TRI-STAR RESOURCES PLC

ANNUAL REPORT

FOR THE YEAR ENDED

31 DECEMBER 2011

Company No 04863813

COMPANY INFORMATION

For the year ended 31 December 2011

Company registration number:	04863813
Registered office:	3rd Floor, 13 Charles II Street London SW1Y 4QU
Directors:	Adrian Collins Emin Eyi Michael Hirschfield Jonathan Quirk Brian Spratley 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

TRI-STAR RESOURCES PLC

COMPANY INFORMATION

For the year ended 31 December 2011

INDEX	**PAGE**
Chairman’s Statement	3 - 4
Managing Director’s Statement	5 – 9
Report of the Directors	10 – 14
Corporate Governance	15
Report on Remuneration	16 – 17
Report of the Independent Auditors	18 – 19
Principal Accounting Policies	20 – 25
Consolidated Statement of Comprehensive Income	26
Consolidated Statement of Changes in Equity	27
Consolidated Statement of Financial Position	28
Consolidated Statement of Cash Flows	29
Notes to the Financial Statements	30 – 42
Company Statutory Financial Statements (prepared under UK GAAP)	43 – 57

About Tri-Star Resources PLC

Focus:	Antimony and antimony related value added compounds
Strategy:	We aim to become a vertically integrated provider of antimony
Locations:	Antimony mine in Turkey, antimony exploration in Canada and UAE roaster project
USP:	Non Chinese source of environmentally compliant and ethically sourced critical metal with a wealth of experience in mining, physical antimony trading and resource project financing.
Listed:	Listed in London on the AIM Exchange (TSTR LN)

About Antimony

Element:	Chemical element Sb classified as a minor metal
Scarce :	Crustal abundance of 0.2 parts per million for Sb compared with copper (Cu) at 68 parts per million (Sb is 340 times more scarce than copper).
Critical:	Most critical metal of importance for the European industry (BGS Survey 2011)
Production:	Dominated by China with 90% supply for past decade
Use:	Flame retardant synthesizer and additive to plastics, use in batteries and glass and new technologies such as high voltage batteries
Prices:	US$ 14,000 per tonne at present
Deficit Risk:	Declining Chinese output from ageing mines and environmental challenges versus growing domestic Chinese demand leading to export quotas as well as rising global demand for flame retardant and new technology uses in the future

Chairman's Statement

It has been a transformational year for your Company. I am delighted that Emin Eyi has become the Managing Director. His full time commitment, reinforced by his family's significant holding of shares in the company gives me and your Board great comfort as we continue to develop this company into a vertically integrated producer of antimony. Much has been achieved, and much still needs to be done but we now have a clear set of objectives to achieve and I have every confidence that Emin and his team are up to the task. I should like to thank my fellow Directors and all the staff for their efforts over the year.

In the year to 31 December 2011, the Company recorded a loss before and after tax of £2,538,000 (year ended 31 December 2010 loss before tax £1,500,000, loss after tax £1,498,000).

As a result of a significant acceleration in exploration, evaluation expenditures amounted to £1,570,000 in the year compared with £148,000 in the previous year. Share based payments (non cash item) amounted to £572,000 compared with £260,000 in the previous year and other administrative expenses were £355,000 in the period compared with £243,000 the previous year. The board of directors of the Company (the "Board") does not recommend that a dividend is paid at this time.

Adrian Collins
Chairman
29 June 2012

Managing Director's statement

Our strategy is to be the first vertically integrated supplier to industrial customers of environmentally compliant and ethically sourced value added, high quality antimony products from our downstream facilities in the UAE, fed by antimony raw material from our own deposits and from selected third party sources.

I am pleased to provide shareholders with the progress we have made in order to reach this objective:

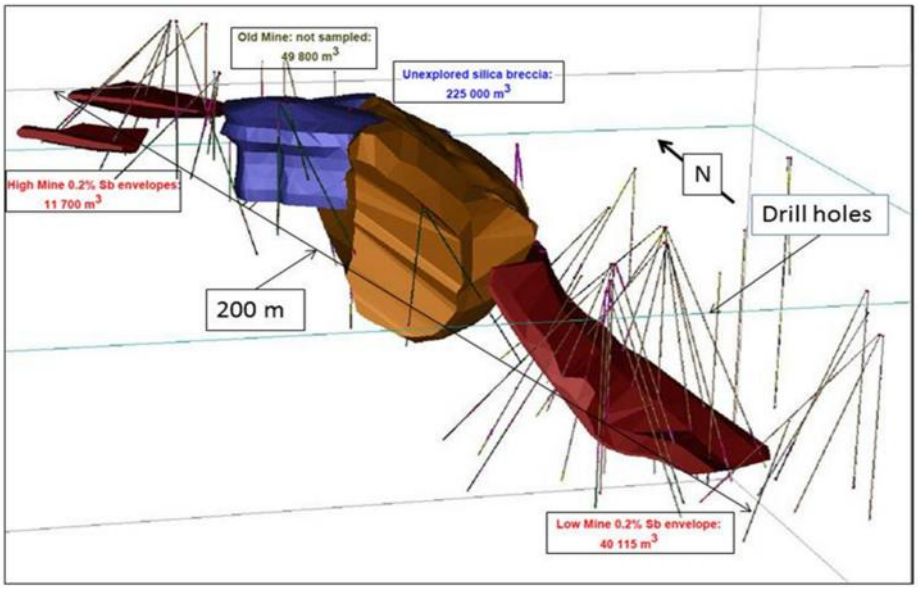
Turkey

At the Göynük Project in Turkey, we completed an extensive drilling programme during 2011, which showed significant antimony mineralisation and provided a significant target strike length for further drilling in 2012.

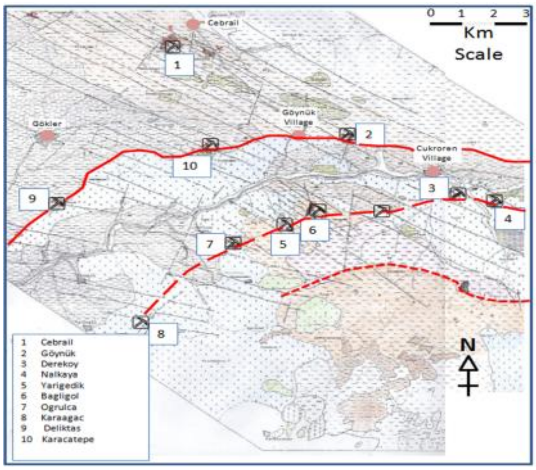
Behre Dolbear was appointed in December 2011 to provide an independent assessment of the Göynük resource and in June 2012 we received the independent geological assessment of the Göynük deposit in mid programme that returned a new geological model and identified extended exploration targets across the license area. The model is classified as a VMS Kuroko style and explains a number of the geological features seen at the deposit.

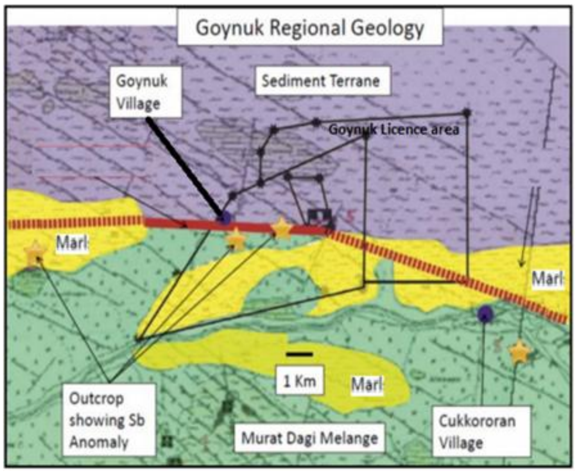
In the first 200m across the former mine workings, where recent drilling has located mineralisation continuing to the flanks NW and SE an exploration target of 350,000 tonnes with a grade between 1% Sb and 3% Sb was reported by the independent consultants. This tonnage includes75,000 tonnes in excess of 2% antimony from the existing surface dumps (material discarded from the mine). An additional volume of 225,000m^3 (600,000 tonnes) of silicified breccia adjoining the SE drilled area and the former mine that had not previously been considered by our technical team until the new model was available for interpretation.

3D View of Göynük Mine



The project also received environmental permission to erect a 14,400 tonne per annum processing circuit for gravity concentration of antimony to treat the surface and dump material at hand. The exploration potential for the large license area in Turkey remains very encouraging, especially with the new deposition model. The region hosts up to 10 known antimony occurrences that include Göynük at the hub, which opens the area for a more district play. On our license claims, there are two other interesting targets to the west of Göynük that exhibit strong similarities to the deposition on cross faults along the main 5km of thrust fault believed to control the mineralisation structures on the property.





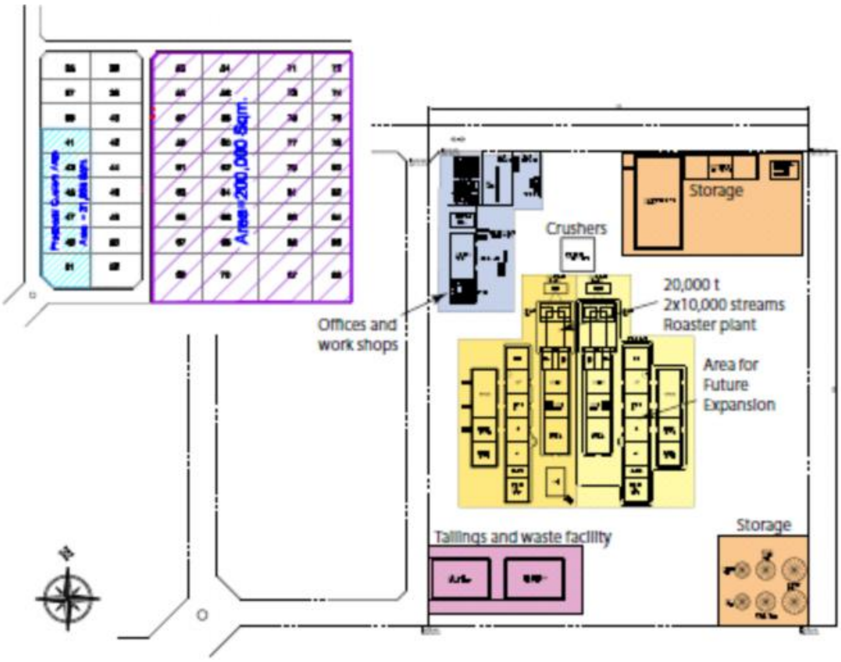
Canada

In Canada, the Stanley prospect returned encouraging anomalies of antimony and other indicator minerals pointing to a large granitic footprint, similar to the geo chemical signatures and in size to those that overlay the neighbouring and now closed Lake George antimony mine which is situated on the same geological structures as the granites at Stanley. A more detailed work programme is planned for Stanley focusing on the high anomalous zones.

UAE

The Antimony Roaster Project in Ras Al Khaimah in the UAE achieved important milestones in the past year.

In October 2011, the project received its preliminary environmental clearance from the local authorities in the UAE. GBM, our technical consultants delivered a preliminary engineering design for the 20,000 tonne per annum of finished antimony metal and tri-oxide facility, with a robust economic assessment. Together with our joint venture partners, RAK Holdings, a wholly owned subsidiary of Union Group, (10% owners of the JV company and Tri-Star Resources PLC owning the remaining 90%), the project secured a long term lease on a 20 hectare site at the Al Ghail Industrial Park, served with utilities and infrastructure. The necessary energy allocation was also secured with the local gas authorities serving the park. The location is in the free trade zone.



Al Ghail Industrial Park Site Location and General Layout

The current design is for 2 x 10,000 tonne per annum rotary kilns as well as all the necessary gas handling and environmental control systems. The ability to handle precious metal containing antimony concentrates is being considered.

The project returned robust economics as shown in the sensitivity table below: (GBM Report February 2012 is available our website). The base case scenario, with an antimony price of US$13,000/tonne and a payment to antimony concentrate suppliers of 65% of the value of the antimony content, returned an annual EBITDA of US$59.6m and an overall capital cost to construct of US$60m. Funding discussions, with respect to the capital required to construct the facility, are on going with a variety of possible partnerships and structures under review. The directors believe that a significant portion of these costs can be secured through project loans.

Table 3-2: EBITDA Variation with Antimony Price and Payment to Suppliers

		Antimony Price [USD/t]					
		9 000	10 000	11 000	13 000	15 000	17 000
Payment as %	75 %	15 500 000	19 500 000	23 600 000	31 700 000	39 800 000	47 900 000
	70 %	25 200 000	30 300 000	35 400 000	45 600 000	55 900 000	66 100 000
	65 %	34 800 000	41 000 000	47 200 000	59 600 000	72 000 000	84 400 000
	60 %	44 500 000	51 800 000	59 100 000	73 600 000	88 200 000	102 700 000
	55 %	54 200 000	62 500 000	70 900 000	87 600 000	104 300 000	121 000 000

(Extracted from GBM report published on website 28 February 2012 -. for illustration purposes only)

Further investigations were undertaken to consider the use of direct leaching technologies to handle certain antimony concentrates that often contain deleterious material impacting finished product quality. The preliminary test work on this processing route has returned very encouraging results.

Tri-Star's strategy for the UAE project is to source and handle a wide range of antimony concentrates feed stock from around the world and to produce a high quality, value added finished product for the European and Asian consumer base. The project is proceeding towards a Bankable Feasibility Study (BFS).

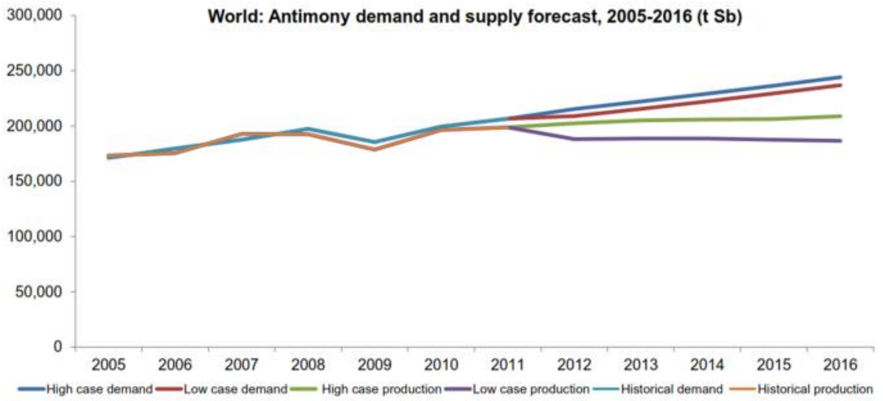
Post year end, we have achieved other important milestones in the UAE, including the receipt of a construction permit to commence basic site preparation work at the industrial park.

In June 2012, our JV partners delivered a letter of intent to offer a working capital facility (non binding and subject to agreement of terms and availability of funding) to the project, which would be expected to enable the venture to acquire antimony concentrates in the market and commence processing once the plant is operational. We welcome this strong sign of confidence and support and look forward to progressing the development and construction of the project.

Tri-Star is also engaged in a number of discussions with a variety of antimony feed sources and technology based consumers from around the world. The ability to provide both the feed owners and developed world'sconsumers a sustainable and non China based infrastructure to process and manufacture high purity products has been welcomed.

Antimony

Antimony prices have remained strong in 2012 rising from below US$12,000 per tonne in February to over US$14,000 at present. Industry observers are predicting the formation and widening of supply deficits over the next four years, ranging around 50,000 tonnes deficit by 2016 on demand of 200,000 tonnes or 25%. With China commanding some 90% of world antimony supply, with its own consumption growing, this leaves major economies in the US, Europe and Japan all of which are heavily dependent on antimony imports, quite vulnerable to declining availability from such sources in the future.



(Source Roskill 2012)

Outlook

The strategy of Tri-Star Resources is to be the western world's reliable, alternative, environmentally compliant and ethically sourced producer of high quality value added antimony products. The company has achieved important milestones in the past year towards this end strategy. Our prime objective for the next year is to accelerate the necessary technical work and funding discussions to commence the construction of the roaster in the Gulf. I wish to thank our Board and employees for their support and continued work towards this end goal.

Capital Raising

During the year, the Company successfully placed a total of 270,800,000 new ordinary shares, at a placing price of one penny 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 will rank *pari passu* with all existing ordinary shares in the capital of the Company, and were admitted to trading on AIM ("Admission") on 6 April 2011. Following the placing, the enlarged issued share capital of the Company was 5,033,347,275 ordinary shares.

Going concern and funding

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 ended 31 December 2011. The Group has not earned revenue during 2011 and is still in the exploration phase of its life cycle. As at 31 December 2011, the Group had cash resources of £812,000.

The Group is reliant on the continuing support from its existing and future shareholders. The Directors have prepared cash flow forecasts for the period ending 30 June 2013. After taking into consideration committed funding at the date of approval of the financial statements, the forecasts demonstrate that the Group expects to have sufficient cash facilities available to allow it to meet its liabilities as they fall due for a period of at least twelve months from the date of approval of these financial statements. Accordingly, the accounts have been prepared on a going concern basis.

Emin Eyi

Managing Director

29 June 2012

The Directors present their annual report together with the audited consolidated financial statements of the Group for the year ended 31 December 2011.

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. The company is also exploring other antimony related opportunities in Canada and downstream processing facility of value added antimony based products in the UAE.

Domicile and principal place of business

Tri-Star Resources Plc is domiciled in the United Kingdom. Its principal places of business are Turkey, Canada and UAE.

Business review

The results of the Group are shown on page 28. 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 and the Managing Director's Statement on pages 3 to 9.

Principal risks and uncertainties

The board continually review the risks facing the Group. The Group is not yet revenue generating. 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 mining activities and other opportunities identified by the board, 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, 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 payables, which arise directly from its operations.

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, price risk and foreign exchange 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.

Price risk

The Group is exposed to fluctuating commodity prices of antimony and the existence and quality of the antimony product within the licensed area. The directors will continue to review the prices of antimony when significant mining is undertaken and will consider how this risk can be mitigated at that stage.

Foreign exchange risk

The Group operates in a number of jurisdictions and carries out transactions in Sterling, Turkish Lire, Canadian dollars and US dollars. The Group does not have a policy of hedge arrangements but will continue to keep this under review. The Group operates foreign currency bank accounts to mitigate the foreign currency risk.

Directors

The membership of the Board is set out below.

Michael Hirschfield
Brian Spratley
Jonathan Quirk
Mehmet Eyi (resigned 04/01/12)
Adrian Collins
Jocelyn Trusted
Emin Eyi (Appointed 04/01/12)

Substantial shareholdings

Interests in excess of 3% of the issued share capital of the Company, which had been notified as at 18 June 2012 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
TD Wealth Institutional Nominees	655,503,463	13.02
Vehbi Eyi	500,000,000	9.93
The Bank of New York (Nominees)	246,090,099	4.89
WB Nominees Limited	230,773,033	4.58

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 current 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 2011 or 31 December 2010. 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.

Details of directors

Michael Hirschfield
Michael Hirschfield aged 48, qualified as a Chartered Accountant with Peat Marwick in 1988. He has held senior management positions with a number of companies including group finance director of Utilitec plc and group finance executive of Lupus Capital plc. He is currently a director of Sirius Petroleum plc, a company whose shares are traded on AIM as well as of a number of private companies including Kitwell Consultants Limited, which acts as company secretary to several listed companies including this Company.

Brian Spratley
Brian Spratley**,** aged 62 is a mining engineer with over 40 years' experience in the mining industry. He has held various positions within international mining groups, including Anglo American, African Exploration, Techpro Mining & Metallurgy, SNC Lavalin, Lundin Group (1995-2003) (Tenke Fungurume, DRC; Storliden, Sweden), Crew Gold Corporation (2003-2008) (Nalunaq and Seqi Olivine, Greenland; Nugget Pond, Newfoundland; Lefa, Guinea), Grängesberg Iron Ore plc (2008), and Nusantara Energy, Indonesia. He has worked in many commodities globally, primarily in a project evaluation and development role, from exploration and studies through to engineering, construction and operations

Jonathan Quirk
Jonathan Quirk, aged 60, is a Chartered Accountant. He has worked in the financial services sector since 1974 for, among others, Morgan Grenfell and Deutsche Bank in their capital markets divisions. Since 1997 he has been a founding director of Cairnsea Investments Ltd, a which invests in quoted and unquoted smaller companies particularly in the financial services sector.

Emin Eyi
Emin Eyi aged 45 he was a partner of SP Angel Corporate Finance LLP, the London based advisory company, where he conducted investment and advisory work for clients. He has particular experience of the mining and resource industry and is familiar with those who provide financing and who are active in the investment market for mining and resource companies. Mr. Eyi has 20 years' of investment banking experience in the natural resource sector at a number of firms including Cazenove & Co, Barings, HSBC and Goldman Sachs. He is a graduate of Imperial College in London, with a Masters degree in Mining Engineering, and is a Fellow of the Geological Society.

Adrian Collins
Adrian Collins, aged 58, has worked in the fund management business for over 35 years, a large part of which was at Gartmore Investment Management where latterly, he was Managing Director. He has held a number of positions in the Fund Management industry over the years and is currently Chairman of Liontrust Asset Management and Bahamas Petroleum plc. He is also on the boards of City Natural Resources High Yield Trust plc, Douglas Bay Capital, New City High Yield Fund and a number of other companies both in the UK and overseas.

Jocelyn Trusted
Jocelyn Trusted, aged 40, has spent 15 years in investment banking. He began his career as a solicitor with K&L Gates, before moving to the investment banking team at Dresdner Kleinwort Benson. He spent the majority of his career at UBS, where he was a Director, before moving to Kaupthing Bank in 2006 to assist in the establishment of the UK equities division. He has advised a number of FTSE clients including Next, Kingfisher, Carnival and Centrica, but has latterly spent more time focusing on smaller businesses, including a number of mining companies including Marcona Mining, Peru. Previously he specialised in advising emerging market mining and oil companies and formerly worked in investment management for Matterhorn Investment Management LLP.

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.

The directors confirm that:

- so far as each director 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.

Annual General Meeting

The financial statements show that the Company's net assets are less than half its called up share capital. In these circumstances, the directors of the Company are obliged by section 656 of the Companies Act 2006 to convene a general meeting for the purposes of considering whether any, and if so what, steps should be taken to deal with the Company's current financial position. The Directors will consider this issue at the Company's forthcoming annual general meeting, details of which are set out in the notice accompanying this document.

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 25 July 2012 at 11.00 a.m..

BY ORDER OF THE BOARD

Jonathan Quirk
29 June 2012

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 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.

The Directors that served during the year are detailed on page 12. 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 meets 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 Jocelyn Trusted, was also established on 27 August 2010. It meets 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 16.

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 and funding

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 ended 31 December 2011. The Group has not earned revenue during 2011 and is still in the exploration phase of its life cycle. As at 31 December 2011, the Group had cash resources of £812,000.

The Group is reliant on the continuing support from its existing and future shareholders. The Directors have prepared cash flow forecasts for the period ending 30 June 2013. After taking into consideration committed funding at the date of approval of the financial statements, the forecasts demonstrate that the Group expects to have sufficient cash facilities available to allow it to meet its liabilities as they fall due for a period of at least twelve months from the date of approval of these financial statements. Accordingly, the accounts have been prepared on a going concern basis.

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 2011			
	M Hirschfield	**B Spratley**	**J Quirk**	**M Eyi**	**A Collins**	**J Trusted**	**Total**
	£	**£**	**£**	**£**	**£**	**£**	**£**
Short-term employment benefits:							
Salary and fees	12,000	99,576	12,000	74,062	12,000	12,000	**221,638**
Share option expense	172,637	83,404	57,137	83,404	57,137	57,137	**510,856**
Employers NI	7,492	-	-	12,306	-	-	**19,798**
Total	**192,129**	**182,980**	**69,137**	**169,772**	**69,137**	**69,137**	**752,292**
				Year ended 31 December 2010			
Salary and fees	4,000	33,917	4,000	25,860	4,000	4,000	75,777
Success fee	50,000	-	-	-	-	-	50,000
Share option expense	231,000	-	-	-	-	-	231,000
Total	285,000	33,917	4,000	25,860	4,000	4,000	356,777

In addition, during the year £22,500 (2010: £6,000) was paid to Kitwell Consultants Limited, a Company controlled by M Hirschfield, for Company Secretarial services. Further details of the share options granted to Directors are given in note 11.

Included above in the Employers NI payable in the year ended 31 December 2011 is National Insurance payable on the £54,000 payable to M Hirschfield and £25,860 payable to M Eyi from the year ended 31 December 2010. These were accrued at 31 December 2010 but no National Insurance was accrued, they were paid during the year ended 31 December 2011.

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 two years ended 31 December 2011. During the year the Company operated an employee share plan and details of options granted are shown in Note 11. No directors exercised their share options during the two years ended 31 December 2011.

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 2011.

Notice periods

The contracts of the Directors are terminable on 12 months' notice on either side.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TRI-STAR RESOURCES PLC

We have audited the group financial statements of Tri-Star Resources Plc for the year ended 31 December 2011, which comprise the principal accounting policies, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of financial position, the consolidated statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (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 15, the Directors are responsible for the preparation of the group 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 group 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 group financial statements:

- give a true and fair view of the state of the Group's affairs as at 31 December 2011 and of 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 Directors' Report for the financial year for which the group financial statements are prepared is consistent with the group financial statements.

- **Matters on which we are required to report by exception**

We have nothing to report in respect of the following:

Under the Companies Act 2006 we are required 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 year ended 31 December 2011.

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

Date: 29 June 2012

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. The Company applies the Companies Act 2006 when preparing its annual financial statements. Separate financial statements of Tri-Star Resources Plc (the "Company") have been prepared on pages 46 to 60, under the historical cost convention and in accordance with applicable accounting standards under UK GAAP.

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 December 2010.

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 2011, 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 2011, the Group had cash resources of £812,000.

The Directors have prepared cash flow forecasts for the period ending 31 May 2013. The forecasts identify unavoidable third party running costs of the Group 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 statement of financial position 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.

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, 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 statement of comprehensive income.

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.

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 statement of financial position 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 statement of comprehensive income.

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 or the initial recognition of an asset or liability in a transaction is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit. 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 statement of financial position date.

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

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, and 29 months to October 2013.

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 statement of comprehensive income 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 statement of comprehensive income.

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.

FINANCIAL ASSETS

The Group's financial assets comprise 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 statement of comprehensive income 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

Translation reserves are amounts in respect of translation of overseas subsidiaries.

Share based payment reserve comprises amounts arising on the share based employee remuneration and share based payments made to consultants in settlement of services provided.

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

SHARE BASED EMPLOYEE REMUNERATION

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 statement of comprehensive income 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.

FINANCIAL LIABILITIES

The Group’s financial liabilities include 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 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 statement of comprehensive income.

FOREIGN CURRENCIES

These financial statements are presented in UK Sterling which is the functional currency of the parent company. The group carries out transactions in United states dollars, Turkish Lira, Canadian dollars and United Arab Emirates dirhams. The directors are keeping under review the functional currency of the Company.

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position 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 statement of financial position presented are translated at the closing rate at the date of the statement of financial position;
- income and expenses for each statement of comprehensive income 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.

OPERATING LEASES

Leases in which substantially all the risks and rewards of ownership are retained by another party, the lessor, are classified as operating leases.

Payments, including prepayments, made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight line basis over the period of the lease.

EXPLORATION OF MINERAL RESOURCES

All costs associated with mineral exploration prior to 31 December 2011 have been expensed through the statement of comprehensive income 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 capitalise costs 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 following critical accounting judgements 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 and consultants by reference to the fair value of the equity instruments at the date at which they are granted. The charge for the year ended 31 December 2011 of £572,000 (2010: £231,000) is determined by using a Black-Scholes valuation model, using the assumptions detailed in note 11. The Key assumption in the model involving a critical estimate are the share price volatility of 67% and the life of the options. The former has been determined by calculating the historical volatility of the Tri-Star share price. The board have assumed the options will be exercised between 12 and 36 months after they have vested.

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 £Nil (2010: £29,000) recognised in the financial statements for the year ended 31 December 2011.

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 2011. Amounts expensed during the year to 31 December 2011 were £1,570,000 (2010: £148,000).

VAT in Turkey
Under Turkish law, VAT on purchases is not refunded, instead it can be offset against the VAT arising and due on sales made. Included in the financial statements are amounts receivable in relation to recoverable VAT in Turkey of £98,890 (2010: £39,000). The Directors consider that VAT on future sales will be sufficient to offset the amounts claimed.

Treatment of warrants issued
The warrants issued during the year to shareholders in conjunction with the share placing on 29 March 2011 were outside the scope of IFRS 2 as they were issued to shareholders in their capacity as shareholders. The warrants have therefore been accounted for under IAS 32. The warrants meet the definition of fixed for fixed under IAS 32 as they are for a fixed number of ordinary shares for a fixed price. There is no alternative settlement for the warrants and as such they are equity only instruments. The warranties were issued, along with the share placing for consideration of £nil. The directors consider the fair value of the warrants to not be materially different to the proceeds received and not material to the financial statements.

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 be relevant to the group but will not result in significant changes to the Group’s accounting policies. These are:

IFRS 9 Financial Instruments (Not yet adopted by the EU, IASB effective date 1 January 2015)
IFRS 10 Consolidated Financial Statements (Not yet adopted by the EU IASB effective date 1 January 2013)
IFRS 11 Joint Arrangements (Not yet adopted by the EU IASB effective date 1 January 2013)
IFRS 12 Disclosure of Interests in Other Entities (Not yet adopted by the EU IASB effective date 1 January 2013)
IFRS 13 Fair Value Measurement (Not yet adopted by the EU IASB effective date 1 January 2013)
IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine (Not yet adopted by the EU IASB effective date 1 January 2013).

There are other standards in issue but not yet effective, which are not likely to be relevant to the group which have therefore not been listed.

TRI-STAR RESOURCES PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2011

	Note	**2011 £000**	2010 £000
Deemed cost of listing		**-**	(388)
Costs associated with the reverse acquisition		**-**	(452)
Share based payments		**(572)**	(260)
Amortisation of intangible assets		**(44)**	(9)
Exploration and evaluation expenditure		**(1,570)**	(148)
Other administrative expenses		**(355)**	(243)
Total administrative expenses and loss from operations		**(2,541)**	(1,500)
Finance Income		**4**	-
Finance cost		**(1)**	-
Loss before taxation	2	**(2,538)**	(1,500)
Taxation income	3	**-**	2
Loss for the year		**(2,538)**	(1,498)
Loss after taxation and loss attributable to the equity holders of the Company		**(2,538)**	(1,498)
Other comprehensive income			
Exchange differences on translating foreign operations		**113**	9
Total comprehensive expenditure for the period		**(2,425)**	(1,489)
Basic and diluted loss per ordinary share (pence)	4	**(0.05p)**	(0.04)p

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2011

	Share capital £000	**Share premium £000**	**Other reserves £000**	**Share based payment reserves £000**	**Trans-lation Reserve £000**	**Retained earnings £000**	**Total equity £000**
At 1 January 2010	212	-	15	-	(19)	(14)	194
Share based payments	-	19	-	241	-	-	260
Arising on business combination	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
Share based payments	-	-	-	572	-	-	572
Issue of share capital	14	2,694	-	-	-	-	2,708
Share placing costs	-	(80)	-	-	-	-	(80)
Transactions with owners	14	2,614	-	572	-	-	3,200
Exchange difference on translating foreign operations	-	-	-	-	113	-	113
Loss for the year	-	-	-	-	-	(2,538)	(2,538)
Total comprehensive expenditure for the year	-	-	-	-	113	(2,538)	(2,425)
At 31 December 2011	2,429	7,913	(6,156)	813	103	(4,193)	909

TRI-STAR RESOURCES PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the year ended 31 December 2011

	Note	31 December 2011 £000	31 December 2010 £000
ASSETS			
Non-current assets			
Intangible assets	6	**41**	33
Property, plant and equipment	7	**59**	62
		100	95
Current assets			
Cash and cash equivalents		**812**	363
Trade and other receivables	8	**146**	59
Total current assets		**958**	422
Total assets		**1,058**	517
LIABILITIES			
Current liabilities			
Other financial liabilities	9	**-**	150
Bank loans		**-**	15
Trade and other payables	10	**149**	218
Total current liabilities		**149**	383
Total liabilities		**149**	383
EQUITY			
Share capital	12	**2,429**	2,415
Share premium		**7,913**	5,299
Share based payment reserve		**813**	241
Other reserves		**(6,053)**	(6,166)
Retained earnings		**(4,193)**	(1,655)
Total equity attributable to equity holders of the Company		**909**	134
Total equity and liabilities		**1,058**	517

The consolidated financial statements were approved by the Board on 29 June 2012. .

Jonathan Quirk
Director

TRI-STAR RESOURCES PLC

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2011

	2011	2010
	£000	£000
Cash flows from operating activities		
Continuing operations		
Loss after taxation	**(2,538)**	(1,498)
Amortisation of intangibles	**44**	9
Depreciation	**19**	11
Finance income	**(4)**	-
Finance cost	**1**	-
Deemed cost of listing	**-**	388
Non-cash transaction costs	**-**	75
Share based payments	**572**	260
(Increase)/decrease in trade and other receivables	**(87)**	45
Increase/(decrease) in trade and other payables	**(69)**	102
Net cash outflow from operating activities	**(2,062)**	(608)
Cash flows from investing activities		
Net cash acquired with subsidiary	**-**	146
Finance income	**4**	-
Purchase of intangibles	**(56)**	-
Sale of property, plant and equipment	**1**	-
Purchase of property, plant and equipment	**(28)**	(35)
Net cash (outflow)/inflow from investing activities	**(79)**	111
Cash flows from financing activities		
Proceeds from issue of share capital	**2,708**	775
Share issue costs	**(80)**	-
Proceeds from share capital paid up	**-**	116
Finance cost	**(1)**	-
New loans	**-**	15
Amounts paid to former shareholders	**(150)**	-
Repayment of loans	**(15)**	(112)
Net cash inflow from financing activities	**2,462**	794
Net change in cash and cash equivalents	**321**	297
Cash and cash equivalents at beginning of period	**363**	59
Exchange differences on cash and cash equivalent	**128**	7
Cash and cash equivalents at end of period	**812**	363

1 SEGMENTAL REPORTING

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

The chief operating decision maker has defined that the Group's only reportable operating segment during the period is mining.

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

In respect of the non-current assets, £21,000 (2010: Nil) arise in the UK, and £79,000 (2010: £95,000) arise in the rest of the world.

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:

	2011	2010
	£000	£000
Staff costs	**324**	141
Share-based payment – equity settled schemes	**572**	260
Depreciation of owned property, plant and equipment	**19**	11
Amortisation of intangible assets	**44**	9
Operating lease rentals	**21**	-
Exploration and evaluation expenditure	**1,570**	148
Foreign exchange translation differences	**127**	14
Fees payable to the Company's auditor for the audit of the financial statements	**30**	30
Fees payable to the Company's auditor and its associates for other services:		
Other services relating to taxation compliance and advice	**3**	3
All other services	**6**	61

3 TAXATION

There was a tax refund for the year of £Nil (2010: £2,000 refund).

Unrelieved tax losses of approximately £2.05 million (2010: £1.85 million) remain available to offset against future taxable trading profits. The unprovided deferred tax asset at 31 December 2011 is £513,000 (2010: £481,000) 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.

	2011	2010
	£000	£000
Adjustment in respect of prior year	-	2
Total current taxation	-	2
Tax credit for the year	-	2

3 TAXATION (CONTINUED)

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

	2011 £000	**2011 %**	2010 £000	2010 %
Loss before taxation	**(2,538)**		(1,500)	
Loss multiplied by standard rate of corporation tax in the UK	**(673)**	**(26.5)**	(420)	(28)
Effect of:				
Expenses not deductible for tax purposes	**177**		65	
Capital allowances in excess of depreciation	**(5)**		-	
Overseas loss not recognised	**394**		294	
Unrelieved tax losses	**107**		63	
Total tax credit/(charge) for year	**-**		2	

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.

	2011 £000	2010 £000
Loss attributable to equity holders of the Company	(2,538)	(1,498)
	2011 Number	2010 Number
Weighted average number of ordinary shares	**4,962,123,165**	3,669,488,506

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.

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

5 EMPLOYEE BENEFIT EXPENSE

	2011	2010
	£000	£000
Wages and salaries	**293**	139
Social security	**31**	2
Share based payment charge	**572**	231
Emoluments	**896**	372

Average monthly number of employees

	2011	2010
	No.	No.
Directors	**6**	5
Other	**7**	3
	13	8

The Directors are the key management personnel of the Group. Details of Directors' remuneration are included in the report on remuneration on page 18.

6 INTANGIBLE ASSETS

	Mining Licence
	£000
Cost	
At 1 January 2010	49
Exchange Difference	1
At 31 December 2010	50
Additions	56
Exchange Difference	(4)
At 31 December 2011	102
Amortisation and impairment	
At 1 January 2010	8
Amortisation charge in the year	9
At 31 December 2010	17
Amortisation charge in the year	44
At 31 December 2011	61
Net book value at 31 December 2011	**41**
Net book value at 31 December 2010	33
Net book value at 1 January 2010	41

7 PROPERTY, PLANT & EQUIPMENT

	Vehicles £000	Equipment £000	Total £000
Cost			
At 1 January 2010	40	7	47
Additions	34	1	35
At 31 December 2010	74	8	82
Additions	-	29	29
Disposals	(3)	-	(3)
Exchange Difference	(13)	(2)	(15)
Cost at 31 December 2011	58	35	93
Depreciation			
At 1 January 2010	8	1	9
Charge for the year	10	1	11
At 31 December 2010	18	2	20
Eliminated on disposals	(1)	-	(1)
Exchange difference	(2)	(2)	(4)
Charge for the year	10	9	19
Accumulated Depreciation at 31 December 2011	25	9	34
Net book amount at 31 December 2011	**33**	**26**	**59**
Net book value at 31 December 2010	56	6	62
Net book value at 1 January 2010	32	6	38

8 TRADE AND OTHER RECEIVABLES

	31 December 2011 £000	31 December 2010 £000
Other receivables	**146**	59

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 other receivables have been reviewed for indicators of impairment, none are overdue.

Included within other receivables is £98,890 (2010: £44,000) of recoverable VAT in Turkey. Under Turkish law, VAT on purchases is not refunded, instead it can offset the VAT arising and due on sales made. The Directors consider that VAT on future sales will be sufficient to offset the amounts claimed.

9 OTHER FINANCIAL LIABILITIES

Other financial liabilities of £150,000 included in the year ended 31 December 2010 relate to amounts due to former shareholders in respect of the reverse acquisition as detailed in the basis of consolidation included in accounting policies.

10 TRADE AND OTHER PAYABLES

	31 December 2011 £000	31 December 2010 £000
Trade payables	**91**	74
Social security and other taxes	**8**	1
Other payables	**5**	10
Accruals and deferred income	**45**	133
	149	218

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 statement of financial position to be a reasonable approximation of their fair value.

11 SHARE BASED PAYMENTS

In respect of employees
The Group operates share option schemes for certain employees and consultants (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 ranges from 12 months to 36 months based on management's expectation of when they will be exercised. 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. There are no performance related conditions for exercise. The options will vest in accordance with the agreed timetable ranging from the date of the grant to the second anniversary of the date of the grant. There are no other vesting conditions.

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

	31 December 2011		31 December 2010	
	Number	**WAEP £**	Number	WAEP £
Outstanding at the beginning of the year	**90,000,000**	**0.00005**	-	-
Issued during the year	**354,000,000**	**0.02136**	90,000,000	0.00005
Outstanding at the end of the year	**444,000,000**	**0.01704**	90,000,000	0.00005

11 SHARE BASED PAYMENTS (CONTINUED)

The share options outstanding at the end of the period have a weighted average remaining contractual life of 9.22 years at 31 December 2011 (2010: 9.65) 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 2011**	31 December 2010
		£	£	**Number**	Number
27 February 2011	27 August 2010	0.00005	0.0039	**90,000,000**	**90,000,000**
10 May 2011	10 May 2011	0.01	0.002517	**34,000,000**	**-**
10 May 2011	10 May 2011	0.02	0.001645	**34,000,000**	**-**
10 May 2011	10 May 2011	0.03	0.001625	**50,000,000**	**-**
10 May 2012	10 May 2011	0.01	0.002517	**34,000,000**	**-**
10 May 2012	10 May 2011	0.02	0.001645	**34,000,000**	**-**
10 May 2012	10 May 2011	0.03	0.001625	**50,000,000**	**-**
10 May 2013	10 May 2011	0.01	0.003539	**34,000,000**	**-**
10 May 2013	10 May 2011	0.02	0.001645	**34,000,000**	**-**
10 May 2013	10 May 2011	0.03	0.001625	**50,000,000**	**-**

At 31 December 2011 of the 444,000,000 options outstanding, 208,000,000 were exercisable (2010: nil).
The weighted average exercise price of the options at the year end is £0.01.

The share options issued on 27 August 2010 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.

The share options issued on 10 May 2011 all expire 10 years after the grant date. It has been assumed that 1p options will be exercised 12 months after the grant date, or on the date exercisable if this is later, 2p options will be exercised 24 months after the grant date and 3p options will be exercised 36 months after the grant date.

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

11 SHARE BASED PAYMENTS (CONTINUED)

	2011	**2010**
Risk free rate	0.5%	0.5%
Share price volatility	67%	100%
Expected life	12-36 months	6 months
Share price at date of grant	£0.0098	£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 £572,000 (2010: £231,000) 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 acquisition until the fifth anniversary of the date of completion of the reverse acquisition as detailed in the accounting policies in basis of consolidation.

In 2010 10,000,000 shares were issued, leaving 5,000,000 warrants exercisable at 31 December 2011. 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 (2010: 0.2 pence) and a weighted average remaining contractual life of 3.66 years (2010 4.66 years). At 31 December 2011, the following share warrants granted for services are outstanding in respect of the ordinary shares:

	2011 number	**2011 Weighted average exercise price (pence)**	2010 number	2010 Weighted average exercise price (pence)
Outstanding at 1 January	**5,000,000**	**0.2**	-	-
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**	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 rights, pre-emptive rights or other rights 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

11 SHARE BASED PAYMENTS (CONTINUED)

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 £Nil (2010: £29,000) relating to these equity-settled share-based payment transactions during the year.

The following options are held by directors:

Director	At the beginning of the year	Granted during the year	**At the end of the year**	Exercise price
	Number	Number	**Number**	Pence
M Hirschield	90,000,000	-	**90,000,000**	0.005
	-	12,750,000	**12,750,000**	1
	-	12,750,000	**12,750,000**	2
	-	18,750,000	**18,750,000**	3
	90,000,000	44,250,000	**134,250,000**	
B Spratley	-	18,750,000	**18,750,000**	1
	-	18,750,000	**18,750,000**	2
	-	27,000,000	**27,000,000**	3
	-	64,500,000	**64,500,000**	
J Quirk	-	12,750,000	**12,750,000**	1
	-	12,750,000	**12,750,000**	2
	-	18,750,000	**18,750,000**	3
	-	44,250,000	**44,250,000**	
M Eyi	-	18,750,000	**18,750,000**	1
	-	18,750,000	**18,750,000**	2
	-	27,000,000	**27,000,000**	3
	-	64,500,000	**64,500,000**	
A Collins	-	12,750,000	**12,750,000**	1
	-	12,750,000	**12,750,000**	2
	-	18,750,000	**18,750,000**	3
	-	44,250,000	**44,250,000**	
J Trusted	-	12,750,000	**12,750,000**	1
	-	12,750,000	**12,750,000**	2
	-	18,750,000	**18,750,000**	3
	-	44,250,000	**44,250,000**	
Total	90,000,000	306,000,000	**396,000,000**	

12 SHARE CAPITAL

	31 December 2011 £000	31 December 2010 £000
Allotted, issued and fully paid		
1,363,925,475 deferred shares of 0.1p (2010: 1,363,925,475)	**1,364**	1,364
856,547,275 deferred shares of 0.095p (2010: 856,547,275)	**814**	814
5,033,347,275 ordinary shares of 0.005p (2010:4,762,547,275)	**251**	237
	2,429	2,415

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

	Ordinary shares		**Deferred 0.1p shares**		**Deferred 0.095p shares**	
	No.	**£000**	**No.**	**£000**	**No.**	**£000**
Allotted, issued and fully paid						
At 1 January 2010	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
Issue of shares	270,800,000	14	-	-	-	-
At 31 December 2011	5,033,347,275	251	1,363,925,475	1,364	856,547,275	814

Following the issue of the 270,800,000 Ordinary Shares of 0.005 pence each announced on 29 March 2011 there were 5,033,347,275 Ordinary Shares of 0.005 pence each in issue (each of which are voting shares) as at 31 December 2011.

Each share issued on 29 March 2011 had a three-year half warrant attached to it, which would be exercisable at 2 pence, and a three year half warrant attached to it, which will be exercisable at 3 pence. The warrants will not be admitted to trading on AIM.

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

13 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 December 2011, 31 December 2010 or 1 January 2010.

14 CAPITAL COMMITMENTS

There were no capital commitments at 31 December 2011, 31 December 2010 or 1 January 2010.

15 FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES

The Group uses financial instruments comprising cash and cash equivalents 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.

15 FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (CONTINUED)

Financial assets by category

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

	31 December 2011			31 December 2010		
	Loans and receivables £000	**Non financial assets £000**	**Statement of Financial position total £000**	Loans and receivables £000	Non financial assets £000	Statement of financial position total £000
Other receivables	**47**	**99**	**146**	51	8	59
Cash and cash equivalents	**812**	**-**	**812**	363	-	363
Total	**859**	**99**	**958**	414	8	422

Financial liabilities by category

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

	31 December 2011			31 December 2010		
	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	**91**	**-**	**91**	74	-	74
Social security and other taxes	**-**	**8**	**8**	-	1	1
Bank loan	**-**	**-**	**-**	15	-	15
Other payables	**5**	**-**	**5**	10	-	10
Distributions to former shareholders	**-**	**-**	**-**	150	-	150
Accruals and deferred income	**-**	**45**	**45**	-	133	133
Total	**96**	**53**	**149**	249	134	383

15 FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (CONTINUED)

Credit risk

The Group's principal financial assets are cash balances 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 statement of financial position date, as summarised below:

	31 December 2011 £000	31 December 2010 £000
Trade and other receivables	**149**	59
Cash and cash equivalents	**812**	363
Total	**958**	422

In respect of trade and other receivables, other receivables includes £99k in respect of recoverable VAT in Turkey available to offset against VAT payable in respect of future sales. This is not a financial asset so not included in the above. None of the amounts included in trade and other receivables are past due or impaired (2010: nil).

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 financial liability analysis is as follows:

	Expiry date	**31 December 2011 £000**	31 December 2010 £000
In less than one year			
Trade and other payables	Less than one year	91	71
Bank loan	On demand	-	15
		91	86

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.

15 FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (CONTINUED)

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 monitors capital on the basis of the carrying amount of equity and cash and cash equivalents as presented on the face of the statement of the financial position. The group has no external loan financing and is funded predominately through equity.

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.

The directors do not consider that the warrants issued in the year will have a dilutive effect on the equity holders of the Group.

16 RELATED PARTY TRANSACTIONS

During the year ended 31 December 2011, the Company paid £22,703 (2010: £6,000) for Company secretarial services and expenses to Kitwell Consultants Limited, a Company controlled by M Hirschfield.

During the year, the Company charged £1,152,235 (2010: £179,394) to Üç Yildiz (a subsidiary undertaking) for services provided and invoices paid on their behalf. During the period Tri-Star Resources plc converted £342,857 of the intercompany loan balance into shares in Uc Yildiz at par. At 31 December 2011, Tri-Star Resources Plc was owed £988,772 (2010: £179,394) from Üç Yildiz.

During the year, the Company charged £137,325 (2010: £Nil) to Tri-Star Union for services provided and invoices paid on their behalf. At 31 December 2011, Tri-Star Resources Plc was owed £137,325 (2010: £Nil) from Tri-Star Union FZ-LLc. Tri-Star Union is a 90% owned subsidiary undertaking.

During the year the company paid £22,500 for accountancy services to Sirius Petroleum Plc, a company of which M Hirschfield is a director.

During the year the company met the expenses of the directors. At the 31 December 2011 the balance due to B Spratley was £5,781 (2010: £nil), balance due to M V Eyi: £1,372 (2010: £nil).

During the year ended 31 December 2011 there were no transactions with Mehmet Eyi. During the year ended 31 December 2010, Mehmet 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 V Eyi up to a maximum of £36,000, which was fully repaid at 31 December. The former shareholders of Üç Yildiz paid up share capital of £116,000 during 2010.

16 RELATED PARTY TRANSACTIONS (CONTINUED)

During the year ended 31 December 2011 there were no transactions with Corvus Capital. 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 to 31 December 2010, the remaining £385,500 has been converted into ordinary shares of the company.

During the year the Company paid £40,665 in respect of placing commissions and £35,500 for consultancy services to SP Angel. Emin Eyi, a shareholder of Tri-Star, and the son of Mehmet Eyi , was a partner in SP Angel until 30th September 2011.

Transactions between the company and its wholly owned subsidiaries, have been eliminated on consolidation and are not disclosed in accordance with the exemption available under IAS 24.

17 SUBSIDIARY UNDERTAKINGS

	holdings
Üç Yildiz Antimon Madencilik İthalat Ve İhracat Sanayi ve Ticaret Anonim Şirketi,	99%
Tri-Star Trading Limited	100%
Tri-Star Antimony Canada Inc	100%
Tri-Star Union FZ-LLC	90%

Tri-Star Antimony Canada Inc was incorporated on 12 April 2011 in Canada.

Tri-star Union FZ-LLC was incorporated on 19 October 2011 in the United Arab Emirates.

These entities have not made a significant contribution towards the result of the Group in the year.

The loss associated to the non-controlling interest has not been disclosed as it is immaterial to the group loss.

18 OPERATING LEASE COMMITMENTS

Total commitments under non-cancellable operating leases are as follows:

	Land and Buildings	
	2011	**2010**
	£000	**£000**
Operating leases which expire:		
Within one year	**63**	-
Greater than one year, less than five years	**30**	-

The group leases an office and a production building. The office building is under a non-cancellable lease term of three years, the production building has a non-cancellable term of three months.

TRI STAR RESOURCES PLC

COMPANY STATUTORY FINANCIAL STATEMENTS

(PREPARED UNDER UK GAAP)

FOR THE YEAR ENDED

31 DECEMBER 2011

Company No 04863813

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;
- 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.

We have audited the parent Company financial statements of Tri-Star Resources Plc for the year ended 31 December 2011 which comprise the principal accounting policies, the parent company statement of financial position 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 DIRECTORS AND AUDITORS

As explained more fully in the Directors' Responsibilities Statement, set out on page 45, 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 2011;
- 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 year 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 year ended 31 December 2011.

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

Date

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 AND FUNDING

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 ended 31 December 2011. The Group has not earned revenue during 2011 and is still in the exploration phase of its life cycle. As at 31 December 2011, the Group had cash resources of £812,000.

The Group is reliant on the continuing support from its existing and future shareholders. The Directors have prepared cash flow forecasts for the period ending 30 June 2013. After taking into consideration committed funding at the date of approval of the financial statements, the forecasts demonstrate that the Group expects to have sufficient cash facilities available to allow it to meet its liabilities as they fall due for a period of at least twelve months from the date of approval of these financial statements. Accordingly, the accounts have been prepared on a going concern basis.

INVESTMENTS

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

TANGIBLE FIXED ASSETS

Measurement bases

Tangible fixed assets 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 tangible fixed assets 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 profit and loss account during the year 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 profit and loss account.

Depreciation

Depreciation is calculated so as to write off the cost of tangible fixed assets, less its estimated residual value, which is revised annually, over its useful economic life as follows:

Computer equipment - 3 years
Office equipment - 3 years

IMPAIRMENT

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

OPERATING LEASES

Payments made under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

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 statement of financial position 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 statement of financial position date.

RELATED PARTIES

The Company has taken advantage of the exemption in FRS8 "Related Party Transactions" that transactions with wholly-owned subsidiaries are not disclosed.

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.

SHARE BASED EMPLOYEE REMUNERATION

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.

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).

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.

TRI-STAR RESOURCES PLC

BALANCE SHEET

For the year ended 31 December 2011

	Note	**31 December 2011 £000**	31 December 2010 £000
Fixed Assets			
Investments	1	**1,095**	752
Tangible fixed assets	2	**21**	-
Current assets			
Debtors due within one year	3	**1,322**	193
Cash at bank and in hand		**796**	334
		2,118	527
Creditors: Amounts falling due within one year	4	**(112)**	(312)
Net current assets		**2,006**	215
Total assets less current liabilities and net assets		**3,122**	967
Capital and reserves			
Called up share capital	6	**2,429**	2,416
Share premium account	8	**7,913**	5,299
Share based payment reserve	8	**813**	241
Profit and loss account	8	**(8,033)**	(6,989)
Equity shareholders' funds		**3,122**	967

The financial statements were approved by the Board on 29 June 2012.

Jonathan Quirk
Director

Company number: 04863813

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

1 FIXED ASSET INVESTMENTS

Company	Investment in group undertakings £000
Cost:	
At 31 December 2010	752
Additions	343
At 31 December 2011	**1,095**
Net book value at 31 December 2011	**1,095**
Net book value at 31 December 2010	752

On 30 November 2011, the Company converted £342,857 of the intercompany balance into shares in Üç Yildiz Antimon Madencilik İthalat Ve İhracat Sanayi ve Ticaret Anonim Şirketi, (Üç Yildiz) at par value.

At 31 December 2011, 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
Tri-Star Antimony Canada Inc	100%	Mining	Canada
Tri-Star Union FZ-LLC	90%	Mining services	UAE

2 TANGIBLE FIXED ASSETS

	Computer equipment £000	Office equipment £000	Total £000
Cost			
At 31 December 2010	-	-	-
Additions	24	2	26
Cost at 31 December 2011	24	2	26
Depreciation			
At 31 December 2010	-	-	-
Charge for the year	5	-	5
Accumulated Depreciation at 31 December 2011	5	-	5
Net book amount at 31 December 2011	**19**	**2**	**21**
Net book value at 31 December 2010	-	-	-

3 DEBTORS

	31 December 2011 £000	31 December 2010 £000
Amounts owed by Group undertakings	**1,286**	180
Other debtors	**25**	5
Prepayments and accrued income	**11**	8
	1,322	193

Amounts owed by Group undertakings of £1,286,000 (31 December 2010: £180,000) are due within one year.

4 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 2011 £000	31 December 2010 £000
Trade creditors	**56**	37
Social security and other taxes	**6**	-
Other creditors	**5**	160
Accruals and deferred income	**45**	115
	112	312

5 SHARE BASED PAYMENTS

In respect of employees

The Group operates share option schemes for certain employees and consultants (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. The options will vest in accordance with the agreed timetable ranging from the date of the grant to the second anniversary of the date of the grant. There are no other vesting conditions.

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

	31 December 2011		31 December 2010	
	Number	**WAEP £**	Number	WAEP £
Outstanding at the beginning of the year	**90,000,000**	**0.00005**	-	-
Issued during the year	**354,000,000**	**0.02136**	90,000,000	0.00005
Outstanding at the end of the year	**444,000,000**	**0.01704**	90,000,000	0.00005

5 SHARE BASED PAYMENTS (CONTINUED)

The share options outstanding at the end of the period have a weighted average remaining contractual life of 9.22 years at 31 December 2011 (2010: 9.65) 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 2011**	31 December 2010
		£	£	**Number**	Number
27 February 2011	27 August 2011	0.00005	0.0039	**90,000,000**	**90,000,000**
10 May 2011	10 May 2011	0.01	0.002517	**34,000,000**	**-**
10 May 2011	10 May 2011	0.02	0.001645	**34,000,000**	**-**
10 May 2011	10 May 2011	0.03	0.001625	**50,000,000**	**-**
10 May 2012	10 May 2011	0.01	0.002517	**34,000,000**	**-**
10 May 2012	10 May 2011	0.02	0.001645	**34,000,000**	**-**
10 May 2012	10 May 2011	0.03	0.001625	**50,000,000**	**-**
10 May 2013	10 May 2011	0.01	0.003539	**34,000,000**	**-**
10 May 2013	10 May 2011	0.02	0.001645	**34,000,000**	**-**
10 May 2013	10 May 2011	0.03	0.001625	**50,000,000**	**-**

At 31 December 2011 of the 444,000,000 options outstanding, 208,000,000 were exercisable (2010: nil).
The weighted average exercise price of the exercisable at the year end is £0.01.

The share options issued on 27 August 2010 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.

The share options issued on 10 May 2011 all expire 10 years after the grant date. It has been assumed that 1p options will be exercised 12 months after the grant date, or on the date exercisable if this is later, 2p options will be exercised 24 months after the grant date and 3p options will be exercised 36 months after the grant date.

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

5 SHARE BASED PAYMENTS (CONTINUED)

	2011	**2010**
Risk free rate	0.5%	0.5%
Share price volatility	67%	100%
Expected life	12-36 months	6 months
Share price at date of grant	£.0098	£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 £572,000 (2010: £231,000) relating to these equity-settled share-based payment transactions during the year.

In respect of services from external consultants
On 3 August 2011, 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.

In 2010 10,000,000 shares were issued, leaving 5,000,000 warrants exercisable at 31 December 2011. 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 (2010: 0.2 pence) and a weighted average remaining contractual life of 3.66 years (2010 4.66 years). At 31 December 2011, the following share warrants granted for services are outstanding in respect of the ordinary shares:

	2011 number	**2011 Weighted average exercise price (pence)**	2010 number	2010 Weighted average exercise price (pence)
Outstanding at 1 January	**5,000,000**	**0.2**	-	-
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**	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

5 SHARE BASED PAYMENTS (CONTINUED)

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 £Nil (2010: £29,000) relating to these equity-settled share-based payment transactions during the year.

The following options are held by directors:

Director	At the beginning of the year	Granted during the year	**At the end of the year**	Exercise price
	Number	Number	**Number**	Pence
M Hirschield	90,000,000	-	**90,000,000**	0.005
	-	12,750,000	**12,750,000**	1
	-	12,750,000	**12,750,000**	2
	-	18,750,000	**18,750,000**	3
	90,000,000	44,250,000	**134,250,000**	
B Spratley	-	18,750,000	**18,750,000**	1
	-	18,750,000	**18,750,000**	2
	-	27,000,000	**27,000,000**	3
	-	64,500,000	**64,500,000**	
J Quirk	-	12,750,000	**12,750,000**	1
	-	12,750,000	**12,750,000**	2
	-	18,750,000	**18,750,000**	3
	-	44,250,000	**44,250,000**	
M Eyi	-	18,750,000	**18,750,000**	1
	-	18,750,000	**18,750,000**	2
	-	27,000,000	**27,000,000**	3
	-	64,500,000	**64,500,000**	
A Collins	-	12,750,000	**12,750,000**	1
	-	12,750,000	**12,750,000**	2
	-	18,750,000	**18,750,000**	3
	-	44,250,000	**44,250,000**	
J Trusted	-	12,750,000	**12,750,000**	1
	-	12,750,000	**12,750,000**	2
	-	18,750,000	**18,750,000**	3
	-	44,250,000	**44,250,000**	
Total	90,000,000	306,000,000	**396,000,000**	

6 SHARE CAPITAL

	31 December 2011 £000	31 December 2010 £000
Allotted, issued and fully paid		
1,363,925,475 deferred shares of 0.1p (31 December 2010: 1,363,925,475)	**1,364**	1,364
856,547,275 deferred shares of 0.095p (31 December 2010: 856,547,275)	**814**	814
5,033,347,275 ordinary shares of 0.005p (31 December 2010: 4,762,547,275	**251**	238
	2,429	2,416

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

	Ordinary shares		**Deferred 0.1p shares**		**Deferred 0.095p shares**	
	No.	**£000**	**No.**	**£000**	**No.**	**£000**
Allotted, issued and fully paid						
At 1 April 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
Issue of shares	270,800,000	13	**-**	**-**	-	-
At 31 December 2011	5,033,347,275	251	1,363,925,475	1,364	856,547,275	814

Following the issue of the 270,800,000 Ordinary Shares of 0.005 pence each announced on 29 March 2011 there were 5,033,347,275 Ordinary Shares of 0.005 pence each in issue (each of which are voting shares) as at 31 December 2011.

Each shares issued on the 29 March 2011 had a three year half warrant attached to which will be exercisable at 2 pence, and a three year half warrant attached to it which will be exercisable at 3 pence. The warrants will not be admitted to trading on AIM.

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

7 RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS/(DEFICIT)

	31 December 2011	9 months ended 31 December 2010
	£000	£000
Loss for financial period	**(1,044)**	(448)
Share based payments	**572**	241
Issue of shares	**2,628**	1,019
Conversion of loan	**-**	384
Net increase in shareholders' funds	**2,155**	1,196
Equity shareholders' funds/(deficit) brought forward	**967**	(229)
Equity shareholders' funds carried forward	**3,122**	967

8 RESERVES

	Share Premium £000	Profit and loss account £000	Share based payment reserve £000
At 1 January 2011	5,299	(6,989)	241
Share issue	2,614	-	-
Share based payment	-	-	572
Loss for the period	-	(1,044)	-
At 31 December 2011	**7,913**	**(8,033)**	**813**

9 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 £1,044,000 (9 months ended 31 December 2010: £448,000).

The loss is stated after charging:

	31 December 2011 £000	31 December 2010 £000
Fees payable to the Company's auditor for the audit of the financial statements	**30**	14
Fees payable to the Company's auditor and its associates for other services:		
Other services relating to taxation compliance and advice	**3**	3
All other services	**6**	61

10 DIRECTORS REMUNERATION

Details of the directors' remuneration is disclosed within the Report on Remuneration on page 18.

11 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 December 2011 or at 31 December 2010.

12 CAPITAL COMMITMENTS

There were no capital commitments at 31 December 2011 or at 31 December 2010.

13 RELATED PARTY TRANSACTIONS

Details of related party transactions are disclosed on page 43.

TRI-STAR RESOURCES PLC

(Incorporated in England with registered number 4863813)

(the **"Company"**)

NOTICE OF ANNUAL GENERAL MEETING

1 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 25 July 2012 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 2011.

2. To re-elect Jonathan Quirk 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 Jos Trusted 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-elect Emin Eyi as a director of the Company who is retiring having been appointed by the directors since the last annual general meeting and who being eligible offers himself for re-election

5. To re-appoint Grant Thornton UK LLP as auditors and authorise the directors to determine their remuneration.

6. 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 RESOLUTIONS

7. 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:

   7.1 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;

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

7.3 the allotment of equity securities of an aggregate nominal amount of up to £17,700 (seventeen thousand seven hundred pounds) in respect of share options granted to management;

7.4 the allotment of equity securities of an aggregate nominal amount of up to £250 (two hundred and fifty pounds) in respect of the balance of the Strand Hanson Securities Limited warrant described in the Admission Document issued on 3 August 2010;

7.5 the allotment of equity securities of an aggregate nominal amount of up to £13,540 (thirteen thousand five hundred and forty pounds) in respect of share warrants issued on 6 April 2011; and

7.6 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), representing 10% of the existing issued share capital.

By order of the Board

Kitwell Consultants Limited
Company Secretary

Registered office:
3rd Floor, 13 Charles II Street,
London
SW1Y 4QU.

Date: 29 June 2012.

Notes to the notice of 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, 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 23 July 2012.

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 23 July 2012 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.

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. 23 July 2012**.** 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 23 July 2012.

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.

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 29 June 2012, 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 29 June 2012 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.

TRI-STAR RESOURCES PLC

(Incorporated in England with registered number 04863813)
(the "Company")

FORM OF PROXY

Before completing this form, please read the explanatory notes below.

I/We am/are a member of the Company, entitled to attend and vote at any general meeting of the Company. I/we appoint the person named below, or failing him/her the chairman of the meeting, as my/our proxy to vote on my/our behalf at the annual general meeting of the Company to be held at the following place and time, and at any adjournment and on any proposed amendments to the resolutions:

Name of member:	
Name of proxy:	
Place of meeting:	Fladgate LLP, 16 Great Queen Street, London WC2B 5DG
Date of meeting:	11:00 am on 25 July 2012

The proxy will vote on the following resolutions, as indicated:

Ordinary resolutions	*For*	*Against*
1. To receive the report and accounts for the year ended 31 December 2011.		
2. To re-elect Jonathan Quirk as a director.		
3. To re-elect Jos Trusted as a director.		
4. To re-elect Emin Eyi as a diredtor		
5. To re-appoint Grant Thornton as auditors.		
6. To authorise the directors to allot relevant securities.		
Special resolution		
7. To authorise the directors to allot relevant securities otherwise than pro rata as set out in the notice of annual general meeting.		

Please indicate with an X in the space provided how you wish your votes to be cast on the resolution. If you sign and return this form without indicating how the proxy is to vote, he/she will have discretion to vote either way or to abstain.

Signature: ____________________ Date: ____________________ 2012

NOTES:

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 a general meeting of the Company. You can only appoint a proxy using the procedures set out in these notes.

2. 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.

3. A proxy does not need to be a member of the company but must attend the meeting to represent you. To appoint as your proxy a person other than the chairman of the meeting, insert their full name in the box. If you sign and return this proxy form with no name inserted in the box, the chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting intentions. If you wish your proxy to make any comments on your behalf, you will need to appoint someone other than the chairman and give them the relevant instructions directly.

4. 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 the Company's registrars, 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.

5. To direct your proxy how to vote on the resolutions mark the approximate box with an "X". If no voting indication is given, 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.

6. To appoint a proxy using this form, the form must be:

   6.1 completed and signed;

   6.2 sent or delivered to the Company's registrars, Capita Registrars, PXS, 34 Beckenham Road, Kent BR3 4TU; and

   6.3 received by the Company's registrars no later than 11.00 a.m. on 23 July 2012.

7. In the case of a member which is a company, this 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 this proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

9. 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.

10. CREST members who wish to appoint a proxy or proxies by using the CREST electronic appointment service may do so by using the procedures described in the CREST Manual. To be valid, the appropriate CREST message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy, must be transmitted so as to be received by our agent (ID: RAIO) by 11.00 a.m. on 23

July 2012. See the notes to the notice of meeting for further information on proxy appointment through CREST.

11. All shareholders who wish to attend and vote at the meeting must be entered on the Company's register of members no later than 6.00 p.m. on 23 July 2012 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. 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.
12. 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.
13. For details of how to change your proxy instructions or revoke your proxy appointment see the notes to the notice of meeting.

Please complete and return to: Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU.