

COMPANY REGISTRATION NUMBER 04228788

ALL STAR MINERALS PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

ALL STAR MINERALS PLC
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FOR THE YEAR ENDED 31 DECEMBER 2014

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ALL STAR MINERALS PLC
OFFICERS AND PROFESSIONAL ADVISORS
FOR THE YEAR ENDED 31 DECEMBER 2014

Company registration number	04228788
The board of directors	Mr T Nugent - Chairman Mr J L Featherstone
Registered office	C/O Larking Gowen Limited Claydon Business Park Great Blakenham Ipswich Suffolk IP6 0NL
Independent auditors	Larking Gowen Limited Chartered Accountants & Statutory Auditors Claydon Business Park Great Blakenham Ipswich Suffolk IP6 0NL
Bankers	RBS Cambridge Branch 82-88 Hills Road Cambridge CB2 1LG
Solicitors	Spearing Waite LLP 41 Friar Lane Leicester LE1 5RB

ALL STAR MINERALS PLC

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

REVIEW OF THE BUSINESS – Chairman’s Statement

The past twelve months have continued to be a challenging arena for junior resource companies as valuations are still well below the peaks seen prior to 2008. That said, for a company like All Star Minerals plc, it allows us to appraise suitable projects quickly and to potentially negotiate favourable deals with vendors, who are seeking joint venture partners.

For a Company with a listing on the ISDX Growth Market, access to capital is mainly from UK investors, whether that be through private client brokers or sophisticated and high net worth individuals. However, the board is keen to explore new avenues of funding and to this end, numerous meetings have taken place with institutional investors and alternative finance providers to gauge appetite for supporting suitable projects.

The performance of All Star Minerals plc during the period under review has seen the Company enter into an option agreement in Queensland, Australia and the sale of certain tenements of our subsidiary undertaking, Blue Doe Gold plc, for a shareholding in NQ Minerals Pty Ltd. The Company also successfully raised capital over the past twelve months, both through the issue of new ordinary shares and issue of convertible loan notes. The Company subsequently did not exercise its option over Peter Craigie Mine in Queensland, Australia.

NQ Minerals Plc recently listed its shares on ISDX raising £1m in the process and valuing the company at £10.7m on admission. Based on this value, the Group’s stake would be worth £800,000 giving the Company a readily available source of funds going forward.

Historically, the Company has focussed its activities in Australia. However, since the Peter Craigie Mine option was secured in early 2014, the board decided that All Star Minerals plc should consider expanding its geographical presence and therefore it has been appraising base and precious metal projects in North America, Europe and Africa.

Following the year end, All Star Minerals plc continued with its policy of streamlining the Company’s operation and its subsidiary undertaking, Blue Doe Gold plc, is currently being dissolved on a solvent basis.

I would like to take this opportunity to thank my fellow board members, shareholders and our advisers for their continued support and patience over the past twelve months.

FINANCIALS

The consolidated financial results for the 12 month period to 31 December 2014 showed a loss after taxation for continuing operations of £133,074 (2013: £561,638).

The basic loss per share from continuing operations was 0.02p (2013: 0.17p). The loss is attributable to ongoing administrative costs associated with the running of the Group, and exploration expenses.

The Directors do not recommend the payment of a dividend.

OUTLOOK

Having significantly reduced our losses from continuing operations for the financial year to £133,074 from £561,638 last year, we have concentrated on strengthening the Company’s balance sheet. As a resources business our future is dependent on having the funding at hand to meet our exploration commitments and to pay creditors as they fall due.

The financial position of All Star Minerals plc is much healthier that when I came to office. With the funding we have raised during the period the majority of creditors have been settled and we are now looking towards securing new projects that have the ability to complete value added propositions longer term. The Company’s working capital position still requires careful management.

The board has been working to ensure that there is a clear strategy to advance the Group going forward.

PRINCIPAL RISKS AND UNCERTAINTIES FACING THE COMPANY AND GROUP

The principal risks faced by the Company and Group are as follows:

- The ability to raise sufficient funds to continue the exploration of its exploration permits;
- Long term adverse changes in commodity prices could affect the viability of exploration and extraction projects;
- The operations of the Company are in foreign jurisdictions where there may be a number of associated risks over which it will have no control. These may include economic, social or political instability or change, taxation, rates of exchange, exchange controls and exploration licensing; and
- The exploration for and development of mineral deposits involve significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties which are explored are ultimately developed into producing mines. There can be no guarantee that the estimates of quantities of minerals disclosed will be available to extract. With all mining operations there is uncertainty and therefore there is risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions.



Tomas Nugent
Chairman
24 September 2015

ALL STAR MINERALS PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

The Directors present their report and financial statements for the year ended 31 December 2014.

RESULTS AND DIVIDENDS

The Group's loss for the year, after taxation, amounted to £133,074 (2013 - £685,350). The Directors do not recommend the payment of any dividend.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the Company in the year under review was that of the exploration for minerals and investment in exploration companies.

The exploration is primarily carried out in Australia, but the Company is controlled, financed and administered within the United Kingdom which remains the principal place of business.

EVENTS AFTER THE REPORTING YEAR

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

CREDITOR PAYMENT POLICY AND PRACTICE

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

At 31 December 2014, the Group had an average of 441 days purchases outstanding in trade creditors (2013: 257 days).

DIRECTORS

The Directors set out below have held office during the whole of the period from 1 January 2014 to the date of this report, unless otherwise stated.

Mr C A Windham (resigned 1 June 2015)
Mr J L Featherstone
Mr T Nugent
Mr E Taylor (resigned 27 January 2014)

FINANCIAL INSTRUMENTS

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

PROVISION OF INFORMATION TO AUDITORS

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

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

ALL STAR MINERALS PLC
DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2014

INDEPENDENT AUDITORS

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

Approved by the board on
and signed on its behalf by



Tomas Nugent
Chairman
24 September 2015

ALL STAR MINERALS PLC

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2014

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

Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and applicable law.

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

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

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the 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 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.

ALL STAR MINERALS PLC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALL STAR MINERALS PLC FOR THE YEAR ENDED 31 DECEMBER 2014

We were engaged to audit the Group and Parent Company financial statements (the "financial statements") of All Star Minerals plc for the year ended 31 December 2014 which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statements of Changes in Equity, the Consolidated and Parent Company Statements of Financial Position, the Consolidated and Parent Company Statements of Cash Flows and the related notes.

The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted in the European Union and, as regards the Parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Statement of Directors' Responsibilities, set out on page 6, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm.

BASIS FOR DISCLAIMER OF OPINION ON FINANCIAL STATEMENTS

The audit evidence available to us was limited because we were unable to verify:

- Bank statements for certain accounts;
- Documentation on the settlement of certain trade creditors;
- VAT return workings and related correspondence; and
- Information relating to certain subsidiaries of the Parent Company.

As a result of this we have been unable to obtain sufficient appropriate audit evidence concerning the loss for the year, trade and other receivables, cash and cash equivalents, trade and other payables, and certain disclosure items.

DISCLAIMER OF OPINION ON FINANCIAL STATEMENTS

Because of the significance of the matter described in the "Basis for disclaimer of opinion on financial statements" paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly we do not express an opinion on the financial statements.

OPINION ON OTHER MATTER PRESCRIBED BY COMPANIES ACT 2006

Notwithstanding our disclaimer of an opinion on the financial statements, in our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

ALL STAR MINERALS PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Arising from the limitation of our work referred to above:

- We have not obtained all the information and explanations that we considered necessary for the purpose of our audit, or returns adequate from branches not visited by us;
- We were unable to determine whether adequate accounting records have been kept;
- We are unable to confirm that the financial statements are in agreement with the accounting records and returns.

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

- Certain disclosures of directors' remuneration specified by law are not made.



Luke Morris FCA (Senior Statutory Auditor)

for and on behalf of Larking Gowen Limited
Chartered Accountants and Statutory Auditors
Ipswich

24 September 2015

ALL STAR MINERALS PLC
CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	2013 £
Administrative expenses		(102,338)	(554,961)
Finance costs	6	(30,736)	(6,677)
Other non-operating income		-	-
LOSS BEFORE TAX		(133,074)	(561,638)
Income tax expense	7	-	-
LOSS FOR THE YEAR FROM CONTINUING OPERATIONS		(133,074)	(561,638)
Discontinued operations	20	-	(123,712)
LOSS FOR THE YEAR		(133,074)	(685,350)
Attributable to:			
Equity holders of the parent		(63,045)	(578,295)
Non-controlling interests		(70,029)	(107,055)
		(133,074)	(685,350)
		2014 £	2013 £
LOSS PER SHARE	8		
Basic & Diluted (expressed in pence per share)			
Continuing operations		(0.02)	(0.17)
Discontinued operations		-	(0.04)

The notes on pages 19 to 39 form part of these financial statements

ALL STAR MINERALS PLC
CONSOLIDATED STATEMENT OF COMPEHESIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014 £	2013 £
LOSS FOR THE YEAR		
	(133,074)	(685,350)
OTHER COMPREHENSIVE INCOME		
Other movements	-	53,200
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>(133,074)</u>	<u>(632,150)</u>
ATTRIBUTABLE TO:		
Equity holders of the parent	(63,045)	(525,095)
Non-controlling interest	<u>(70,029)</u>	<u>(107,055)</u>

The notes on pages 19 to 39 form part of these financial statements

ALL STAR MINERALS PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014

	Issued capital £	Attributable to equity holders of the parent			Total £	Non-controlling Interest £	Total equity £
		Share premium £	Other reserves £	Accumulated Losses £			
Balance at 1 January 2014	350,428	1,158,849	748,952	(2,565,290)	(307,061)	(59,775)	(366,836)
Total comprehensive income for the year							
Loss for the year	-	-	-	(63,045)	(63,045)	(70,029)	(133,074)
Other comprehensive income for the year							
Translation differences	-	-	7,620	-	7,620	-	7,620
Issue of share options	-	-	-	-	-	-	-
Total other comprehensive income	-	-	7,620	-	7,620	-	7,620
Total comprehensive income for the year	-	-	7,620	(63,045)	(55,425)	(70,029)	(125,454)
Transaction with owners, recorded directly in equity							
Issue of share capital	28,650	234,650	-	-	263,300	-	263,300
Balance at 31 December 2014	379,078	1,393,499	756,572	(2,628,335)	(99,186)	(129,804)	(228,990)
	Issued capital £	Attributable to equity holders of the parent			Total £	Non-controlling Interest £	Total equity £
		Share premium £	Other reserves £	Accumulated losses £			
Balance at 1 January 2013	315,728	1,152,849	695,752	(1,986,995)	177,334	47,280	224,614
Total comprehensive income for the year							
Loss for the year	-	-	-	(578,295)	(578,295)	(107,055)	(685,350)
Other comprehensive income for the year							
Translation differences	-	-	28,500	-	28,500	-	28,500
Issue of share options	-	-	24,700	-	24,700	-	24,700
Total other comprehensive income	-	-	53,200	-	53,200	-	53,200
Total comprehensive income for the year	-	-	53,200	(578,295)	(525,095)	(107,055)	(632,150)
Transaction with owners, recorded directly in equity							
Issue of share capital	34,700	6,000	-	-	40,700	-	40,700
Balance at 31 December 2013	350,428	1,158,849	748,952	(2,565,290)	(307,061)	(59,775)	(366,836)

The notes on pages 19 to 39 form part of these financial statements

ALL STAR MINERALS PLC
COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014

	Issued capital	Share premium	Other reserves	Accumulated losses	Total equity
	£	£	£	£	£
Balance at 1 January 2014	350,428	1,158,849	720,452	(2,429,412)	(199,683)
Total comprehensive income for the year					
Loss for the year	-	-	-	(186,795)	(186,795)
Other comprehensive income					
Issue of share options	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(186,795)	(186,795)
Transactions with owners, recorded directly in equity					
Issue of shares	28,650	234,650	-	-	263,300
Share issue costs	-	-	-	-	-
Balance at 31 December 2014	<u>379,078</u>	<u>1,393,499</u>	<u>720,452</u>	<u>(2,616,207)</u>	<u>(123,178)</u>
	Issued capital	Share premium	Other reserves	Accumulated losses	Total equity
	£	£	£	£	£
Balance at 1 January 2013	315,728	1,152,849	695,752	(2,098,503)	65,826
Total comprehensive income for the year					
Loss for the year	-	-	-	(330,909)	(330,909)
Other comprehensive income					
Issue of share options	-	-	24,700	-	24,700
Total other comprehensive income	-	-	24,700	-	24,700
Total comprehensive income for the year	-	-	24,700	(330,909)	(306,209)
Transactions with owners, recorded directly in equity					
Issue of shares	34,700	6,000	-	-	40,700
Share issue costs	-	-	-	-	-
Balance at 31 December 2013	<u>350,428</u>	<u>1,158,849</u>	<u>720,452</u>	<u>(2,429,412)</u>	<u>(199,683)</u>

The notes on pages 19 to 39 form part of these financial statements

ALL STAR MINERALS PLC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	2013 £
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	9	-	160
Trade and other receivables	13	<u>5,252</u>	<u>10,764</u>
		5,252	10,924
CURRENT ASSETS			
Trade and other receivables	13	14,484	32,905
Cash and cash equivalents	15	<u>11,225</u>	<u>2,362</u>
		25,709	35,267
TOTAL ASSETS		<u>30,961</u>	<u>46,191</u>
EQUITY PLUS NON-CONTROLLING INTEREST			
ISSUED CAPITAL AND RESERVES			
Issued share capital	16	379,078	350,428
Share premium		1,393,499	1,158,849
Reserves	17	756,572	748,952
Accumulated losses		<u>(2,628,335)</u>	<u>(2,565,290)</u>
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		(99,186)	(307,061)
Non-controlling interest		(129,804)	(59,775)
TOTAL EQUITY		<u>(228,990)</u>	<u>(366,836)</u>
CURRENT LIABILITIES			
Trade and other payables	18	<u>259,951</u>	413,027
		259,951	413,027
TOTAL EQUITY AND LIABILITIES		<u>30,961</u>	<u>46,191</u>

Approved by the Board on 24 September 2015
And signed on its behalf by



Tomas Nugent
Chairman

Company registration number: 04228788

The notes on pages 19 to 39 form part of these financial statements

ALL STAR MINERALS PLC
COMPANY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	2013 £
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	9	-	160
Investments at cost	10	49,993	49,993
Trade and other receivables	13	-	-
		49,993	50,153
CURRENT ASSETS			
Trade and other receivables	13	47,197	92,536
Cash and cash equivalents	15	2,908	1,613
		50,105	94,149
TOTAL ASSETS		100,098	144,302
EQUITY			
ISSUED CAPITAL AND RESERVES			
Issued share capital	16	379,078	350,428
Share premium		1,393,499	1,158,849
Reserves	17	720,452	720,452
Accumulated losses		(2,616,207)	(2,429,412)
TOTAL EQUITY		(123,178)	(199,683)
CURRENT LIABILITIES			
Trade and other payables	18	223,276	343,985
		223,276	343,985
TOTAL EQUITY AND LIABILITIES		100,098	144,302

Approved by the Board on 24 September 2015
And signed on its behalf by



Tomas Nugent
Chairman

Company registration number: 04228788

The notes on pages 19 to 39 form part of these financial statements

ALL STAR MINERALS PLC
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014	2013
	£	£
CASH FLOWS FROM OPERATING ACTIVITIES		
Total operating loss	(133,074)	(561,638)
ADJUSTMENTS TO RECONCILE TO LOSS FROM OPERATIONS		
Interest expense	30,736	6,677
Share based payment expense	-	24,700
Loan amount waived	-	(6,000)
ADJUSTMENTS TO RECONCILE LOSS FROM OPERATIONS	30,736	25,377
LOSS FROM OPERATIONS	(102,338)	(536,261)
NON-CASH ADJUSTMENTS		
Depreciation	160	211
Impairment losses on intangible non-current assets	-	103,309
Provisions against related party debts	-	46,616
NON-CASH ADJUSTMENTS	160	150,136
CASH FLOWS BEFORE CHANGES IN WORKING CAPITAL	(102,178)	(386,125)
INCREASE/(DECREASE) IN WORKING CAPITAL		
Increase in trade and other receivables	23,932	10,326
(Decrease)/Increase in trade and other payables	(190,691)	38,179
INCREASE IN WORKING CAPITAL	(166,759)	48,505
CASH FLOW USED IN OPERATING ACTIVITIES	(268,937)	(337,620)
CASH FLOW USED IN OTHER OPERATING ACTIVITIES		
Payment of interest classified as operating	-	(6,677)
CASH FLOWS USED IN OTHER OPERATING ACTIVITIES		(6,677)
NET CASH USED IN OPERATING ACTIVITIES	(268,937)	(344,297)

The notes on pages 19 to 39 form part of these financial statements

ALL STAR MINERALS PLCCONSOLIDATED STATEMENT OF CASH FLOWS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014 £	2013 £
NET CASH USED IN OPERATING ACTIVITIES	(268,937)	(344,297)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of subsidiary	-	293,634
NET CASH FLOWS USED IN INVESTING ACTIVITIES	-	293,634
	(268,937)	(50,663)
NET CASH FLOWS FROM FINANCING ACTIVITIES		
Gross proceeds from issue of equity share capital	257,800	40,700
Convertible loan note acquired from related party	-	(46,500)
Convertible loan note redeemed	-	(50,000)
Convertible loan notes issued	20,000	100,000
NET CASH FLOWS FROM FINANCING ACTIVITIES	277,800	44,200
	8,863	(6,463)
Cash and cash equivalents brought forward	2,362	8,825
CASH AND CASH EQUIVALENTS AS AT 31 DECEMBER	11,225	2,362

The notes on pages 19 to 39 form part of these financial statements

ALL STAR MINERALS PLC
COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014 £	2013 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Total operating loss	(186,795)	(330,909)
ADJUSTMENTS TO RECONCILE TO LOSS FROM OPERATIONS		
Interest expense	30,736	6,677
Share based payment expense	-	24,700
Loss on sale of subsidiary	-	4,240
Loan amount waived	-	(6,000)
ADJUSTMENTS TO RECONCILE LOSS FROM OPERATIONS	30,736	29,617
LOSS FROM OPERATIONS	(156,059)	(301,292)
NON-CASH ADJUSTMENTS		
Depreciation	160	211
Provisions against related party debts	167,923	105,614
NON-CASH ADJUSTMENTS	168,083	105,825
CASH FLOWS BEFORE CHANGES IN WORKING CAPITAL	12,024	(195,467)
INCREASE/(DECREASE) IN WORKING CAPITAL		
Increase in trade and other receivables	(121,919)	(38,681)
(Decrease)/Increase in trade and other payables	(166,610)	101,136
INCREASE IN WORKING CAPITAL	(288,529)	62,455
CASH FLOW USED IN OPERATING ACTIVITIES	(276,505)	(133,012)
CASH FLOW USED IN OTHER OPERATING ACTIVITIES		
Payment of interest classified as operating	-	(6,677)
CASH FLOWS USED IN OTHER OPERATING ACTIVITIES	-	(6,677)
NET CASH USED IN OPERATING ACTIVITIES	(276,505)	(139,689)

The notes on pages 19 to 39 form part of these financial statements

ALL STAR MINERALS PLCCOMPANY STATEMENT OF CASH FLOWS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014 £	2013 £
NET CASH USED IN OPERATING ACTIVITIES	(276,505)	(139,689)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of subsidiary	-	96,715
NET CASH FLOWS USED IN INVESTING ACTIVITIES	-	96,715
	(276,505)	(42,974)
NET CASH FLOWS FROM FINANCING ACTIVITIES		
Gross proceeds from issue of equity share capital	257,800	40,700
Convertible loan notes issued	20,000	100,000
NET CASH FLOWS FROM FINANCING ACTIVITIES	277,800	44,200
	1,295	1,226
Cash and cash equivalents brought forward	1,613	387
CASH AND CASH EQUIVALENTS AS AT 31 DECEMBER	2,908	1,613

The notes on pages 19 to 39 form part of these financial statements

ALL STAR MINERALS PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH IFRS'S

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

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

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

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

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

- Amendments to IFRS 10 Consolidated Financial Statements (IFRS 10) and consequential amendments to IFRS 12 Disclosure of Interests in Other Entities (IFRS 12) and IAS 27 Separate Financial Standards (Revised 2011) (IAS27): The amendment to IFRS 10 define an investment entity and introduce an exception from the requirement to consolidate subsidiaries of an investment entity. The exception requires an investment entity to measure its interests in subsidiaries at fair value through profit or loss. The consequential amendments to IFRS 12 and IAS 27 introduce new disclosure requirements for investment entities.
- Amendments to IAS 32 Offsetting Financial Assets and Financial Liabilities: The amendments to IAS 32 clarify the requirements relating to the offset of financial assets and financial liabilities.
- Amendments to IAS 36 Recoverable Amount Disclosures for Non-Financial Assets: The amendments to IAS 36 remove the requirement to disclose the recoverable amount of a cash generating unit (CGU) to which goodwill or other intangible assets with indefinite useful economic lives had been allocated when there has been no impairment or reversal of impairment of the related CGU. Furthermore, the amendments introduce additional disclosure requirements applicable when the recoverable amount of an asset or a CGU is measured at fair value less costs of disposal.
- Amendments to IAS 39 Novation of Derivatives and Continuation of Hedge Accounting: The amendments to IAS 39 provide relief from the requirement to discontinue hedge accounting when a derivative designated as a hedging instrument is novated under certain circumstances. The amendments also clarify that any change in fair value of the derivative designated as a hedging instrument arising from the novation should be included in the assessment and measurement of hedge effectiveness.
- IFRIC 21 Levies: IFRIC 21 defines a levy and the timing of the recognition of a liability to pay the levy based on the identification of an obligating event triggered by an activity as identified by the relevant legislation.

ALL STAR MINERALS PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

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

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

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

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

- IFRS 14 Regulatory Deferral Accounts
- Amendments to IFRS 11 Accounting for acquisitions in Joint Operations
- Amendments to IAS 16 and IAS 41 Agriculture: Bearer Plants
- Amendments to IAS 19: Defined Benefit Plans: Employee Contributions

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

- IFRS 9 Financial Instruments (effective from 1 January 2018): The IASB have completed its project to replace IAS 39 with IFRS 9 which includes requirements for the classification and measurement of financial assets and liabilities, impairment methodology and general hedge accounting.
- IFRS 15 Revenue from Contracts with Customers (effective from 1 January 2017): IFRS 15 establishes a single comprehensive model for entities to use in accounting for revenue from customers. It will supersede a number of standards and interpretations including IAS 18, IAS 11 as well as IFRIC 13, IFRIC 15, IFRIC 18 and SIC 31.
- Amendment to IAS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and Amortisation (effective from 1 January 2016): The amendments introduce a rebuttable assumption that revenue is not an appropriate amortisation method for intangible assets. Furthermore, it prohibits the use of revenue-based depreciation for property, plant and equipment.
- Annual Improvements to IFRSs: 2010 – 2012 Cycle, 2011-2013 Cycle and 2012-2014 Cycle (effective from 1 January 2015 & 1 January 2016): This is a collective of amendments to IFRSs resulting from issues discussed and subsequently included in Exposure Drafts published during 2012. Management have yet to assess the impact of these issues on the Group's consolidated financial statements. Management have yet to assess the impact that these amendments are likely to have on the financial statements of the Group.

2. ACCOUNTING POLICIES

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and entities controlled by the Company (its subsidiaries) made up to 31 December. Control is achieved where the company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, non-controlling interests consist of the amount attributed to such interests at initial recognition and the non-controlling interest's share of changes in equity since the date of the combination.

All intragroup transactions, balances, income and expenses are eliminated on consolidation.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the Group.

Going concern

As described in the strategic report the Group has reduced its losses this year to £133,074 from £561,638. However, the balance sheet continues to show a deficit together with net current liabilities of £234,242. The Group does have a successful track record of raising funds to enable it to meet its obligations on a continuing basis. Furthermore, the shareholding the Group has acquired in NQ Minerals Pty Ltd is currently valued at some £800,000 giving the Group a readily available source of funds going forward. The Group's accounting policies and timing of the listing of NQ Minerals Pty Ltd on ISDX preclude the recognition of this asset in the Group's financial statements at 31 December 2014.

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

2. ACCOUNTING POLICIES (continued)

Foreign currency exchange

The principal place of business of the Group is the United Kingdom with sterling being the functional currency. Funds are advanced to the Australian subsidiaries as required to finance the exploration costs which are payable in Australian Dollars (AUD\$).

Transactions in currencies other than the functional currency of the Group are recorded at the rates of exchange prevailing on the dates of the transactions. At each statement of financial position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the statement of financial position date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

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

Significant accounting judgements, estimates and assumptions

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

The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are the measurement of any impairment on financial assets and the estimation of share-based payment costs. The Group determines whether there is any impairment of financial assets on an annual basis. The estimation of share-based payment costs requires the selection of an appropriate model and consideration as to the inputs necessary for the valuation model chosen and the estimation of the number of awards that will ultimately vest.

Exceptional items

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

Revenue recognition

Revenue in respect of barter type transaction is not recognised where the items involved are similar in nature. Where they are dissimilar in nature, revenue is recognised based on the fair value of the good or items received if that can be reliably measured. If the fair value of the goods or items received cannot be reliably measured revenue is determined by reference to the fair value of the goods or items given up. In each case, fair value is adjusted in respect of cash or cash equivalents transacted.

ALL STAR MINERALS PLC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

2. ACCOUNTING POLICIES (continued)

Income tax

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

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

Property, plant and equipment

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

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

Plant and equipment	- 20%
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Investment in subsidiaries

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

Deferred tax

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

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

2. ACCOUNTING POLICIES (continued)

Deferred tax (continued)

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

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

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

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

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

Financial risk management objectives and policies

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

The Group manages its capital structure through adjustments that are dependant on economic conditions. In order to maintain or adjust the capital structure, the Group may choose to change or amend dividend payments to shareholders or issue new share capital to shareholders. There were no changes to the objectives, policies or processes during either the year ended 31 December 2014 or the year ended 31 December 2013.

ALL STAR MINERALS PLC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

2. ACCOUNTING POLICIES (continued)

Financial assets

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

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

Other long-term investments that are intended to be held to maturity, such as bonds, are subsequently measured at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any discount or premium on acquisition, over the period to maturity. For investments carried at amortised cost, gains and losses are recognised in income when the investments are derecognised or impaired, as well as through the amortisation process.

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

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

Trade and other receivables

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

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

Other receivables are recognised at fair value.

Cash and cash equivalents

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

Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purposes of the consolidated statement of cash flows.

Trade and other payables

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

2. ACCOUNTING POLICIES (continued)

Share based payments

The Group issues equity-settled Share based payments to certain employees including Directors.

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

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

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

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

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

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method.

The cost of the acquisition is measured at the aggregate of the fair values, at the date of the exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3(2008) are recognised at their fair value at the acquisition date.

ALL STAR MINERALS PLC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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3. OPERATING LOSS

Operating loss is stated after charging/(crediting) the following:

	2014	2013
	£	£
Depreciation of property, plant and equipment	160	211
Development expenditure	64,572	-
Impairment of intangible assets	-	103,309
	<u> </u>	<u> </u>
Net foreign currency differences	(16,287)	37,915
	<u> </u>	<u> </u>
Auditor's remuneration – audit of group financial statements	12,000	8,000
	<u> </u>	<u> </u>
Auditor's remuneration – other fees:		
Audit of subsidiaries' financial statements	-	4,000
	<u> </u>	<u> </u>
	-	4,000
	<u> </u>	<u> </u>
	2014	2013
	£	£
Included in administrative expenses:		
Employee benefit expense	-	22,100
Depreciation and amortisation	160	211
Net foreign currency difference	(16,287)	37,915
	<u> </u>	<u> </u>

Loss of the parent company

As permitted by Section 408 of the Companies Act 2006, the statement of comprehensive income of the Parent Company is not presented as part of these financial statements. The Parent Company's loss for the financial year was £186,795 (2013 - loss £330,909).

4. EMPLOYEES EXPENSES

	2014	2013
	£	£
Wages and salaries	-	-
Share-based payment transactions	-	22,100
Social security costs	-	-
	<u> </u>	<u> </u>
	-	22,100
	<u> </u>	<u> </u>

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

	2014	2013
	Number	Number
Directors	2	3
Non-executive directors	1	1
	<u> </u>	<u> </u>
	3	4
	<u> </u>	<u> </u>

ALL STAR MINERALS PLC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

5. KEY MANAGEMENT REMUNERATION (COMPENSATION)

	2014 £	2013 £
Remuneration	-	-
Share based payment transactions	-	22,100
Consultancy fees	(54,177)	97,147
	<u>(54,177)</u>	<u>119,247</u>

	2014 Number	2013 Number
During the year the following number of directors exercised Share options	-	-

In 2015, Mr C A Windham resigned as a director and waived his entitlement to £76,996 of consultancy fees.

6. FINANCE COSTS

	2014 £	2013 £
Interest expense: Debentures and other secured borrowings	30,736	6,677
	<u>30,736</u>	<u>6,677</u>

7. INCOME TAX

Components of income tax expense

	2014 £	2013 £
Current income tax expense		
Current income tax charge	-	-

No liability to UK corporation tax arises on the ordinary activities for the year ended 31 December 2014 nor for the year ended 31 December 2013.

Reconciliation of income tax charge to accounting profit

	2014 £	2013 £
Tax at the domestic income tax rate of 21.5% (2013: 23.25%)	(28,611)	(159,344)
Tax effect of capital allowances	34	34
Non-deductible expenses	-	5,862
Unrecognised tax losses	28,577	153,448
	<u>-</u>	<u>-</u>

Factors which may affect future tax charge

The Group has estimated UK tax losses of £1,842,539 (2013: £2,113,448) to carry forward against future trading profits. A deferred tax asset has not been recognised in respect of these losses due to uncertainty over the timing of when these assets will be utilised.

The main rate of UK corporation tax is 21% during the current (2014/15) tax year and it will fall to 20% from 1 April 2015. This will reduce the Group's future current tax charge accordingly. There is no effect on deferred tax as the Group has not recognised any deferred tax asset or liability.

ALL STAR MINERALS PLC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

8. LOSS PER SHARE

Basic Earnings per share are calculated by dividing net result for the period attributable to ordinary equity holders of the Parent by the weighted average number of ordinary shares outstanding during the period. The weighted average number of shares outstanding for 2014 was 532,442,019 (2013: 335,668,046).

Diluted Earnings per share amounts are calculated by dividing the net result attributable to ordinary equity holders of the Parent after adjustments for instruments that dilute basic Earnings per share by the weighted average of ordinary shares outstanding during the period (adjusted for the effects of dilutive instruments). However, as the Company is loss making the effect of any share options is anti-dilutive so a diluted EPS figure has not been presented.

9. PROPERTY, PLANT AND EQUIPMENT

Group and Parent	Plant and equipment £
Cost	
At 1 January 2014 and 31 December 2014	<u>2,527</u>
Accumulated depreciation	
At 1 January 2014	(2,367)
Charge for the year	(160)
At 31 December 2014	<u>(2,527)</u>
Net book value at 1 January 2014	<u>160</u>
Net book value at 31 December 2014	<u>-</u>
 Group and Parent	 Plant and equipment £
Cost	
At 1 January 2013 and 31 December 2013	<u>2,527</u>
Accumulated depreciation	
At 1 January 2013	(2,156)
Charge for the year	(211)
At 31 December 2013	<u>(2,367)</u>
Net book value at 1 January 2013	<u>371</u>
Net book value at 31 December 2013	<u>160</u>

ALL STAR MINERALS PLC
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2014

10. INVESTMENT IN SUBSIDIARIES

Parent company

Cost	£
At 1 January 2014 and 31 December 2014	<u>49,993</u>
Cost	
At 1 January 2013	217,713
Disposals	(167,720)
At 31 December 2013	<u>49,993</u>

At the year end All Star Minerals Plc owned the subsidiaries listed in the following table:

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

Blue Doe Gold plc (parent undertaking of Blue Doe Gold Pty Ltd) entered into solvent liquidation after the year end. Blue Doe Gold Pty Ltd is indirectly held.

11. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial assets and liabilities are summarised in note 12. The main types of risk are market risk, credit risk and liquidity risk.

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

Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to this risk by granting loans to related parties and others. The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets at the reporting date (note 12).

The Group continuously monitors defaults of counterparties and incorporates this information into its credit risk controls. The group's policy is to deal only with creditworthy counterparties.

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

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

11. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk

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

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

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

The group's main non-derivative financial liability is in respect of convertible loan notes shown in note 18. Trade payables are all due within 6 months.

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

Market risk

Market risk is the risk that changes in market prices, such as commodity prices, foreign exchange rates, interest rates and equity prices will affect the Group income or the value of its holding in financial instruments.

Commodity price risk

The principal activity of the Group and Company during the period were those of exploration for minerals and investment in exploration companies in Australia, and the principal market risk facing the Group and Company during the period was an adverse movement in the price of such commodities. Any long term adverse movement in these prices would affect the commercial viability of the projects.

Foreign currency risk

Exposures to currency exchange rates arise from the investment in the Australian subsidiaries and the exploration costs which are payable in Australian Dollars.

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

ALL STAR MINERALS PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

11. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management

The Group's capital consists wholly of ordinary shares. The Board's policy is to preserve a strong capital base in order to maintain investor, creditor and market confidence and to safeguard the future development of the business, whilst balancing these objectives with the efficient use of capital.

Capital for the reporting periods under review is summarised as follows:

Group	2014	2013
	£	£
Cash and short term funds	11,225	2,362
Net funds	<u>(11,225)</u>	<u>(2,362)</u>
Equity	1,772,577	1,509,277
Total capital	<u>1,772,577</u>	<u>1,509,277</u>
Capital and net funds	<u>1,761,352</u>	<u>1,506,915</u>
Parent	2014	2013
	£	£
Cash and short term funds	2,908	1,613
Net funds	<u>(2,908)</u>	<u>(1,613)</u>
Equity	1,772,577	1,509,277
Total capital	<u>1,772,577</u>	<u>1,509,277</u>
Capital and net funds	<u>1,769,669</u>	<u>1,507,664</u>

12. FINANCIAL ASSETS AND LIABILITIES

A description of each category of financial assets and financial liabilities and the related accounting policies are disclosed in note 2. The carrying amount of financial assets and financial liabilities are as follows:

Group	Carried at amortised cost		Carried at fair value	
	2014 £	2013 £	2014 £	2013 £
Financial assets				
Cash and cash equivalents	11,225	2,362	-	-
Trade and other receivables	19,736	43,669	-	-
Available for sale financial assets	-	-	-	-
Financial liabilities				
Trade and other payables	<u>(259,951)</u>	<u>(413,027)</u>	-	-

ALL STAR MINERALS PLC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

12. FINANCIAL ASSETS AND LIABILITIES (continued)

Parent company	Carried at amortised cost		Carried at fair value	
	2014 £	2013 £	2014 £	2013 £
Financial assets				
Cash and cash equivalents	2,908	1,613	-	-
Trade and other receivables	<u>47,197</u>	<u>92,536</u>	-	-
Financial liabilities				
Trade and other payables	<u>(223,276)</u>	<u>(343,985)</u>	-	-

13. TRADE AND OTHER RECEIVABLES

Group	2014 £	2013 £
Non-current		
Other receivables	<u>5,252</u>	<u>10,764</u>
Current		
Receivables from related parties	600	6,097
Other receivables	<u>13,884</u>	<u>26,808</u>
	<u>14,484</u>	<u>32,905</u>

For terms and conditions of amounts receivable from related parties see note 14.

Parent	2014 £	2013 £
Current		
Receivables from related parties	42,000	80,845
Other receivables	<u>5,197</u>	<u>11,691</u>
	<u>47,197</u>	<u>92,536</u>

ALL STAR MINERALS PLC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

13. TRADE AND OTHER RECEIVABLES (continued)

Movements in the provision for impairment of trade and other receivables were as follows:

Group	2014	2013
	£	£
Current	<u>-</u>	<u>(46,500)</u>

During the year ended 31 December 2013 a provision was made in respect of the convertible loan note acquired from U3O8 Holdings Plc which ultimately defaulted on the loan note.

Parent	2014	2013
	£	£
Current	<u>167,193</u>	<u>(64,256)</u>

In the year ended 31 December 2013 Circle Resources Pty Ltd was sold and the £169,754 provision released. This was offset by the £46,500 provision made in respect of U3O8 Holdings plc and a further £58,998 made in respect of the inter-company balance with Blue Doe Gold Pty. At 31 December 2014, the Parent Company provided for receivables due from two of its subsidiary undertakings as follows: Drummond Minerals Pty Limited £74,684 and NQ Mines Pty Limited £92,509.

14. RELATED PARTY TRANSACTIONS

Trading activities

Purchases and services provided

	2014	2013
	£	£
P Griffiths	-	37,388
C A Windham/Not Remotely Limited	(76,996)	2,109
Tearne Foulsham Limited	1,488	12,459
Compredi & Co Limited	<u>22,819</u>	<u>12,000</u>
	<u>(52,689)</u>	<u>63,956</u>

Not Remotely Limited is a company under the control of Mr C A Windham. Tearne Foulsham Limited is a company under the control of Mr E Taylor. Compredi & Co Limited is a company under the control of Mr T Nugent.

The payments relate to service provided and expenses reimbursed.

ALL STAR MINERALS PLC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

14. RELATED PARTY TRANSACTIONS (continued)

Receivable from related parties

	2014	2013
	£	£
Geoexperten (J Larsson)	-	3,372
Director's expense advances	600	600
Loan to Oracle Coalfields plc	-	290
Loan to Valiant Investments plc	-	1,835
	<u>600</u>	<u>6,097</u>

Payable to related parties

	2014	2013
	£	£
C A Windham Loan	12,563	14,800
Unpaid directors' salary and fees	-	157,133
Valiant investments plc	665	-
	<u>13,228</u>	<u>171,933</u>

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

In addition to the above, the Company issued a convertible loan note to Valiant Investments plc for £20,000. Interest of £7,033 has accrued to date. See note 18.

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14. RELATED PARTY TRANSACTIONS (continued)

Key management compensation

	2014	2013
	£	£
Wages and consultancy fees	(54,178)	97,147
Share based payment	-	22,100
	<u>(54,178)</u>	<u>119,247</u>

During 2013, the following share options were issued: C A Windham: 25,000,000; Compredi & Co: 50,000,000; and E Taylor: 10,000,000. The options have an exercise price of 0.1 pence, a ten year term and no vesting conditions. The purpose of the options was to recognise individuals' performance and to provide further incentivisation. Following his resignation in 2015, Mr C Windham's 47,500,000 share options lapsed.

15. CASH AND CASH EQUIVALENTS

Group	2014	2013
	£	£
Cash at bank	11,225	2,362
	<u>11,225</u>	<u>2,362</u>
Parent	2014	2013
	£	£
Cash at bank	2,908	1,613
	<u>2,908</u>	<u>1,613</u>

The above amount represents the amount of cash and cash equivalents for the purpose of both the Parent Company and consolidated cash flow statement.

16. SHARE CAPITAL

Parent company	2014		2013	
	No.	£	No.	£
Ordinary shares at 1 January	350,428,320	350,428	315,728,320	315,728
Subdivision: deferred shares	-	(315,385)	-	-
New shares issues	286,500,000	28,650	34,700,000	34,700
Ordinary shares carried forward	636,928,320	63,693	350,428,320	350,428
Deferred shares	350,428,320	315,385	-	-
	<u>987,356,640</u>	<u>379,078</u>	<u>-</u>	<u>-</u>

During the year, the Company created a new class of shares: deferred shares. The existing ordinary shares were subdivided into equal numbers of both ordinary and deferred shares. The value of the shares was split in a ratio of 9:1 such that in addition to the ordinary shares noted above, the Company now has 350,428,320 deferred shares with a value of £315,585.

The deferred shares do not have any rights to income or voting rights and are entitled to receive their nominal value back on a winding up only after the ordinary shareholders have received £100,000 per share.

All issued share capital is classified as equity.

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16. SHARE CAPITAL (continued)

During the year 226,000,000 ordinary shares were issued at 0.08 pence per share raising £180,800 in cash. A further 55,000,000 ordinary shares were issued for 0.14 pence per share raising £77,000 in cash.

The company also issued 5,500,000 ordinary shares at 0.1 pence per share in respect of interest payable on the convertible loan notes (see note 20).

17. RESERVES

Parent Company	Capital redemption reserve £	Share scheme reserve £	Total £
At 1 January 2013	572,786	122,966	695,752
Issue of options	-	24,700	24,700
At 31 December 2013	572,786	147,666	720,452
Issue of options	-	-	-
At 31 December 2014	572,286	147,666	720,452

A separate reserve has been established for Group consolidation purposes to record foreign exchange differences arising on consolidation. During the year, a difference of £7,620 (2013: £28,500) arose which has been credited to reserves bringing group reserves to £756,572 (2013: £748,952).

18. TRADE AND OTHER PAYABLES

Group	2014 £	2013 £
Trade and other payables	99,775	139,382
Convertible loan notes	146,948	101,712
Payable to related parties	13,228	171,933
	<u>259,951</u>	<u>413,027</u>
Parent	2014 £	2013 £
Trade and other payables	63,100	70,340
Convertible loan notes	146,948	101,712
Payable to related parties	13,228	171,933
	<u>223,276</u>	<u>343,985</u>

During 2013, a series of convertible loan notes carrying a coupon of 10% were with a maturity in January 2014. During the year, interest of £10,000 was capitalised into the loan note principal. Interest was paid in respect of the convertible loan notes through the issue of 5,500,000 ordinary shares at 0.1 pence per share. On extension of the loan not maturity date in 2014, the coupon was increased to 20%. The convertible loan notes now have maturity dates in October 2015.

A further loan note was issued to Valiant Investments plc. Interest accrued at the rate of £2,000 per quarter. The loan note was extended in November 2014 for a further 6 months with interest of £2,000 payable for the period.

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19. SHARE BASED PAYMENTS

Equity settled

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

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

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

	2014		2013	
	WAEP	No.	WAEP	No.
Opening balance	0.211p	162,500,000	0.3667p	67,500,000
Granted	-	-	0.1p	95,000,000
Lapsed	(0.25)p	(18,500,000)		
Closing balance	0.206p	144,000,000	0.211p	162,500,000
	0.206p	144,000,000	0.211p	162,500,000

No options were exercised in either period.

The share options outstanding at the end of the period have a weighted average remaining contractual life of 6.3 years (2013 – 6.5 years) and have the following exercise prices (EP) that expire on the following dates:

	2014		2013	
	EP	No.	EP	No.
30 June 2014	-	-	0.25p	18,500,000
30 June 2015	0.50p	10,000,000	0.50p	10,000,000
31 December 2015	0.50p	21,500,000	0.50p	21,500,000
31 December 2016	0.25p	17,500,000	0.25p	17,500,000
31 December 2023	0.10p	95,000,000	0.10p	95,000,000
		144,000,000		162,500,000

During 2013 the company issued 95,000,000 share options which expire in December 2023 with no vesting conditions. The exercise price is 0.1 pence per share. The purpose of the options is to recognise individuals' performance and to provide further incentivisation. The fair values of services received in return for share options granted is based on the fair value of share options granted, measured using the Black Scholes valuation model. The inputs to the model were as follows:

	Granted December 2013
Fair value at grant date	0.026p
Share price	0.1p
Exercise price	0.1p
Expected volatility	20%
Option life	10 years
Risk free rate	0.3%

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19. SHARE BASED PAYMENTS (continued)

The expected volatility was determined by reviewing the historical volatility of the company's share price since its listing on ISDX (formerly PLUS) to the date of granting the option. In calculating the fair value, consideration was given to the market trends at the grant date of the option. There is an expense of £nil (2013 - £24,700) for the period in respect of services received in respect of equity-settled share-based payment transactions. The fair value of the options issued during the year has been taken as the value of the services provided; there were no vesting conditions to be met.

20. DISCONTINUED OPERATIONS

On 18 August 2013, the group sold two subsidiary undertakings: Circle Resources Pty Ltd and Jodo Gold PTY Ltd, which have been included as discontinued operations. Neither Company had traded during the period and a loss of £123,712 arose on disposal.

21. EVENTS AFTER THE BALANCE SHEET DATE

The Company has issued a further 96,000,000 ordinary shares raising £96,000.

The Company also capitalised certain debts in respect of its subsidiary undertaking, Blue Doe Gold plc. These debts totalled £130,307 and has resulted in the company increasing its interest in Blue Doe Gold plc from 53.3% to 55.2%.

Mr C A Windham resigned on 1 June 2015. On resignation he waived entitlement to £76,996 of consultancy fees and the 47,500,000 share options held by Mr C A Windham lapsed.

22. HISTORICAL MINING INTERESTS

At 31 December 2013 both the Group and Parent Company had interests in a number of exploration mining tenements in Queensland, Australia. Prepaid costs in respect of developing these tenements were capitalised as intangible assets and fully impaired as a result of uncertainty relating to their recoverability.

During 2014, a number of these tenements were sold to NQ Minerals Pty Ltd in exchange for 40,000,000 shares in NQ Minerals Pty Ltd. As the consideration could not be reliably measured at that time, no value was ascribed to the shares received in accordance with the Group's accounting policy.

Applications in respect of a number of other tenements were also withdrawn at this time.

Both the Company and Group were committed to minimum exploration expenditure under the exploration agreements for the projects. Following the disposal of tenements to NQ Minerals Pty Ltd and withdrawal of applications in respect of other tenements these commitments have fallen away.