26 September 2018

CHESTERFIELD RESOURCES PLC
("Chesterfield" or the "Company")
Interim Results

Chesterfield Resources PLC, the LSE listed exploration company with projects in Cyprus, is pleased to announce its interim results for the six months ended 30 June 2018. During this period the stock was suspended pending an acquisition.

Post Period End Highlights

- Acquisition of HKP Exploration Limited ("HKP"); a company focussed exploring for copper, and other metals, in the Republic of Cyprus ("Cyprus")
- Successful share placement to raise £2m
- Team hired in Cyprus for operations, and to accelerate exploration and data analysis
- Commencement of 4,000m diamond drill programme on multiple targets at the Company's Troodos West project
- Strong new shareholder base comprised of mining specialists in the UK and North America
- Offices established in London and Cyprus
- Board restructured with skill sets to reflect new operations and deliver value

Chairman Statement

A new opportunity

Chesterfield is a brand new and ambitious venture. The Company underwent a complete transformation less than three months ago when it was re-admitted on to the London Stock Exchange, after making an acquisition to explore for copper, and other minerals, in Cyprus. Chesterfield has moved quickly from when it was floated as a shell company, in August 2017, to look for opportunities in the mining sector, especially those which could take advantage of technology growth. The re-admission, on 3 July 2018, was accompanied by a successful placement that raised £2m, mostly from high net worth investors based in London and Canada.

The ethos of Chesterfield is to give investors a leveraged play on the growth in demand for copper, and by extension a leveraged play on global technology growth. Copper demand has a direct correlation to the world's continuing electrification. Copper is the world's most commercially efficient conductor of electricity. An average electric car, for example, contains around 80-100kg of copper in its motors, batteries and wiring, more than four times than in an equivalent combustion engine car. The growth of charging infrastructure, computing, home electrification, and renewable energy equipment all form part of this megatrend. Yet while demand for copper is expected to grow strongly in coming years, there have been few recent new discoveries of the metal. In this environment, any new copper discoveries will likely gain a considerable attention from the market, especially should such a discovery come from a stable country in the EU, like Cyprus.

When Chesterfield was re-admitted on the LSE in July, it was structured with a low market capitalisation, and a low enterprise value relative to cash. In other words, we priced the stock for growth. So even a relatively small discovery in Cyprus could provide a significant percentage growth in the company's valuation, relative to its peer group, for our investors.

The Company's focus is to explore for copper, and associated metals, in the foothills of the Troodos mountains, in the south of the island. This area is a volcanic belt that had a very active copper mining industry during the 1950s through to the 1970s with around 30 mines operating during this period. The industry was brought to an abrupt halt by the Turkish invasion of Cyprus in 1974. Surprisingly, little exploration work has been done since then, in what is clearly a very prospective region. Also, much has changed since the 1970s. Chesterfield's opportunity is to use modern technology, and vastly improved geological understanding, in these old mining areas to prove up economic mineral resources, and so create the opportunity to open new mines.

Operations

The Company has acquired over 70sq km of mineral licences in Cyprus from the Government. Full exploration permits have been granted on over half of these, with the remaining exploration permits expected to be granted in coming months.

We are excited to have just commenced our first stage of drilling in Cyprus. We have contracted to drill a minimum of 4,000m of diamond drilling on a number of promising targets in our Troodos West licence block. Cyprus is well known in geological circles for its VMS (volcanic massive sulphide) deposits. These are typically relatively small but concentrated high grade deposits (1.5%+ copper) surrounded by larger lower grade mineralised vein systems. Our first target, Evloimeni, has the characteristics of one of these larger lower grade systems. As well as copper, reports from historical drill holes indicate that this may also be a gold-rich system. Silver and zinc are also present. We will initially be drilling seven exploratory holes on this target, which will take around a month. This early drilling will also be instructive of the styles of mineralisation, alteration and gold distribution. The drill team will then move to other nearby targets, some higher grade, while the results are assessed at Evloimeni.

Our expectation at Troodos West is not so much to make a single large discovery, but to identify a series of smaller deposits, near to each other, that could be combined by a relatively inexpensive centralised processing operation. As a former mining area, the vicinity is well-suited to new projects. Major infrastructure is still accessible. There appear to be no obviously significant environmental issues. The area is already pock-marketed by old mines and slag heaps. It is sparsely populated and well-away from the tourist trail. The region is in need of employment, and many still remember when this was a bustling and productive mining region.

We have also acquired other licence areas in the mountains, Troodos North and Troodos East, which we anticipate drilling in further exploration campaigns in 2019. In addition, we have recently engaged new staff to accumulate and analyse data to help further with our discovery programme. We have also recently completed a review of all geophysics programmes locally, to help us determine the best technology to look below surface.

Cyprus

Chesterfield intends to work hard to build the company's ties and involvement within Cyprus. We have recently hired a number of Cypriot geologists in country, under the supervision of our country manager Dr Michael Green. Mike and his family have lived in Cyprus for five years, and he is well integrated into the country. We have also established an office and core shed near to our Troodos West site.

The Republic of Cyprus is part of the European Union. It also enjoys many strong connections with the UK, which maintains two significant military air bases on the island, in the form of a British Oversees Territory. Cyprus is strategically important and politically stable. The law of Cyprus is based on English Common Law. The Government is keen to diversify its economy away from tourism and financial services, and to increase foreign tax receipts. We hope to fit well into this strategy. Integrating properly into our local communities is a priority, and we have already built good relationships with local villages. Over the coming year we will also work on building relationships with the political and business establishments in Cyprus.

Board and corporate re-organisation

In the weeks immediately after the acquisition the board was re-structured to better reflect the new function of the Group. We believe it is important to keep overheads low, and so the Board was shrunk to four members, with Christopher Hall and Derek Crowhurst both stepping off. We thank them greatly for their efforts to get Chesterfield up and running, and wish them well for the future.

I was asked to join the Board in July, in the role of Executive Chairman. I invested £150,000 in the recent placement at 7.5p and I bought more shares in the market in the period immediately after the re-admission. In total I have invested £210,000 in our Company, and own just under 5% of it. I am determined to build value in Chesterfield for our shareholders, both as a company and as a shareholder.

At this early stage of the Company's development we think it prudent to operate the company with a Country Manager in Cyprus and an Executive Chairman in London, but without the cost of a CEO. As the Company grows we expect to further strengthen both the executive team, and the Board. All the directors are very active in providing help and advice to the team, yet none of us are taking any salary beyond our normal director's fees. I would like to thank all the Board for the exceptionally hard work they have been putting into this stage of the Company's development.

The Company has two highly experienced discovery geologists on its board, which is unusual for an exploration venture of this size. David Cliff was previously Exploration Manager, Europe, for Rio Tinto, where he worked for 26 years. David Hall was previously with AngloGold South America where he led the programmes responsible for the La Rescantada gold discovery. Also, on our board is Peter Damouni, a talented corporate financier in the mining sector with strong connections with the Canadian investment community.

The company has re-organised its service providers with new legal advisers and accountants. It has out-sourced is financial functions to Heytesbury Corporate LLP, with which it now shares offices.

Financials

It should be noted that the stock was suspended, pending the acquisition of HKP, during the period covered by these interim results. As is to be expected with an exploration company, for the six-month period ended 30 June 2018 the Company is reporting a pre-tax loss of £349,668 (six months ended 30 June 2017: £25,519) mainly due to costs associated with the acquisition. The Company's net cash balance as at 30 June 2018 was £920,776 (six months ended 30 June 2017: £73,270).

Outlook

We have identified at least five additional target areas at Troodos West. We anticipate publishing our first assay results in November. There should then be steady stream of results, every few weeks, well into the Spring of next year. We also anticipate being granted exploration approval for our licence blocs in Troodos North and Troodos East in the near future.

At the time of writing, Chesterfield's shares were trading at around 6.5-7p, slightly down from the recent 7.5p placement (although it should be noted that those investors also received a free half warrant). This is against a backdrop of a particularly weak market for junior mining stocks because global uncertainties, such as the trade war.

Once the company starts to report assay results, we believe this will be the appropriate time to start telling our story, and increasing the awareness of the stock in market. We are also keen to attract some retail investors to the stock, and so provide more liquidity.

I look forward to providing the market with updates in coming months.

Responsibility Statement

We confirm that to the best of our knowledge:

- the interim financial statements have been prepared in accordance with International Accounting Standards 34, Interim Financial Reporting, as adopted by the EU;
- give a true and fair view of the assets, liabilities, financial position and loss of the Company;
- the Interim report includes a fair review of the information required by DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the set of interim financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
- The Interim report includes a fair review of the information required by DTR 4.2.8R of the Disclosure and Transparency Rules, being the information required on related party transactions.

The interim report was approved by the Board of Directors and the above responsibility statement was signed on its behalf by:

Martin French
Executive Chairman
26 September 2018

Market Abuse Regulation (MAR) Disclosure

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.

For further information please visit www.chesterfieldresourcesplc.com or contact:

Chesterfield Resources plc	Martin French, Executive Chairman	Tel: +44 (0) 7901 552277
Shard Capital (Broker)	Damon Heath	Tel: +44 (0) 20 7186 9952

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CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	Notes	6 months to 30 June 2018 Unaudited £	6 months to 30 June 2017 Unaudited £
Continuing operations			
Revenue		**-**	-
Administration expenses		**(349,668)**	(25,519)
Operating loss		**(349,668)**	(25,519)
Corporate tax expense		**-**	-
Loss for the period		**(349,668)**	(25,519)
Other comprehensive income		**-**	-
Items that may be reclassified to profit or loss		**-**	-
Currency translation differences		**-**	-
Total comprehensive income for the period		**(349,668)**	(25,519)
Total comprehensive income for the period attributable to equity holders		**(349,668)**	(25,519)
Loss per share from continuing operations attributable to the equity owners of the parent			
Basic and diluted (pence per share)	5	**(1.223)p**	(1.87)p

CONDENSED STATEMENT OF FINANCIAL POSITION

	6 months to 30 June 2018 Unaudited	Period ended 31 December 2018 Audited	6 months to 30 June 2017 Unaudited
	£	£	£
Current Assets			
Trade and other receivables	**83,089**	44,683	2,208
Cash and cash equivalents	**920,776**	1,184,424	73,270
	-	-	
Total Assets	**1,003,865**	1,229,107	75,478
Current Liabilities			
Trade and other payables	**175,712**	51,286	397
Total Liabilities	**175,712**	51,286	397
Net Assets	**828,153**	1,177,821	75,081
Capital and Reserves Attributable to Equity Holders of the Company			
Share capital	**126,600**	126,600	100,600
Share premium	**1,157,873**	1,157,873	-
Deferred shares	**-**	-	-
Other reserves	**4,360**	4,360	-
Retained losses	**(460,680)**	(111,012)	(25,519)
Total Equity	**828,153**	1,177,821	75,081

CONDENSED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

		Attributable to owners of the Parent				
		Share capital	**Share premium**	**Other reserves**	**Retained losses**	**Total equity**
	Note	**£**	**£**	**£**	**£**	**£**
Balance as at 4 January 2017		**-**	**-**	**-**	**-**	**-**
Loss for the period		-	-	-	(111,012)	(111,012)
Other comprehensive income for the year		**-**	**-**	**-**	**-**	**-**
Items that may be subsequently reclassified to profit or loss		-	-	-	-	-
Currency translation differences		-	-	-	-	-
Total comprehensive income for the year		**-**	**-**	**-**	**(111,012)**	**(111,012)**
Proceeds from share issues		126,600	1,274,000	-	-	1,400,600
Cost of share issue		-	(116,127)	-	-	(116,127)
Issue of warrants		-	-	4,360	-	4,360
Total transactions with owners, recognised in equity		**126,600**	**1,157,873**	**4,360**	**-**	**1,288,833**
Balance as at 31 December 2018		**126,600**	**1,157,873**	**4,360**	**(111,012)**	**1,177,821**
Balance as at 1 January 2018		**126,600**	**1,157,873**	**4,360**	**(111,012)**	**1,177,821**
Loss for the period		-	-	-	(349,668)	(349,668)
Other comprehensive income for the year		-	-	-	-	-
Items that may be subsequently reclassified to profit or loss		-	-	-	-	-
Currency translation differences		-	-	-	-	-
Total comprehensive income for the year		**-**	**-**	**-**	**(349,668)**	**(349,668)**
Proceeds from share issues		-	-	-	-	-
Total transactions with owners, recognised in equity		-	-	-	-	-
Balance as at 30 June 2018		**126,600**	**1,157,873**	**4,360**	**(460,680)**	**828,153**

CONDENSED STATEMENT OF CASH FLOWS

	6 months to 30 June 2018 Unaudited £	6 months to 30 June 2017 Unaudited £
Cash flows from operating activities		
Loss before taxation	**(349,668)**	(25,519)
Adjustments for:		
Increase in trade and other receivables	**(11,122)**	(2,208)
Increase in trade and other payables	**97,142**	397
Net cash used in operations	**(263,648)**	(27,330)
Net cash generated from investing activities	**-**	-
Cash flows from financing activities		
Proceeds received from issue of shares	**-**	100,600
Cost of issue	**-**	-
Proceeds from borrowings	**-**	-
Net cash generated from financing activities	**-**	100,600
Net increase in cash and cash equivalents	**(263,648)**	73,270
Cash and cash equivalents at beginning of period	**1,184,424**	-
Cash and cash equivalents at end of period	**920,776**	73,270

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. General Information

Chesterfield Resources plc is a special purpose acquisition company focused on opportunities in the mining sector, whose shares were admitted to the Standard listing segment of the Main market of the London Stock Exchange on 29 August 2017.

The Company is domiciled in the United Kingdom and incorporated and registered in England and Wales, with registration number 10545738. The Company's registered office is 7-9 Swallow Street, London, England, W1B 4DE.

2. Basis of Preparation

The condensed interim financial statements have been prepared in accordance with IAS 34 "Interim Financial Statements" as adopted by the European Union and the Disclosure and Transparency Rules of the UK Financial Conduct Authority . The condensed interim financial statements should be read in conjunction with the annual financial statements for the period ended 31 December 2017, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The interim financial information set out above does not constitute statutory accounts within the meaning of the Companies Act 2006. It has been prepared on a going concern basis in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS) as adopted by the European Union.

Statutory financial statements for the period ended 31 December 2017 were approved by the Board of Directors on 30 April 2018 and delivered to the Registrar of Companies. The report of the auditors on those financial statements was unqualified. The condensed interim financial statements are unaudited and have not been reviewed by the Company's auditor.

Going concern

The Directors, having made appropriate enquiries, consider that adequate resources exist for the Company to continue in operational existence for the foreseeable future and that, therefore, it is appropriate to adopt the going concern basis in preparing the condensed interim financial statements for the period ended 30 June 2018.

Risks and uncertainties

The Board continuously assesses and monitors the key risks of the business. The key risks that could affect the Company's medium term performance and the factors that mitigate those risks have not substantially changed from those set out in the Company's 2017 Annual Report and Financial Statements, a copy of which is available on the Company's website: https://www.chesterfieldresourcesplc.com. The key financial risks are liquidity risk, credit risk, interest rate risk and fair value estimation.

Critical accounting estimates

The preparation of condensed interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the end of the reporting period. Significant items subject to such estimates are set out in Note 2 of the Company's 2017 Annual Report and Financial Statements. The nature and amounts of such estimates have not changed significantly during the interim period except for the following:

3. Accounting Policies

Except as described below, the same accounting policies, presentation and methods of computation have been followed in these condensed interim financial statements as were applied in the preparation of the Company's annual financial statements for the period ended 31 December 2017.

3.1 Changes in accounting policy and disclosures

(a) New and amended standards mandatory for the first time for the financial year beginning 1 January 2018

The following new IFRS standards and/or amendments to IFRS standards are mandatory for the first time for the Company:

- IFRS 9 – Financial Instruments (effective 1 January 2018)
- IFRS 2 (Amendments) – Share-based payments – classification and measurement (effective 1 January 2018)
- Annual Improvements 2014-2016 Cycle
- IFRIC Interpretation 22 - Foreign currency transactions and advanced consideration (effective 1 January 2018)

The Directors believe that the adoption of these standards have not had a material impact on the financial statements other than changes to disclosures.

(b) New standards, amendments and Interpretations in issue but not yet effective or not yet endorsed and not early adopted

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Financial Statements are listed below. The Company intends to adopt these standards, if applicable, when they become effective.

Standard		Effective date
IFRS 16	Leases	1 January 2019
IAS 28 (Amendments)	Long term interests in associates and joint ventures	*1 January 2019
Annual Improvements	2015 – 2017 Cycle	*1 January 2019
IAS 19 (Amendments)	Employee Benefits	*1 January 2019
IFRIC 23	Uncertainty over income tax treatments	*1 January 2019

Not yet endorsed by the EU.

The Company is evaluating the impact of the new and amended standards above. The Directors believe that these new and amended standards are not expected to have a material impact on the Company's results or shareholders' funds.

4. Dividends

No dividend has been declared or paid by the Company during the six months ended 30 June 2018 (six months ended 30 June 2017: £nil).

5. Loss per Share

The calculation of loss per share is based on a retained loss of £349,668 for the six months ended 30 June 2018 (six months ended 30 June 2017: £25,519) and the weighted average number of shares in issue in the period ended 30 June 2018 of 28,600,000 (six months ended 30 June 2017: 1,364,045).

No diluted earnings per share is presented for the six months ended 30 June 2018 or six months ended 30 June 2017 as the effect on the exercise of share options would be to decrease the loss per share.

6. Events after the Reporting Date

On 28 June 2018 the Company announced that it had entered into an acquisition agreement to acquire 100% of HKP, a company incorporated in the Republic of Cyprus whose principal activity is the exploration for natural resources in Cyprus. The total consideration of £500,000 will be satisfied by the issue of 6,666,667 new Ordinary Shares to the HKP sellers at a price of 7.5p per Ordinary Share and is conditional upon re-admission to the Standard Listed segment of the Official List and to trading on the London's Stock Exchange Main Market for listed securities, which took place on 3 July 2018. Therefore, the acquisition date is 3 July 2018 and the acquisition has been treated as a non-adjusting post balance sheet in the condensed interim financial statements.

The following table summaries the fair value of assets acquired and liabilities assumed as the acquisition date:

	Book value (£)	FV adjustment (£)	**Fair value (£)**
Intangible assets	-	670,793	**670,793**
Trade and other receivables	14,480	-	**14,480**
Cash and other equivalents	1,744	-	**1,744**
Trade and other payables	(60,897)	-	**(60,897)**
Deferred Tax Assets (Liabilities)	1,330	(127,450)	**(126,120)**
Net assets (liabilities) acquired at 3 July 2018	**(43,343)**	**543,343**	**500,000**

The fair value adjustment to intangible assets of £670,793 represents the excess of the purchase consideration of £500,000 over the excess of the net assets acquired (net liabilities of £43,343) and a deferred tax liability of £127.450.

On 3 July 2018 the Company issued 10,766,667 new ordinary shares of 0.1p each in the capital of the Company at 7.5p per share to raise £807,500 with a conditional subscription agreement in relation to a subscription of 15,900,000 new Ordinary Shares at 7.5p per share to raise £1,192,500.

On 3 July 2018 the Company issued 13,333,322 warrants exercisable at 15p and valid for two years from the date of grant.

On 3 July 2018 the Company issued 2,970,000 options exercisable at 7.5p from six months after the grant date and valid for five years thereafter.

7. Approval of interim financial statements

The Condensed interim financial statements were approved by the Board of Directors on 25 September 2018.

****ENDS****