

Gunsynd plc
("Gunsynd", or "the Company")
Interim Results for the six months ended 31 January 2018

Chairman's Statement

I am pleased to report the interim results for the six months ended 31 January 2018.

Review of Investments

Oyster Oil and Gas Limited ("Oyster")

Oyster is an international energy group focused on oil and gas exploration and production activities in underexplored hydrocarbon basins. Oyster currently operates 4 blocks in the Republic of Djibouti (100% interest); 3 blocks are located onshore and 1 block offshore, also the sole interest holder in 1 onshore block in the Republic of Madagascar.

Oyster has announced its intention to seek admission to trading on AIM and guidance provided by the company is that this will occur in H1 2018.

United Oil and Gas Limited ("UOG")

UOG is an independent oil & gas start-up established in 2015 by a former Tullow Oil team. Its strategy is to acquire assets where the management team's experience can drive near-term activity and unlock previously untapped value. Two deals have been completed since August 2016, providing UOG with a material stake in two licences: PL090 onshore UK, and Podere Gallina onshore Italy. UOG is listed on the main market of the London Stock Exchange by way of a standard listing. Since its listing date, UOG has made a number of investments and its progress has been reflected in its share price.

Brazil Tungsten Holdings Limited ("BTHL")

Bodo has achieved break-even production of 14 tonnes per month ("tpm") consistently from October 2017 to January 2018. BTHL raised further funding of US\$2.1m in the period to develop its project. It is also in the process of cancelling its existing off-take arrangements in order to allow it to seek new ones and pre-payments which will allow BTHL to finance its exploration programme earlier than previously planned. Due to supply constraints in the tungsten concentrate market, BTHL has been approached by various companies wishing to enter into an off-take agreement to secure supply, and the coming months will see BTHL choose the best deal.

Since July 2017, the selling price of Bodo's concentrate has increased from US\$180/mtu (metric tonne unit) to US\$240/mtu, a rise of 33%. BTHL is seeking to upgrade its plant in order to produce up to 60 tonnes per month of concentrate (dependant on feed grade). Management expect the upgraded plant to be completed by the beginning of Q4.

Horse Hill Developments Limited ("HHDL")

The Company currently owns a 2% direct interest in Horse Hill Developments Limited. HHDL is a special purpose company that owns a 65% participating interest and operatorship of Licence PEDL137 and the adjacent Licence PEDL246 in the UK Weald Basin.

In December 2017, the Company was informed by HHDL that key contracts and the requisite funding commitments from all participants are in place to undertake the production flow testing and drilling campaign approved by Surrey County Council ("SCC") in October 2017. The 2018 programme is planned to commence directly upon the discharge of SCC's pre-

commencement planning conditions. Environment Agency approval for the full programme was granted in September 2017.

Sunshine Minerals (“Sunshine”)

Gunsynd holds a 10% stake in this company (and a loan note convertible into a further 10%) which is a nickel and bauxite exploration company focussing on the Solomon Islands. Sunshine similarly to a number of other applicants is still awaiting a decision on its licence. Three changes of Minister of Mines and a change of government have not exactly expedited matters. On the positive side, the price of nickel has appreciated over the past year.

Human Brands

Gunsynd has invested £130k by way of a convertible loan note in Human Brands, a private US company that produces, distributes and markets premium spirits, wine and beer in the USA and Asia. One of its flagship products is Copa Imperial Tequila, a nine year aged premium tequila. Since we made the investment, Bacardi purchased tequila maker Patron Spirits International for \$5.1bn which we see as helpful in validating our investment. We expect to be able to update shareholders in the near future regarding progress being made at Human Brands.

Alba Mineral Resources (“Alba”) and Zenith Energy (“Zenith”)

Gunsynd maintains very small residual holdings in both these companies. Alba has made decent progress with its Greenland investments which look to have good potential, particularly on the back of the success of Bluejay Mining nearby.

Zenith continues to struggle and remains the worst of the portfolio. We haven't entirely given up on the assets being capable of good production and keep an eye on the company. A change of senior management would see us consider reinvesting in the company as would trimming of three brokers plus a financial adviser.

Fastbase Inc (“Fastbase”)

As announced on 2 February 2018, we have come to an agreement with Fastbase Inc, a privately owned and rapidly growing Danish SaaS (software as a service) company, to assist them list in London in return for a corporate finance fee.

Built upon Google Analytics software, Fastbase's software generates comprehensive lead reports that include extensive company profiles, visitor interaction, key employees with LinkedIn profile and email addresses. The insights provided by Fastbase enable B2B businesses to contact their online leads in real-time.

Fastbase's popular web leads add-on to Google Analytics is now widely used, including by well-known brands. It is targeting admission to AIM in Q2, 2018.

Finance Review

The Company's loss for the period was £156,000 (31 January 2017 - £342,000 gain). The market valuation gain for available for sale assets was a loss of £25,000 (31 January 2017 - £487,000 gain).

The Company had net assets at 31 January 2018 of £3,110,000 (2017: £2,671,000) including cash balances of £449,000 (2017: £238,000).

Outlook

With BTHL having turned a corner, UOG share price performing very strongly since listing and a number of other investments looking to list in London in the near future, we believe the outlook is promising. Human Brands in particular we believe could generate substantial returns for shareholders. We also continue to scour the globe for other investment opportunities and are currently carrying out due diligence on a handful of deals. It promises to be a hectic next six months. We look forward to it.

The Board would also like to take this opportunity to thank our shareholders for their continued support.

Hamish Harris
Chairman

For further information, please contact:

Gunsynd plc:
Hamish Harris +44 (0) 20 7440 0640

Nominated Adviser / NEX Exchange
Corporate Adviser:
Cairn Financial Advisers LLP
James Caithie/Liam Murray +44 (0) 20 7213 0880

Joint Broker:
Peterhouse Corporate Finance
Lucy Williams +44 (0) 20 7469 0930

The interim results will be available electronically on the Company's website: www.gunsynd.com.

Gunsynd plc**Interim statement of comprehensive income - unaudited**

For the six months ended 31 January 2018

	Unaudited Six months ended 31 January 2018	Unaudited Six months ended 31 January 2017	Audited Year ended 31 July 2017
	£'000	£'000	£'000
Unrealised profit/(loss) on available for sale assets	(25)	487	417
Realised Profit on available for sale assets	-	-	408
	(25)	487	825
Administrative costs	(131)	(145)	(352)
Other Income	-	-	18
Finance income	-	-	1
Loss before tax	(156)	342	492
Taxation	-	-	-
Loss for the period	(156)	342	492
Loss for the period and total comprehensive loss attributable to equity shareholders	(156)	342	492
Other comprehensive income/(expenditure) for the period net of tax	-	-	-
Total comprehensive income/(expenditure) for the period	(156)	342	492
Loss per ordinary share			
Basic	(0.003)	0.019	0.017
Diluted	(0.003)	0.019	0.015

Gunsynd plc
Interim statement of financial position - unaudited
As at 31 January 2018

	Unaudited At 31 January 2018	Unaudited At 31 January 2017	Audited At 31 July 2017
	£'000	£'000	£'000
ASSETS			
Non-current assets			
Available for sale investments	2,636	2,378	2,585
Total non-current assets	2,636	2,378	2,585
Current assets			
Trade and other receivables	147	92	486
Cash and cash equivalents	449	238	372
Total current assets	596	330	858
Total assets	3,232	2,708	3,443
LIABILITIES			
Current liabilities			
Trade and other payables	(122)	(37)	(177)
Total current liabilities	(122)	(37)	(177)
Total liabilities	(122)	(37)	(177)
Net assets	3,110	2,671	3,266
EQUITY			
Equity attributable to equity holders of the company			
Ordinary share capital	489	376	489
Deferred share capital	1,729	1,729	1,729
Share premium reserve	10,540	10,208	10,540
Share-based payments reserve	174	174	174
Retained earnings	(9,822)	(9,816)	(9,666)
Total equity	3,110	2,671	3,266

Gunsynd plc
Interim statement of changes in equity - unaudited
For the six months ended 31 January 2018

	Ordinary Share Capital	Deferred share capital	Share Premium	Share Based Payment Reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Unaudited						
At 1 August 2016	123	1,729	9,439	174	(10,158)	1,307
Profit for the six month period ended 31 January 2017	-	-	-	-	342	342
Total comprehensive loss	-	-	-	-	342	342
<i>Transactions with owners:</i>						
Issue of share capital	253	-	848	-	-	1,101
Cost of share issue	-	-	(79)	-	-	(79)
At 31 January 2017	376	1,729	10,208	174	(10,270)	2,671
Audited						
At 1 August 2016	123	1,729	9,439	174	(10,125)	1,307
Loss for the year	-	-	-	-	(492)	(492)
Total comprehensive loss	-	-	-	-	(492)	(492)
<i>Transactions with owners:</i>						
Issue of share capital	366	-	1,185	-	-	1,551
Share issue costs	-	-	-	-	-	(84)
At 31 July 2017	489	1,729	10,540	174	(9,666)	3,266
Unaudited						
At 1 August 2017	489	1,729	10,540	174	(9,666)	3,266
Loss for the six month period ended 31 January 2018	-	-	-	-	(156)	(156)
Total comprehensive loss	-	-	-	-	(156)	(156)
At 31 January 2018	489	1,729	10,540	174	(9,822)	3,110

Gunsynd plc
Interim statement of cash flows - unaudited
For the six months ended 31 January 2018

	Unaudited Six months ended 31 January 2018	Unaudited Six months ended 31 January 2017	Audited Year ended 31 July 2017
	£'000	£'000	£'000
Cash flows from operating activities			
(Loss)/profit after tax	(156)	342	492
Other income	-	-	(15)
Finance income net of finance costs	-	-	(1)
Unrealised Revaluation of AFS assets	25	(487)	(417)
(Loss)/profit on sale of AFS Asset	-	-	(408)
Operating cash outflow before changes in working capital	(131)	(145)	(349)
Movement in trade and other receivables	339	10	6
Movement in trade and other payables	(55)	(125)	15
Cash flow from operations	153	(260)	(328)
Tax received	-	-	-
Net cash flows used in operating activities	153	(260)	(328)
Cash flow from investing activities			
Payments for investments in AFS assets	(76)	(882)	(1,873)
Disposal proceeds from sale of AFS asset	-	-	1,137
Finance income	-	-	1
Net cash outflow from investing activities	(76)	(882)	(735)
Cash flows from financing activities			
Proceeds on issuing of ordinary shares	-	1,101	1,161
Cost of issue of ordinary shares	-	(79)	(84)
Net cash inflow from financing activities	-	1,022	1,077
Net (decrease)/increase in cash and cash equivalents	77	(120)	14
Cash and cash equivalents at start of period	372	358	358
Cash and cash equivalents at end of period	449	238	372

Notes to the interim report
For the six months ended 31 January 2018

1 Basis of preparation

As permitted IAS 34, 'Interim Financial Reporting' has not been applied to these half-yearly results. The financial information of the Company for the six months ended 31 January 2018 have been prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively "IFRS") issued by the International Accounting Standards Board ("IASB") as adopted by the European Union ("adopted IFRS") and are in accordance with IFRS as issued by the IASB. The condensed interim financial information has been prepared using the accounting policies which will be applied in the Company's statutory financial statements for the year ending 31 July 2017.

The financial information shown in this publication is unaudited and does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The comparative figures for the financial year ended 31 July 2017 have been derived from the statutory accounts for 2017. The statutory accounts have been delivered to the Registrar of Companies. The auditors have reported on those accounts; their report was unqualified and did not contain statements under the section 498(2) or 498(3) of the Companies Act 2006.

2 Loss per share

The calculation of the 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.

	Unaudited Six months ended 31 January 2018	Unaudited Six months ended 31 January 2017	Audited Year ended 31 July 2017
	£'000	£'000	£'000
Loss on ordinary activities after tax	(156)	342	492
Weighted average number of ordinary shares for the purposes of basic earnings/(loss) per share (millions)	4,882,924,490	1,763,397,927	2,783,286,442
Weighted average number of ordinary shares for the purposes of diluted earnings/(loss) per share (millions)	4,915,575,330	1,796,048,767	2,815,937,282
Basic (loss)/earnings per share (expressed in pence)	(0.003)	0.019	0.018
Diluted (loss)/earnings per share (expressed in pence)	(0.003)	0.019	0.017

However, due to losses incurred in the year there is no dilutive effect from the potential exercise of the share options in existence.

3 Events after the end of the reporting period

On 2 February 2018, the Company announced it had entered into an agreement with Fastbase Inc ("Fastbase"), a privately owned Danish SaaS (software as a service) company whereby the Company will assist Fastbase in pursuing admission to trading on AIM for a consulting fee of 0.75% of its market capitalisation subject to completion of the IPO. Such fee is to be paid and settled fully in new ordinary shares of Fastbase at the admission price to AIM.

On 12 February 2018, the Company announced that it had agreed to grant 30 million share options to George Garnett ("New Options"). Each New Option will entitle the holder to subscribe for new ordinary shares of 0.01p each in the Company ("Shares") at an exercise price of 0.05 pence per Share and are exercisable at any time until 12 February 2023, which represents a premium of circa 25 per cent over the closing mid-price on 9 February 2018.

5. Financial Information

The Board of Directors approved this interim report on 23 February 2018.

A copy of this report can be obtained from our website at www.gunsynd.com