multiplied by the exchange ratio established in the acquisition.

	2010 £'000	2009 £'000
Loss attributable to equity holders of the Company	(1,498)	(7)

	2010 Number	2009 Number
Weighted average number of ordinary shares	3,669,488,506	3,100,000,000

Dilutive earnings per share is the same as basic loss per share in each year because the potential shares arising under the share option scheme and share warrants decrease the basic loss per share, thus being anti-dilutive.

On 29 March 2011, the Directors announced a placing of 270,800,000 new ordinary shares.

Notes to the Financial Statements

continued

5 Employee benefit expense

	2010 £'000	2009 £'000
Wages and salaries	139	15
Social security	2	3
Share based payment charge	231	–
Emoluments	372	18

Average monthly number of employees:

	2010 Number	2009 Number
Directors	5	–
Other	3	2
	8	2

The Directors are the key management personnel of the Group. Details of Directors' remuneration are included in the report on remuneration on page 13.

6 Intangible assets

	Mining licence £'000
Cost	
At 1 January 2009 (restated)	54
Exchange Difference	(5)
At 31 December 2009 (restated)	49
Exchange Difference	1
Cost at 31 December 2010	50
Amortisation and impairment	
At 1 January 2009 (restated)	–
Amortisation charge in the year	8
At 31 December 2009 (restated)	8
Amortisation charge in the year	9
Accumulated Amortisation at 31 December 2010	17
Net book amount at 31 December 2010	33
Net book value at 31 December 2009 (restated)	41
Net book value at 1 January 2009 (restated)	54

Notes to the Financial Statements

continued

7 Property, plant and equipment

	Vehicles £'000	Equipment £'000	Total £'000
Cost			
At 1 January 2009 (restated)	41	8	49
Additions	3	–	3
Exchange Difference	(4)	(1)	(5)
At 31 December 2009 (restated)	40	7	47
Additions	34	1	35
Exchange Difference	–	–	–
Cost at 31 December 2010	74	8	82
Depreciation			
At 1 January 2009 (restated)	–	–	–
Charge for the year	8	1	9
At 31 December 2009 (restated)	8	1	9
Charge for the year	10	1	11
Accumulated Depreciation at 31 December 2010	18	2	20
Net book value at 31 December 2010	56	6	62
Net book value at 31 December 2009 (restated)	32	6	38
Net book value at 1 January 2009 (restated)	41	8	49

8 Trade and other receivables

	31 December 2010 £'000	Restated 31 December 2009 £'000	Restated 1 January 2009 £'000
Trade receivables	–	–	35
Other receivables	15	159	131
VAT recoverable	44	9	16
	59	168	182

The fair value of these short term financial assets is not individually determined as the carrying amount is a reasonable approximation of fair value.

All trade and other receivables have been reviewed for indicators of impairment. No amounts included in trade receivables were overdue at 1 January 2009.

Notes to the Financial Statements
continued

9 Trade and other payables

	31 December 2010 £'000	Restated 31 December 2009 £'000	Restated 1 January 2009 £'000
Trade payables	74	–	6
Social security and other taxes	1	–	15
Other payables	10	–	2
Accruals and deferred income	133	–	–
	218	–	23

The fair value of trade and other payables has not been disclosed as, due to their short duration, management considers the carrying amounts recognised in the balance sheet to be a reasonable approximation of their fair value.

10 Share based payments

In respect of employees

The Group operates share option schemes for certain employees (including directors). Options are exercisable at the option price agreed at the date of grant. The options are settled in equity once exercised. The expected life of the options is six months. If the options remain unexercised after a period of 10 years from the date of grant, the options expire. Options are forfeited after 12 months if the employee leaves the Group.

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

	31 December 2010		31 December 2009		1 January 2009	
	Number	WAEP £	Number	WAEP £	Number	WAEP £
Outstanding at the beginning of the year	–	–	–	–	–	–
Outstanding at the end of the year	90,000,000	0.00005	–	–	–	–

The share options outstanding at the end of the period have a weighted average remaining contractual life of 9.65 years at 31 December 2010 (2009 and 2008: nil) and have the following exercise prices and fair values at the date of grant:

First exercise date (when vesting conditions are met)	Grant date	Exercise price £	Fair value £	31 December 2010 Number	31 December 2009 Number	1 January 2009 Number
27 February 2011	27 August 2010	0.00005	0.0039	90,000,000	–	–

The share options can be exercised up to 9.5 years after the date first exercisable. They are first exercisable once the commercial viability of the mine is established and additional funds are raised to enable further exploration and development of the mine. This was expected to be within 6 months of grant date.

Notes to the Financial Statements

continued

10 Share based payments (continued)

The fair values were calculated using the Black-Scholes valuation model. The inputs into the model were as follows:

	2010
Risk free rate	0.5%
Share price volatility	100%
Expected life	6 months
Share price at date of grant	£0.0039

Expected volatility was determined by calculating the historical volatility of the Tri-Star share price. 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 Group recognised total expenses of £231,000 (2009: nil) relating to these equity-settled share-based payment transactions during the year.

In respect of services from external consultants

On 3 August 2010, a warrant was issued for 15,000,000 ordinary shares. The warrant may be exercised, in whole or in part or parts, at any time and from the date of completion of a reverse transaction until the fifth anniversary of the date of completion of the reverse Transaction.

During the year, 10,000,000 shares were issued, leaving 5,000,000 warrants exercisable at 31 December 2010. The weighted average share price at date of exercise of the warrants was 0.78 pence. The weighted average exercise price is 0.2 pence and a weighted average remaining contractual life of 4.66 years. At 31 December 2010, the following share warrants granted for services are outstanding in respect of the ordinary shares:

	2010 Number	2010 Weighted average exercise price (pence)	2009 Number	2009 Weighted average exercise price (pence)
Outstanding at 1 January	–	–	–	–
Granted during the year	15,000,000	0.2	–	–
Exercised during the year	(10,000,000)	0.2	–	–
Outstanding and exercisable at 31 December	5,000,000	0.2	–	–

Each warrant is governed by the provisions of warrant instruments representing the warrants which have been adopted by the Company. The rights conferred by the warrants are transferable in whole or in part subject to and in accordance with the transfer provisions set out in the Articles. The holders of warrants have no voting right, pre-emptive right or other right attaching to Ordinary Shares. All warrants issued vest in full.

The fair value of the services received is considered to be comparable to the fair value of the warrants issued. These have been valued using the Black-Scholes valuation model. The inputs into the Black-Scholes model for calculating estimated fair value were:

	2010
Risk free rate	0.5%
Share price volatility	100%
Exercise price	£0.002
Share price at date of grant	£0.0039

Expected volatility was determined by calculating the historical volatility of the Company's share price using historical share prices. The warrants were expected to vest immediately.

The Group recognised total expenses of £29,000 (2009: nil) relating to these equity-settled share-based payment transactions during the year. This is included within the costs associated with the transaction.

Notes to the Financial Statements

continued

11 Share capital

	31 December 2010 £'000	Restated 31 December 2009 £'000	Restated 1 January 2009 £'000
Allotted, issued and fully paid			
1,363,925,475 deferred shares of 0.1p (2009: nil)	1,364	–	–
856,547,275 deferred shares of 0.095p (2009: nil)	814	–	–
4,762,547,275 ordinary shares of 0.005p	237	–	–
(2009: 500 ordinary shares of 1,000 TYR)	–	212	212
	2,415	212	212

The movement in the ordinary share capital is analysed as follows:

	Ordinary shares		Deferred 0.1p shares		Deferred 0.095p shares	
	Number	£'000	Number	£'000	Number	£'000
Allotted, issued and fully paid						
At 1 January 2009	105,397,275	1,054	–	–	–	–
Conversion of loan	46,150,000	462	–	–	–	–
Impact of share split	–	(1,364)	1,363,925,475	1,364	–	–
Conversion of loan	635,000,000	635	–	–	–	–
Issue of shares	30,000,000	30	–	–	–	–
At 31 December 2009	816,547,275	817	1,363,925,475	1,364	–	–
Conversion of loan	40,000,000	40	–	–		–
Impact of share split	–	(814)	–	–	856,547,275	814
Issue of shares	3,522,500,000	176	–	–	–	–
Conversion of loan	383,500,000	18	–	–	–	–
At 31 December 2010	4,762,547,275	237	1,363,925,475	1,364	856,547,275	814

Following the approval of its shareholders at the Company's annual general meeting on 26 August 2010 of the share division of all existing issued and unissued ordinary shares in the capital of the Company ("Ordinary Shares") of 0.1p each into one Ordinary Share of 0.005p each and one deferred share of 0.095p each, application was made for 856,547,275 Ordinary Shares of 0.005p each to be admitted to trading on AIM. Admission of these 856,547,275 Ordinary Shares of 0.005p each occurred at 8.00 a.m. on 27 August 2010. Following this issue and the issue of the 3,137,500,000 Ordinary Shares of 0.005p each announced on 27 August 2010, the issue of 375,000,000 shares announced on 27 August 2010, the conversion of 383,500,000 shares announced on 27 August 2010 and the exercise of warrant announced on 21 December 2010 there were 4,762,547,275 Ordinary Shares of 0.005 pence each in issue (each of which are voting shares) as at 31 December 2010.

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

On 29 March 2011, 270,800,000 new ordinary shares were issued.

12 Contingent liabilities

There were no contingent liabilities at 31 December 2010, 31 December 2009 or 1 January 2009.

13 Capital commitments

There were no capital commitments at 31 December 2010, 31 December 2009 or 1 January 2009.

Notes to the Financial Statements

continued

14 Financial risk management policies and objectives

The Group uses financial instruments comprising cash and cash equivalents, bank loans and overdrafts and various other short-term instruments such as trade receivables and trade payables which arise from its operations. The main purpose of these financial instruments is to fund the Group's business strategy and the short-term working capital requirements of the business.

Financial assets by category

The IAS 39 categories of financial asset included in the balance sheet and the headings in which they are included are as follows:

	31 December 2010			Restated 31 December 2009			Restated 1 January 2009		
	Loans and receivables £'000	Non financial assets £'000	Balance sheet total £'000	Loans and receivables £'000	Non financial assets £'000	Balance sheet total £'000	Loans and receivables £'000	Non financial assets £'000	Balance sheet total £'000
Other receivables	51	–	51	168	–	168	147	–	147
Trade receivables	–	–	–	–	–	–	35	–	35
Inventory	–	–	–	–	–	–	–	3	3
Prepayments and accrued income	–	8	8	–	–	–	–	–	–
Cash and cash equivalents	363	–	363	59	–	59	81	–	81
Total	414	8	422	227	–	227	263	3	266

Financial liabilities by category

The IAS 39 categories of financial liability included in the balance sheet and the headings in which they are included are as follows:

	31 December 2010			Restated 31 December 2009			Restated 1 January 2009		
	Other financial liabilities at amortised cost £'000	Liabilities not within the scope of IAS 39 £'000	Total £'000	Other financial liabilities at amortised cost £'000	Liabilities not within the scope of IAS 39 £'000	Total £'000	Other financial liabilities at amortised cost £'000	Liabilities not within the scope of IAS 39 £'000	Total £'000
Trade payables	74	–	74	–	–	–	6	–	6
Social security and other taxes	–	1	1	–	–	–	–	15	15
Bank loan	15	–	15	–	–	–	–	–	–
Other payables	10	–	10	112	–	112	128	–	128
Distributions to former shareholders	150	–	150	–	–	–	–	–	–
Accruals and deferred income	133	–	133	–	–	–	–	–	–
Total	382	1	383	112	–	112	134	15	149

Notes to the Financial Statements

continued

14 Financial risk management policies and objectives (continued)

Credit risk

The Group's principal financial assets are cash balances and trade and other receivables. The Group's credit risk is primarily due to its trade receivables. An allowance for impairment is made where there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables concerned.

The Group's exposure to credit risk is limited to the carrying amount of financial assets recognised at the balance sheet date, as summarised below:

	31 December 2010 £'000	31 December 2009 £'000	1 January 2009 £'000
Trade and other receivables	59	168	185
Cash and cash equivalents	363	59	81
Total	422	227	266

The Group's management considers that the above financial assets that are not impaired for each of the reporting dates under review are of good credit quality.

In respect of trade and other receivables, the Group is not exposed to any significant risk exposure to any single counterparty or any group of counterparties having similar characteristics.

Liquidity risk

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

Maturity of financial liabilities

The Group's borrowings analysis is as follows:

	Expiry date	31 December 2010 £'000	Restated 31 December 2009 £'000	Restated 1 January 2009 £'000
In less than one year				
Other loan	On demand	–	112	128
Bank loan	On demand	15	–	–
		15	112	128

Market risk

The Directors consider that the main market risk is fluctuations in the price of antimony and will consider the possible impact of this risk once the business starts to commercially exploit and make sales of antimony.

Capital risk management

The Group's objectives when managing capital are:

- to safeguard the Group's ability to continue as a going concern, so that it continues to provide returns and benefits for the shareholders and can continue to progress its mining strategy.
- to support the Group's stability and growth; and
- to provide capital for the purpose of strengthening the Group's risk management capability.

The Group actively and regularly reviews and manages its capital structure to ensure an optimal capital structure and equity holder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. The management regards total equity as capital and reserves, for capital management purposes.

Notes to the Financial Statements

continued

15 Reverse acquisition

On 27 August 2010, Tri-Star Resources Plc (formerly Canisp PLC) completed a reverse acquisition of Üç Yildiz Antimon Madencilik İthalat Ve İhracat Sanayi ve Ticaret Anonim Şirketi, a Company based in Turkey. The accounting entries for the transaction are set out in the accounting policies. The amounts recognised for each class of assets, liabilities and contingent liabilities recognised at the acquisition date were as follows:

	Fair value £'000
Cash and cash equivalents	146
Trade and other receivables	52
Total assets	198
Trade and other payables	(111)
Loan	(389)
Total liabilities	(500)
Net liabilities	(302)

	£'000
Consideration transferred	86
Net liabilities acquired	302
Cost of listing	388

The Group incurred acquisition related costs of £452,000 in completing the reverse acquisition. These costs are included within administrative expenses.

Since the acquisition, Tri-Star Resources Plc contributed a loss of £375,000 to the Group loss. Had the reverse acquisition been completed on 1 January 2010, the loss of the Group for the year would have been £1,571,000 (revenues: nil).

16 Events after the balance sheet date

Assay Results establishing commercial viability of mine

On 31 January 2011, the Board announced that it had received all of the assay results from the drilling programme completed in December 2010. Having considered the results, despite the area subject to survey representing only a very small part of the Group's licence area, and that additional drilling are necessary, the Board was satisfied that the mine contains sufficient antimony resources to make mining and processing operations commercially viable. As a result, the Board will immediately begin the process of driving the Group towards commercial production.

Placing of shares

On 29 March 2011, the Board announced the placing of 270,800,000 new ordinary shares (the "Placing Shares"), at a placing price of one pence per share with institutional and professional investors, raising £2.7 million. In addition, each Placing Share will have a three year half warrant attached to it, which will be exercisable at 2 pence, and a three year half warrant attached to it, which will be exercisable at 3 pence.

Certain of the Directors' payments and the other financial liability of £150,000 recognised in the financial statements were contingent on both of these above events. These liabilities, totalling £229,860, therefore crystallised on 29 March 2011 and were paid on 4 April and 7 April 2011.

Notes to the Financial Statements

continued

17 Related party transactions

During the year ended 31 December 2010, Mehmet Vehbi Eyi, who is a Director and shareholder of the Company, sold a vehicle to the Company for proceeds of £16,000. During the year, the Company loaned amounts to Mehmet Vehbi Eyi up to a maximum of £36,000, which was fully repaid at 31 December 2010 (2009: £40,000 outstanding at year end). The former shareholders of Üç Yildiz paid up share capital of £116,000 (2009: nil).

During the year, the Company paid £6,000 (2009: £nil) for Company secretarial services to Kitwell Consultants Limited, a Company controlled by M Hirschfield.

During the period, the Company charged £179,394 to Üç Yildiz for services provided and invoices paid on their behalf. At 31 December 2010, Tri-Star Resources Plc was owed £179,394 from Üç Yildiz.

Corvus Capital, a shareholder in Tri-Star Resources Plc, provided the Company with a convertible loan in May 2008. The loan became interest bearing on 1 January 2010. During the period from 31 March 2010, the remaining £385,500 has been converted into ordinary shares of the company.

Subsidiary undertakings	**Holdings**
Üç Yildiz Antimon Madencilik İthalat Ve İhracat Sanayi ve Ticaret Anonim Şirketi,	99%
Tri-Star Trading Limited	100%

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Tri-Star Resources Plc

(formerly Canisp PLC)

Company Statutory Financial Statements

(PREPARED UNDER UK GAAP)

for the 9 month period ended 31 December 2010

Statement of Directors' Responsibilities

for the period ended 31 December 2010

Company Directors' responsibilities statement

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

Company law requires the directors to prepare Company financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable laws. 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 and profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, 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 adequate accounting records that are sufficient to show and explain the Company's transactions and 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.

In so far as each of the Directors is aware:

- there is no relevant audit information of which the Company's auditor are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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.

Report of the Independent Auditors

to the members of Tri-Star Resources Plc (formerly Canisp PLC)

We have audited the parent Company financial statements of Tri-Star Resources Plc for the period ended 31 December 2010 which comprise the principal accounting policies, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditor's 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 the Directors and auditors

As explained more fully in the Directors' Responsibilities Statement, set out on page 40, the Directors are responsible for the preparation of the Company 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 parent Company 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 (APB'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 APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the parent Company financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2010;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Report of the Directors for the financial period for which the financial statements are prepared is consistent with the parent Company financial statements.

Matters on which we are required to report by exception

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 parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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 the information and explanations we require for our audit.

Other matter

We have reported separately on the group financial statements of Tri-Star Resources Plc for the period ended 31 December 2010.

David Munton
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditors, Chartered Accountants
Birmingham

26 April 2011

Principal Accounting Policies

for the period ended 31 December 2010

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable UK accounting standards.

The principal accounting policies of the Company are set out below and remain unchanged from the previous period.

Going concern

The operations of the Group are currently being financed from funds which the Company raised from private and public placings of its shares during the year. The Group has not earned revenue during 2010, as it is still in the exploration phase of its business. The Group is reliant on the continuing support from its existing and future shareholders.

As at 31 December 2010, the Group had cash resources of £362,640 which management felt to be sufficient funds to manage the business during the first quarter of 2011. The placing of shares on 29 March 2011 raised a further £2.7 million to finance the continued exploration and development of the mine.

The Directors have prepared cash flow forecasts for the period ending 30 April 2012. The forecasts identify unavoidable third party running costs of the Group of £709,347 and demonstrate that the Group has sufficient finance facilities available to allow it to continue in business for a period of at least twelve months from the date of approval of these financial statements. Further development and exploration of the mine will continue as and when finance is available. Accordingly, the accounts have been prepared on a going concern basis.

Investments

Investments in subsidiary undertakings are recorded at cost less provision for impairment.

Impairment

Impairment reviews are undertaken when there are potential indicators of impairment and provisions against the carrying value made as appropriate.

Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the Company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

Related parties

The Company has taken advantage of the exemption in FRS8 "Related Party Transactions" that transactions with Group entities are not disclosed, as the Company wholly-owns all subsidiaries with which transactions took place.

Principal Accounting Policies

continued

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

A financial liability exists where there is a contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities under potentially unfavourable conditions. In addition, contracts which result in the entity delivering a variable number of its own equity instruments are financial liabilities. Shares containing such obligations are classified as financial liabilities.

Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. The carrying amount of the liability is increased by the finance cost and reduced by payments made in respect of that liability. Finance costs are calculated so as to produce a constant rate of charge on the outstanding liability.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Dividends and distributions relating to equity instruments are debited directly to reserves.

Balance Sheet

as at 31 December 2010

	Note	31 December 2010 £'000	31 March 2010 £'000
Fixed Assets			
Investments	1	752	–
Current assets			
Debtors due within one year	2	193	81
Cash at bank and in hand		334	199
		527	280
Creditors: Amounts falling due within one year	3	(312)	(509)
Net current assets/(liabilities)		215	(229)
Total assets less current liabilities and net assets/(liabilities)		967	(229)
Capital and reserves			
Called up share capital	5	2,416	2,220
Share premium account	6	5,299	4,092
Share based payment reserve	6	241	–
Profit and loss account	6	(6,989)	(6,541)
Equity shareholders' funds/(deficit to equity shareholder' funds)		967	(229)

The financial statements were approved by the Board on 26 April 2011.

Brian Spratley
Director

Company number: 04863813

The accompanying principal accounting policies and notes form an integral part of these financial statements.

Notes to the Financial Statements

for the period ended 31 December 2010

1 Fixed asset investments

Company	Investment in Group undertakings £'000
Cost	
At 31 March 2010	–
Additions	752
At 31 December 2010	752
Net book value at 31 December 2010	752
Net book value at 31 March 2010	–

On 27 August 2010, the Company acquired 99% of the entire issued share capital of Üç Yildiz Antimon Madencilik İthalat Ve İhracat Sanayi ve Ticaret Anonim Şirketi, (Üç Yildiz) for a consideration of £300,000 settled through the issue of 3,100,000,000 Ordinary Shares at 0.005p each amounting to £150,000, and deferred consideration of £150,000. Costs associated with the transaction amounted to £452,000.

At 31 December 2010, the Company holds the following interests in subsidiary undertakings:

Subsidiary	Proportion of ordinary share capital held	Nature of business	Country of incorporation
Tri-Star Trading Limited	100%	Dormant	England and Wales
Üç Yildiz Antimon Madencilik İthalat Ve İhracat Sanayi ve Ticaret Anonim Şirketi	99%	Mining	Turkey

The Company also owns 100% of the share capital of The Airtime Group, which is currently in the process of being struck off.

2 Debtors

	31 December 2010 £'000	31 March 2010 £'000
Amounts owed by Group undertakings	180	–
Other debtors	–	70
VAT recoverable	5	7
Prepayments and accrued income	8	4
	193	81

Amounts owed by Group undertakings of £180,000 (31 March 2010: £Nil) are due within one year.

Notes to the Financial Statements

continued

3 Creditors: amounts falling due within one year

	31 December 2010 £'000	31 March 2010 £'000
Trade creditors	37	62
Social security and other taxes	–	1
Convertible loan	–	386
Other creditors	160	–
Accruals and deferred income	115	60
	312	509

At 31 March 2008, the convertible loan was convertible at the option of the holder into a variable number of Ordinary shares in the Company. On 22 May 2008, the terms of the convertible loan were renegotiated.

The convertible loan is now convertible at the option of the holder at 1p per share. The holder may exercise this option at any time. The loan has borne interest at two percent per annum since 1 January 2010, and is repayable on demand. The loan will remain capable of being converted after 31 December 2009 on the above terms. This conversion option represents equity, however, the option has not been recognised as the market value of the Company's shares at the grant date of the option in May 2008 was below par and the directors do not consider the value of this option to be material to the financial statements.

On 27 August 2010, the balance of the convertible loan of £383,500 was converted into 383,500,000 ordinary shares.

4 Share based payments

In respect of employees

The Group operates share option schemes for certain employees (including Directors). Options are exercisable at the option price agreed at the date of grant. The options are settled in equity once exercised. The expected life of the options is six months. If the options remain unexercised after a period of ten years from the date of grant, the options expire. Options are forfeited after 12 months if the employee leaves the Group.

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

	31 December 2010		31 December 2009		1 January 2009	
	Number	WAEP £	Number	WAEP £	Number	WAEP £
Outstanding at the beginning of the year	–	–	–	–	–	–
Outstanding at the end of the year	90,000,000	0.00005	–	–	–	–

The share options outstanding at the end of the period have a weighted average remaining contractual life of 9.65 years at 31 December 2010 (2009 and 2008: nil) and have the following exercise prices and fair values at the date of grant:

First exercise date (when vesting conditions are met)	Grant date	Exercise price £	Fair value £	31 December 2010 Number	31 December 2009 Number	1 January 2009 Number
27 February 2011	27 August 2010	0.00005	0.0039	90,000,000	–	–

The share options can be exercised up to 9.5 years after the date first exercisable. They are first exercisable once the commercial viability of the mine is established and additional funds are raised to enable further exploration and development of the mine. This was expected to be within 6 months of grant date.

Notes to the Financial Statements

continued

4 Share based payments (continued)

The fair values were calculated using the Black-Scholes valuation model. The inputs into the model were as follows:

	2010
Risk free rate	0.5%
Share price volatility	100%
Expected life	6 months
Share price at date of grant	£0.0039

Expected volatility was determined by calculating the historical volatility of the Tri-Star share price. 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 Group recognised total expenses of £231,000 (2009: nil) relating to these equity-settled share-based payment transactions during the year.

In respect of services from external consultants

On 3 August 2010, a warrant was issued for 15,000,000 ordinary shares. The warrant may be exercised in whole or in part or parts at any time and from the date of completion of a Reverse Transaction until the fifth anniversary of the date of completion of the Reverse Transaction.

During the year, 10,000,000 shares were issued, leaving 5,000,000 warrants exercisable at 31 December 2010. The weighted average share price at date of exercise of the warrants was 0.78 pence. The weighted average exercise price is 0.2 pence and a weighted average remaining contractual life of 4.66 years. At 31 December 2010, the following share warrants granted for services are outstanding in respect of the ordinary shares:

	2010 Number	2010 Weighted average exercise price (pence)	2009 Number	2009 Weighted average exercise price (pence)
Outstanding at 1 January	–	–	–	–
Granted during the year	15,000,000	0.2	–	–
Exercised during the year	(10,000,000)	0.2	–	–
Outstanding and exercisable at 31 December	5,000,000	0.2	–	–

Each warrant is governed by the provisions of warrant instruments representing the warrants which have been adopted by the Company. The rights conferred by the warrants are transferable in whole or in part subject to and in accordance with the transfer provisions set out in the Articles. The holders of warrants have no voting right, pre-emptive right or other right attaching to Ordinary Shares. All warrants issued vest in full.

The fair value of the services received is considered to be comparable to the fair value of the warrants issued. These have been valued using the Black-Scholes valuation model. The inputs into the Black-Scholes model for calculating estimated fair value were:

	2010
Risk free rate	0.5%
Share price volatility	100%
Exercise price	£0.002
Share price at date of grant	£0.0039

Expected volatility was determined by calculating the historical volatility of the Company's share price using historical share prices. The warrants were expected to vest immediately.

The Group capitalised expenses of £29,000 (2009: nil) relating to these equity-settled share-based payment transactions during the year. This is included within the costs associated with the transaction.

Notes to the Financial Statements

continued

5 Share capital

	31 December 2009 £'000	31 March 2010 £'000
Allotted, issued and fully paid		
1,363,925,475 deferred shares of 0.1p (31 March 2010: 1,363,925,475)	1,364	1,364
856,547,275 deferred shares of 0.095p (31 March 2010: nil)	814	–
4,762,547,275 ordinary shares of 0.005p	238	–
(31 March 2010: 856,547,275 ordinary shares of 0.1p)	–	856
	2,416	2,220

The movement in the ordinary share capital is analysed as follows:

	Ordinary shares		Deferred 0.1p shares		Deferred 0.095p shares	
	Number	£'000	Number	£'000	Number	£'000
Allotted, issued and fully paid						
At 31 March 2010	856,547,275	856	1,363,925,475	1,364	–	–
Impact of share split	–	(814)	–	–	856,547,275	814
Issue of shares	3,512,500,000	176	–	–	–	–
Conversion of loan	383,500,000	19	–	–	–	–
Exercise of Warrant	10,000,000	1	–	–	–	–
At 31 December 2010	4,762,547,275	238	1,363,925,475	1,364	856,547,275	814

Following the approval of its shareholders at the Company's annual general meeting on 26 August 2010 of the share division of all existing issued and unissued ordinary shares in the capital of the Company ("Ordinary Shares") of 0.1p each into one Ordinary Share of 0.005p each and one deferred share of 0.095p each, application was made for 856,547,275 Ordinary Shares of 0.005p each to be admitted to trading on AIM. Admission of these 856,547,275 Ordinary Shares of 0.005p each occurred at 8.00 am on 27 August 2010. Following this issue and the issue of the 3,137,500,000 Ordinary Shares of 0.005p each announced on 27 August 2010, the issue of 375,000,000 shares announced on 27 August 2010, the conversion of 383,500,000 shares announced on 27 August 2010 and the exercise of warrant announced on 21 December 2010 there were 4,762,547,275 Ordinary Shares of 0.005 pence each in issue (each of which are voting shares) at 31 December 2010.

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

On 29 March 2011, 270,800,000 new ordinary shares were issued.

Notes to the Financial Statements

continued

6 Reconciliation of movement in equity shareholders' funds/(deficit)

	31 December 2010 £'000	31 March 2010 £'000
Loss for financial period	(448)	(40)
Share based payments	241	–
Issue of shares	1,019	105
Conversion of loan	384	975
Net increase in shareholders' funds	1,196	1,040
Equity shareholders' deficit brought forward	(229)	(1,269)
Equity shareholders' funds/(deficit) carried forward	967	(229)

Reserves

	Share premium £'000	Profit and loss account £'000	Share based payment reserve £'000
At 1 April 2010	4,092	(6,541)	–
Share issue	1,188	–	–
Share based payment	19	–	241
Loss for the period	–	(448)	–
At 31 December 2010	5,299	(6,989)	241

7 Loss for the financial period

The Company has taken advantage of section 408 of the Companies Act 2006 and has not included its own profit and loss account in these financial statements. The Company's loss for the period was £448,000 (31 March 2010: £40,000).

The loss is stated after charging:

	31 December 2010 £'000	31 March 2010 £'000
Fees payable to the Company's auditor for the audit of the financial statements	14	18
Fees payable to the Company's auditor and its associates for other services:		
Other services relating to taxation compliance and advice	3	4
All other services	61	6

Notes to the Financial Statements

continued

8 Directors remuneration

The remuneration of the Directors was as follows:

	Period ended 31 December 2010									Year ended 31 March 2010
	M Hirshfield £	B Spratley £	J Quirk £	M Eyi £	J Unden £	I Tickler £	A Collins £	J Trusted	Total £	Total £
Short-term employment benefits:										
Salary and fees	4,000	8,000	4,000	8,000	2,500	–	4,000	4,000	34,500	6,000
Success fee	50,000	–	–	–	–	–	–	–	50,000	–
Pension	–	–	–	–	–	–	–	–	–	–
Total	54,000	8,000	4,000	8,000	2,500	–	4,000	4,000	84,500	6,000
Year ended 31 March 2010	–	–	–	–	3,500	2,500	–	–	–	6,000

In addition, £13,500 (31 March 2010: £18,000) was paid to Kitwell Consultants Limited for company secretarial services, a company controlled by M Hirschfield. Included in salary and fees paid to I Tickler is £nil (31 March 2010: £2,500) paid to Regent Corporate a Company controlled by I Tickler, in respect of Directors' fees.

Pensions

The Group does not make pension contributions on behalf of the Directors.

Benefits in kind and share options

None of the Directors received any benefits in kind during the period ended 31 December 2010. During the period the Company adopted a new employee share plan and an option was granted for 90,000,000 New Ordinary Shares to Michael Hirschfield at par.

Bonuses

There is a discretionary bonus scheme in place for the executive Directors based on the performance of the Group. No amounts are payable for bonuses in respect of the two years ended 31 December 2010.

Notice periods

The contracts of Brian Spratley and Mehmet Vehbi Eyi are terminable on 12 months' notice on either side.

The contracts for Michael Hirschfield, Jos Trusted, Jonathan Quirk and Adrian Collins were for an initial six months from 3 August 2010 and is then on 12 months' notice on either side, or if the Company does not receive proof of the commercial viability of the Goynuk antimony mine.

9 Contingent liabilities

There were no contingent liabilities at 31 December 2010 or at 31 March 2010.

10 Capital commitments

There were no capital commitments at 31 December 2010 or at 31 March 2010.

Notes to the Financial Statements

continued

11 Events after the balance sheet date

Assay Results establishing commercial viability of mine

On 31 January 2011, the Board announced that it had received all of the assay results from the drilling programme completed in December 2010. Having considered the results, despite the area subject to survey representing only a very small part of the Group's licence area, and that additional drilling are necessary, the Board was satisfied that the mine contains sufficient antimony resources to make mining and processing operations commercially viable. As a result, the Board will immediately begin the process of driving the Group towards commercial production.

Placing of shares

On 29 March 2011, the Board announced the placing of 270,800,000 new ordinary shares (the "Placing Shares"), at a placing price of one pence per share with institutional and professional investors, raising £2.7 million. In addition, each Placing Share will have a three year half warrant attached to it, which will be exercisable at 2 pence, and a three year half warrant attached to it, which will be exercisable at 3 pence.

Certain of the Directors' payments and the other financial liability of £150,000 recognised in the Company financial statements were contingent on both of these events. These liabilities, totalling £212,000, therefore crystallised on 29 March 2011 and were paid on 4 April and 7 April 2011.

12 Related party transactions

During the period, the Company charged £179,394 to Üç Yildiz for services provided and invoices paid on their behalf. At 31 December 2010, TriStar Resources Plc was owed £179,394 from Üç Yildiz.

During the period ended 31 December 2010, Mehmet Vehbi Eyi, who is a Director and shareholder of the Company sold a vehicle to the subsidiary undertaking for proceeds of £16,000. During the period, the subsidiary loaned amounts to Mehmet Vehbi Eyi up to a maximum of £36,000, which was fully repaid at 31 December 2010 (2009: £40,000 outstanding at year end). The former shareholders of Üç Yildiz paid up share capital of £116,000 (2009: nil).

During the period, the Company paid £13,500 (2009: £18,000) for company secretarial services to Kitwell Consultants Limited, a Company controlled by M Hirschfield.

Corvus Capital, a shareholder in Tri-Star Resources Plc provided it with a convertible loan in May 2008. The loan became interest bearing on 1 January 2010. During the period from 31 March 2010 the remaining £385,500 has been converted into shares.

Notice of Annual General Meeting

Notice is given that the annual general meeting of the members of the company will be held at the offices of Fladgate LLP, 16 Great Queen Street, London WC2B 5DG at 11:00am on 1 June 2011 for the purpose of considering and, if thought fit, passing the following resolutions:

Ordinary resolutions

1. To receive the accounts and reports for the year ended 31 December 2010.
2. To re-elect Adrian Collins as a director of the Company who is retiring by rotation in accordance with the articles of association of the Company and who being eligible offers himself for re-election.
3. To re-elect Brian Spratley as a director of the Company who is retiring by rotation in accordance with the articles of association of the Company and who being eligible offers himself for re-election.
4. To re-appoint Grant Thornton UK LLP as auditors and authorise the directors to determine their remuneration.
5. That, in accordance with section 551 Companies Act 2006 (the "CA 2006"), the Directors are generally and unconditionally authorised, and in substitution for any previous authority, to allot the equity securities, as defined in section 560 CA 2006, up to an aggregate nominal amount of £1,000,000 (one million pounds), such authority, unless previously revoked or varied by the Company in general meeting, to expire on 31 May 2012 or, if earlier, the date of the Company's next annual general meeting, except that the directors of the Company may allot relevant securities pursuant to an offer or agreement made before the expiry of the authority.

Special resolution

6. That, under section 570 CA 2006, the Directors of the Company are authorised, in substitution for any previous authority, to allot equity securities, as defined in section 560 CA 2006, wholly for cash for the period commencing on the date of this resolution and expiring on the date of the Company's next annual general meeting, as if section 561 CA 2006 did not apply to such allotment, except that the directors of the Company may allot relevant securities following an offer or agreement made before the expiry of the authority and provided that the authority is limited to:

    6.1 the allotment of equity securities in connection with a rights issue in favour of ordinary shareholders where their holdings are proportionate, as nearly as possible, to the respective number of ordinary shares held, or deemed to be held, by them, but subject to any exclusions or arrangements the directors think necessary or expedient for the purpose of dealing with fractional entitlements or legal or practical problems under the laws of any territory or the requirements of any recognised regulatory body or stock exchange in any territory;

    6.2 the allotment of equity securities of an aggregate nominal amount of up to £4,500 (four thousand five hundred pounds) in respect of share option granted to Michael Hirschfield;

    6.3 the allotment of equity securities of an aggregate nominal amount of up to £250 in respect of the balance of the Strand Hanson Securities Limited warrant described in the Admission Document issued on 3 August 2010; and

    6.4 the allotment of equity securities, otherwise than in accordance with paragraphs 6.1 to 6.3, up to a maximum nominal value of £25,166.74 (twenty five thousand one hundred and sixty six pounds and seventy four pence).

By order of the Board

Kitwell Consultants Limited
Company Secretary

Registered Office:
2nd Floor, Stanmore House, 29 30 St James's Street, London SW1A 1HB

Date: 26 April 2011

Notice of Annual General Meeting

continued

Notes to the notice of Annual General Meeting

Appointment of proxies

1. As a member of the Company, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
2. A proxy does not need to be a member of the Company but must attend the meeting to represent you. Details of how to appoint the chairman of the meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the meeting you must appoint your own choice of proxy (not the chairman) and give your instructions directly to the relevant person.
3. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, you must complete a separate proxy form for each proxy and specify against the proxy's name the number of shares over which the proxy has rights. If you are in any doubt as to the procedure to be followed for the purpose of appointing more than one proxy you must contact Capita Registrars, at PXS, 34 Beckenham Road, Kent BR3 4TU. If you fail to specify the number of shares to which each proxy relates, or specify a number of shares greater than that held by you on the record date, proxy appointments will be invalid.
4. If you do not indicate to your proxy how to vote on any resolution, your proxy will vote or abstain from voting at his discretion. Your proxy will vote (or abstain from voting) as he thinks fit in relation to any other matter which is put before the meeting.

Appointment of proxy using the hard copy proxy form

5. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold his vote.
6. To appoint a proxy using the proxy form, it must be:
   6.1 completed and signed;
   6.2 sent or delivered to the Company's registrars at PXS, 34 Beckenham Road, Kent BR3 4TU; and
   6.3 received by Capita Registrars no later than 11.00 a.m. on 30 May 2011.
7. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
8. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
9. The Company, pursuant to regulation 41 of The Uncertificated Securities Regulations 2001 (SI 2001/3755), specifies that only those ordinary shareholders registered in the register of members at 6.00 p.m. on 30 May 2011 or, in the event the meeting is adjourned, in the register of members at 6.00 p.m. on the day two days before the date of any adjourned meeting, shall be entitled to attend or vote at the meeting in respect of the number of Ordinary shares registered in their name at that time. Changes to entries on the relevant register of securities after that time will be disregarded in determining the rights of any person to attend or vote at the meeting.

Appointment of proxies through CREST

10. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

Notice of Annual General Meeting

continued

11. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID: RAI0) by 11.00 a.m. 30 May 2011. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

12. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as are necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

13. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (SI 2001/3755).

Appointment of proxy by joint members

14. In the case of joint holders of shares, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder (being the first named holder in respect of the shares in the Company's register of members) will be accepted.

Changing proxy instructions

15. To change your proxy instructions simply submit a new proxy appointment using the method set out in paragraphs 6 or 11 above. Note that the cut off time for receipt of proxy appointments specified in those paragraphs also applies in relation to amended instructions. Any amended proxy appointment received after the specified cut off time will be disregarded.

16. Where you have appointed a proxy using the hard copy proxy form and would like to change the instructions using another hard copy proxy form, please contact the Company's registrar as indicated in paragraph 3 above.

17. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

18. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's registrar as indicated in paragraph 3 above. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

19. The revocation notice must be received by the Company no later than 11.00 a.m. on 30 May 2011.

20. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to paragraph 21 below, your proxy appointment will remain valid.

21. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.

Notice of Annual General Meeting

continued

Documents available for inspection

22. The following documents will be available for inspection at the registered office of the Company on any weekday) (except Saturdays, Sundays and Bank Holidays) during normal business hours from the date of this notice until the date of the meeting and at the place of the meeting for 15 minutes prior to and until the conclusion of the meeting: statement of transactions of Directors (and of their family interests) in the share capital of the Company and any of its subsidiaries; copies of the Directors service agreements and letters of appointment with the Company; the register of Directors interests in the share capital of the Company (maintained under section 325 of the Act); and the articles of association of the Company.

Total voting rights

23. As at 11.00 a.m. on 21 April 2011, the Company's issued share capital comprised 5,033,347,275 Ordinary Shares, 1,363,925,475 Deferred Shares and 856,547,275 Deferred B shares. Each Ordinary Share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 11.00 a.m. on 21 April 2011 is 5,033,347,275.

Communication

Except as provided above, members who have general queries about the meeting should contact the Company's registrar, Capita Registrars, The Registry, 34 Beckenham Road, Kent BR3 4TU.

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