

StratMin Global Resources plc

"StratMin" or the "Company"

Unaudited Interim Results for the Six Months Ended 30 June 2012

Chairman's Review

I am pleased to report on the Company's interim results for the six months ended 30 June 2012.

At the period end, the Group's net assets were £1,121,000 (2011: £1,574,000). This decline in net assets reflects the change in the focus of your company, and the resultant disposal of under-performing and illiquid, legacy investments. Proceeds from these disposals have been used to further our activities in the graphite sector.

To briefly summarise, the company has been concentrating on the graphite sector through its investment in Graphmada.

In the first half of 2012, in accordance with our business objective, we have continued to nurture and provide strategic advice to Graphmada. Your Board has visited Madagascar on four separate occasions since the beginning of the year to monitor the progress Graphmada is making in developing its assets. Progress continues, as the company maintains its transformation from an exploration and development entity to a graphite producer. Whilst this progress has not been as rapid as your Board would like, and originally hoped for in previous announcements, this has not been due to any one particular reason, but reflects the natural development cycle of any major exploration project. The nature of the mining business means that delays do occur. Although, we are pleased to report that the construction and commissioning of its graphite processing plant in Madagascar has now been substantially completed and that continuous soil sampling by trenching on its Loharano 1 location continues to determine ore feed volumes available for production. We expect these volumes to be in sufficient quantities to meet Graphmada's sales objectives as has been previously announced in April of this year. Graphmada plans to further enhance ore volume through additional sampling and drilling programs. We are striving to make sure that Graphmada becomes a worldwide low cost producer of large flake graphite, and we are confident that our investment will produce significant returns for shareholders in the short-to-medium term.

In other developments we are pleased to announce the appointment of Manoli Yannaghas to our board as a non-executive director. Manoli brings considerable experience in the natural resource industry and operations.

Your board is committed to enhancing shareholder value.

I look forward to providing updates and further news as it develops in the near future.

Thank you for your continued support.

Gobind Sahney
Chairman
27 September 2012

For further information, please contact:

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Unaudited Group Income Statement
For the 6 months ended 30 June 2012

	Notes	6 months to 30 Jun 2012 Unaudited £'000	6 months to 30 Jun 2011 Unaudited £'000	12 months to 31 Dec 2011 Audited £'000
Administrative expenses		(369)	(70)	(301)
Other operating income		-	-	183
Other operating expenses		-	-	(146)
Operating loss		(369)	(70)	(264)
Finance costs		(8)	(81)	-
(Loss)/gain on disposal of investments		(330)	(96)	29
Finance income		-	-	1
Loss before taxation		(707)	(247)	(234)
Taxation expense		-	-	-
Loss for the period		(707)	(247)	(234)
		Pence	Pence	Pence
Loss per share attributable to owners of the Company for the period:				
Basic and diluted	3	(1.034p)	(0.44p)	(0.4p)

Unaudited Group Statement of Comprehensive Income
For the 6 months ended 30 June 2012

	Notes	6 months to 30 Jun 2012 Unaudited £'000	6 months to 30 Jun 2011 Unaudited £'000	12 months to 31 Dec 2011 Audited £'000
Loss for the period		(707)	(247)	(234)
Other comprehensive income/(expense):				
Exchange differences on translation of foreign operations		-	(2)	(4)
Market value adjustment to investments	5	215	-	(856)
Other comprehensive income/(expense) for the period		215	(2)	(860)
Total comprehensive expense for the period attributable to equity holders of the parent		(492)	(249)	(1,094)

Unaudited Group Statement of Financial Position
As at 30 June 2012

	Notes	30 Jun 2012 Unaudited £'000	30 Jun 2011 Unaudited £'000	31 Dec 2011 Audited £'000
NON-CURRENT ASSETS				
Financial assets	5	1,084	1,867	579
		1,084	1,867	579
CURRENT ASSETS				
Trade and other receivables		14	6	35
Cash and cash equivalents		124	61	336
		138	67	371
TOTAL ASSETS		1,222	1,934	950
EQUITY				
Share capital	6	327	230	255
Share premium		27,804	27,017	27,128
Investment reserve	5	(641)	-	(856)
Other reserve		2,372	2,372	2,372
Retained earnings		(28,741)	(28,045)	(28,034)
Equity attributable to owners of the Company and total equity		1,121	1,574	865
CURRENT LIABILITIES				
Trade and other payables		101	360	85
		101	360	85
		1,222	1,934	950

Unaudited Group Statement of Cash flow**For the 6 months ended 30 June 2012**

	6 months to 30 Jun 2012 Unaudited £'000	6 months to 30 Jun 2011 Unaudited £'000	12 months to 31 Dec 2011 Audited £'000
OPERATING ACTIVITIES			
Loss before taxation	(707)	(247)	(234)
(Profit)/Loss on disposal of investments	330	-	(29)
Investment income	-	96	(1)
Finance costs	8	81	-
Share and loan notes issued in settlement of fees	-	-	88
Gain arising on settlement of loan notes	-	-	(148)
Operating cash flow before working capital changes	(369)	(70)	(324)
Increase in trade and other receivables	21	18	(11)
Increase/(decrease) in trade and other payables	36	(22)	(57)
Net cash outflow from operating activities	(312)	(74)	(392)
INVESTING ACTIVITIES			
Purchase of investments	(820)	(1,963)	(2,669)
Disposals of investments	200	-	1,263
Net cash outflow from investing activities	(620)	(1,963)	(1,405)
FINANCING ACTIVITIES			
Proceeds from share issues	728	365	515
Share issue expenses	-	-	(44)
Interest paid	(8)	(81)	-
Proceeds from issue of loan notes	-	240	240
Repayment of loan notes	-	-	(150)
Net cash inflow from financing activities	720	524	561
Net (decrease)/increase in cash and cash equivalents	(212)	(1,513)	(1,236)
Balance at beginning of period	336	1,576	1,576
Effect of foreign exchange rate changes	-	(2)	(4)
Cash and cash equivalents as at 30 June 2012	124	61	336

Notes to the interim statement
For the 6 months ended 30 June 2012

1. General information

StratMin Global Resources plc is a company incorporated in the United Kingdom under the Companies Act 2006. The Company's main activity is that of an investment company.

The Company's functional currencies are Sterling and US dollar. The Company's financial statements are presented in Sterling, which is the Company's presentational currency.

2. Basis of preparation

The financial information set out in this interim report for the six months ended 30 June 2012 are unaudited and do not constitute statutory accounts as defined in Section 434 of Companies Act 2006. The group's statutory financial statements for the period ended 31 December 2011, prepared under International Financial Reporting Standards (IFRS), have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

The interim financial statements of StratMin Global Resources plc have been prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and on the same basis and using the same accounting policies as used in the Company's Annual Report and Accounts for the year ended 31 December 2011.

These financial statements have been prepared on a going concern basis under the historical cost convention. The Directors believe that the going concern basis is appropriate for the preparation of these interim financial statements as the Company is in a position to meet all its liabilities as they fall due. These interim financial statements for the six months to 30 June 2012 were approved by the board on xx September 2012.

3. Loss per share

Loss per share is calculated by reference to the weighted average of 68,347,357 ordinary shares in issue during the period (31 December 2011 – 57,471,540).

The diluted loss per share is the same as the basic loss per share as the losses in each period have an anti-dilutive effect.

4. Dividend

The board is not recommending the payment of an interim dividend for the period ended 30 June 2012.

5. Financial assets

	6 months to 30 Jun 2012	6 months to 30 Jun 2011	Year ended 31 Dec 2011
	£'000	£'000	£'000
Cost at 1 January	1,435	–	–
Purchases of investments	820	1,963	2,669
Proceeds from sale of investments	(200)	–	(1,263)
(Loss)/gain on disposal of investments	(330)	(96)	29
Cost of investments at period end	1,725	1,867	1,435
Market value adjustment	(641)	–	(856)
Net book value at period end	1,084	1,867	579

6. Share capital

	30 Jun 2012	30 Jun 2011	31 Dec 2011
	No'000	No'000	No'000
Issued and fully paid:			
Ordinary shares of £0.004	81,789	57,471	63,873
	£'000	£'000	£'000
Issued and fully paid:			
Ordinary shares of £0.004	327	230	255
	327	230	255

On 30 April 2012, 500,000 shares were issued at 4p per share as the result settlement of fees for services rendered by the newly appointed Director, Manoli Yannaghas.

On 16 May 2012, 12,500,000 shares were issued at 4p per share in respect of a share subscription by Optiva Securities.

On 18 May 2012, 4,916,667 shares were issued at 6p per share in respect of funding the acquisition of £295,000 of 8% convertible loan notes in Graphmada Equity (PTE) Limited.