

30 September 2011

Zoltav Resources Inc.
(the 'Company' or 'ZOL' and together with its subsidiaries the 'Group')

Interim Results for the six months ended 30 June 2011

Highlights

- Change of name to Zoltav Resources Inc.
- New major shareholder, ARA Capital Limited, acquired an 18 per cent interest in the Company in April, later increased to 40 per cent
- £2.25 million raised to fund the Company's investing policy
- New strategic focus on capturing the significant opportunities that exist in the Former Soviet Union ("FSU"), specifically in the oil and gas industry
- Company is actively reviewing a number of significant possible investment opportunities in Russia

Summary Financials

- Turnover 2011: Nil (2010: US\$1.0 million)
- Loss Attributable to Shareholders 2011: US\$0.8 million (Profit Attributable to Shareholders 2010: US\$1.0 million)
- Shareholder Equity 2011: US\$2.5 million (2010: US\$0.1 million)
- Loss Per Share (basic) 2011: US\$0.002 (Profit Per Share (basic) 2010: US\$0.0039)

Chairman's Statement

The Company has undergone significant transformation during the period under review, successfully raising £2.25 million in January and February to fund its investing policy and subsequently completing six investments in listed natural resources companies.

Following the acquisition of an 18% holding in the Company by ARA Capital Limited in April, the Company changed its name to 'Zoltav Resources Inc.' and now has a new strategic focus on capturing the significant opportunities that exist in the FSU, specifically in the oil and gas industry.

Since the period end, the Company has undergone further significant change with the previous board of directors stepping down at the beginning of August and a new board being appointed. I was appointed as Executive Chairman and Steven Lowden and David Francis joined the board as Non-Executive Directors. ARA Capital Limited also increased its stake in the Company to 40 per cent.

The new board is delighted to be involved in what we believe to be a very exciting time for the Company as we look to capture some of the significant opportunities that exist in the FSU, our initial area of focus. Our initial focus has been on oil and gas assets and we are currently reviewing a number of significant possible investment opportunities in Russia. The board believes that the FSU region provides significant opportunities to build a portfolio of assets at a very attractive price. We are extremely excited to have the support and leverage of our shareholders, including ARA Capital Limited. We look forward to updating the market on our progress in due course.

Symon Drake-Brockman
Executive Chairman

Further information relating to Zoltav can be found at the Company's website: <http://zoltav.com/>

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Consolidated Income Statement

Continuing Operations		Unaudited six months ended 30 June 2011 US\$'000	Unaudited six months ended 30 June 2010 US\$'000	Audited year ended 31 December 2010 US\$'000
<i>Continuing operations</i>				
Revenue		-	1,028	1,630
Cost of sales		-	(285)	(291)
Gross profit		-	743	1,339
Gain/(loss) on financial assets at fair value through profit or loss		93	4	3
Other income	4	37	3,664	3,976
Administrative expenses				
Restructuring credit/(expenses)	5	-	115	23
Other administrative expenses		(775)	(2,639)	(4,116)
		(775)	(2,524)	(4,093)
Impairment of available-for-sale investments		-	(65)	(6)
Other operating expenses		(112)	(176)	(550)
(Loss)/profit from operations		(757)	(1,646)	669
Finance costs		-	(56)	(89)
Gain on disposal of discontinued operations		-	-	1,073
Share of profits of jointly controlled entities		-	51	70
(Loss)/profit before taxation	7	(757)	1,641	1,723
Taxation	8	-	3	3
(Loss)/profit for the period		(757)	1,644	1,726
Attributable to:				
Owners of the Company		(757)	958	811
Non-controlling interests		-	686	915
(Loss)/profit for the period		(757)	1,644	1,726
Dividend		-	-	-
(Loss)/profit per share for (loss)/profit attributable to owners of the Company				
	9 =	US cents	US cents	US cents
- Basic		(0.20)	0.39	0.31
- Diluted		(0.20)	0.39	0.31

Consolidated Statement of Comprehensive Income

	Unaudited six months ended 30 June 2011 <i>US\$'000</i>	Unaudited six months ended 30 June 2010 <i>US\$'000</i>	Audited year ended 31 December 2010 <i>US\$'000</i>
(Loss)/profit for the period	(757)	1,644	1,726
Other comprehensive income:			
Exchange differences on translating foreign operations	-	65	175
Available-for-sale investments			
Deficit on revaluation	-	(65)	322
Recycle to income statement:			
Provision for impairment	-	65	6
Loss upon disposal	-	-	(322)
Exchange differences recycled to income statement upon disposal of subsidiaries	-	-	(743)
Other comprehensive income for the period, before and net of tax	-	65	(562)
Total comprehensive income for the period, before and net of tax	(757)	1,709	1,164
Attributable to:			
Owners of the Company	(757)	1,023	249
Non-controlling interests	-	686	915
	(757)	1,709	1,164

Consolidated Statement of Financial Position

		Unaudited 30 June 2011 US\$'000	Unaudited 30 June 2010 US\$'000	Audited 31 December 2010 US\$'000
ASSETS				
Non-current assets				
Property, plant and equipment		36	273	38
Interests in jointly controlled entities		-	68	-
Available-for-sale investments		-	226	-
Note receivable		-	520	-
Intangible assets		-	21	-
		36	1,108	38
Current assets				
Amounts due from related companies, subsidiaries and former subsidiaries	12	3	6	-
Trade and other receivables		125	751	17
Tax recoverable		-	109	-
Financial assets at fair value through profit or loss	10	583	50	-
Cash and cash equivalents		1,934	5,637	73
		2,645	6,553	90
Total assets		2,681	7,661	128
LIABILITIES				
Current liabilities				
Amounts due to parent and related companies and former subsidiaries	12	(63)	(1,021)	-
Trade and other payables		(105)	(1,481)	(386)
Deferred income		-	(23)	-
Provision for taxation		-	(32)	-
Current portion of obligations under finance leases		-	(309)	-
Provision for liabilities		-	(2,825)	-
		(168)	(5,691)	(386)
Non-current liabilities				
Loan payable		-	(55)	-
Obligations under finance leases		-	(37)	-
		-	(92)	-
Total liabilities		(168)	(5,783)	(386)
EQUITY				
Share capital	11	3,752	2,435	3,098
Reserves		(1,239)	(2,317)	(3,356)
Equity/(Capital deficiency)attributable to owners of the Company		2,513	118	(258)
Non-controlling interests		-	1,760	-
Total equity		2,513	1,878	(258)
Total equity and liabilities		2,681	7,661	128

Consolidated Statement of Changes in Equity

Equity attributable to owners of the Company

	Share capital	Share premium	Capital reserve	Employee share-based compensation reserve	Profit and loss account	Total	Total Equity / (Capital deficiency)
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
At 1 January 2011 (Audited)	3,098	6,022	40,444	1,235	(51,057)	(258)	(258)
Employee share-based compensation	-	-	-	5	-	5	5
Lapse of share options	-	-	-	-	-	-	-
Issue of shares	654	2,869	-	-	-	3,523	3,523
Transactions with owners	654	2,869	-	5	-	3,528	3,528
Profit for the period	-	-	-	-	(757)	(757)	(757)
Total comprehensive (deficit) for the period	-	-	-	-	(757)	(757)	(757)
At 30 June 2011 (Unaudited)	3,752	8,891	40,444	1,240	(51,814)	2,513	2,513

Consolidated Statement of Changes in Equity

	Equity attributable to owners of the Company							Non-	Total	
	Share capital	Share premium	Capital reserve	Employee share-based compensation reserve	Foreign exchange reserve	Investment revaluation reserve	Profit and loss account	Total	controlling	equity
								US\$'000	US\$'000	US\$'000
At 1 January 2010 (Audited)	2,435	6,344	23,455	3,254	25	-	(36,505)	(992)	1,030	38
Employee share-based compensation	-	-	-	119	-	-	-	119	(1)	118
Lapse of share options	-	-	-	(1,378)	-	-	1,378	-	-	-
Effect on exercising share options of a subsidiary	-	-	-	(32)	-	-	-	(32)	45	13
Transactions with owners	-	-	-	(1,291)	-	-	1,378	87	44	131
Profit for the period	-	-	-	-	-	-	958	958	686	1,644
Other comprehensive income:										
Exchange difference on translating foreign exchange operations	-	-	-	-	65	-	-	65	-	65
Available-for-sale investments										
Deficit on revaluation	-	-	-	-	-	(65)	-	(65)	-	(65)
Recycled to income statement:										
Provision for impairment	-	-	-	-	-	65	-	65	-	65
Total comprehensive income for the period	-	-	-	-	65	-	958	1,023	686	1,709
At 30 June 2010 (Unaudited)	2,435	6,344	23,455	1,963	90	-	(34,169)	118	1,760	1,878

	(Capital deficiency)/Equity attributable to owners of the Company							Non-	Total	
	Share capital	Share premium	Capital reserve	Employee share-based compensation reserve	Foreign exchange reserve	Investment revaluation reserve	Profit and loss account	Total	controlling	equity
									interests	
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	
At 1 January 2010	2,435	6,344	23,455	3,254	25	-	(36,505)	(992)	1,030	38
Employee share-based compensation	-	-	-	176	-	-	-	176	1	177
Lapse of share options	-	-	-	(2,081)	-	-	2,081	-	-	-
Issue of shares for repayment of loan	663	(322)	-	-	-	-	-	341	-	341
Effect on exercising share options of a subsidiary	-	-	-	(32)	-	-	-	(32)	45	13
Dividend paid to non-controlling shareholders	-	-	-	-	-	-	-	-	(375)	(375)
Release on disposal of subsidiaries	-	-	-	-	-	-	-	-	(1,616)	(1,616)
Reserves appropriation upon disposal of subsidiaries	-	-	16,989	(82)	543	(6)	(17,444)	-	-	-
Transactions with owners	663	(322)	16,989	(2,019)	543	(6)	(15,363)	485	(1,945)	(1,460)
Profit for the year	-	-	-	-	-	-	811	811	915	1,726
Other comprehensive income:										
Available-for-sale investments										
Gain on revaluation	-	-	-	-	-	322	-	322	-	322
Recycle to income statement:										
Provision for impairment	-	-	-	-	-	6	-	6	-	6
Upon disposal of subsidiaries	-	-	-	-	-	(316)	-	(316)	-	(316)
Exchange difference on translating foreign exchange operations	-	-	-	-	175	-	-	175	-	175
Exchange difference recycle to income statement upon disposal of subsidiaries	-	-	-	-	(743)	-	-	(743)	-	(743)
Total comprehensive income for the year	-	-	-	-	(568)	6	811	249	915	1,164
At 31 December 2010	3,098	6,022	40,444	1,235	-	-	(51,057)	(258)	-	(258)

Condensed Consolidated Statement of Cash Flows

	Unaudited six months ended 30 June 2011 <i>US\$'000</i>	Unaudited six months ended 30 June 2010 <i>US\$'000</i>	Audited year ended 31 December 2010 <i>US\$'000</i>
Net cash outflow from operating activities	(1,139)	(2,055)	(3,214)
Net cash (outflow)/inflow from investing activities	(490)	85	(3,856)
Net cash inflow/(outflow) from financing activities	3,477	899	436
Net increase/(decrease) in cash and cash equivalents	1,848	(1,071)	(6,634)
Cash and cash equivalents as at start of period	73	6,723	6,723
Effect of exchange rate fluctuations	13	(15)	(16)
Cash and cash equivalents as at end of period	1,934	5,637	73

Notes to the unaudited interim financial information

1. Basis of preparation

The Company acts as the holding company of the Group. The address of the Company's registered office is Cricket Square, Hutchins Drive, P. O. Box 2681, Grand Cayman, KY1 -1111, Cayman Islands. The Company's shares are listed on the AIM of the London Stock Exchange.

The Company was incorporated in the Cayman Islands, which does not prescribe the adoption of any particular accounting framework. The Board has therefore adopted International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board. The interim financial information complies with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the AIM of London Stock Exchange.

The interim financial information has been prepared on the historical cost basis except for financial instruments classified as available-for-sale and fair value through profit or loss which are measured at fair value.

It should be noted that accounting estimates and assumptions are used in preparation of the interim financial information. Although these estimates are based on management's best knowledge and judgment of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the interim financial information, are set out in Note 3 to the unaudited interim financial information.

2. Principal accounting policies

The interim financial information has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting". These condensed interim financial information should be read in conjunction with the audited annual financial statements of the Group for the year ended 31 December 2010 (the "2010 Annual Report"), which have been prepared in accordance with International Financial Reporting Standards.

The principal accounting policies and methods of computation adopted to prepare the interim financial information are consistent with those detailed in the 2010 Annual Report published by the Company on 19 May 2011.

3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(i) Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the

carrying amounts of assets and liabilities within the next accounting period are discussed below:

Fair values of financial instruments

Financial instruments such as financial assets at fair value through profit or loss are initially measured at fair value. Certain financial instruments are re-measured at fair value at subsequent reporting dates. The best evidence of fair value is quoted prices in an active market. Where quoted prices are not available for a particular financial instrument, the Group uses the market values determined by the internal or external valuation techniques to estimate the fair value. The use of methodologies, models and assumptions in pricing and valuing these financial assets requires varying degrees of judgement by management, which may result in different fair values and results. The assumptions with regard to the fair value of financial assets at fair value through profit or loss are detailed in Note 10 to the unaudited interim financial information respectively, have a risk of causing a material adjustment to the carrying amounts of assets within the next accounting period.

Valuations of share options granted

The fair value of share options granted was calculated using the Binomial Option Pricing Model which requires the input of highly subjective assumptions, including the volatility of share price. Because changes in subjective input assumptions can materially affect the fair value estimate, in the opinion of Directors of the Company, the existing model will not always necessarily provide a reliable single measure of the fair value of the share options.

4. Other income

	Unaudited six months ended 30 June 2011 US\$'000	Unaudited six months ended 30 June 2010 US\$'000	Audited year ended 31 December 2010 US\$'000
Bad debts recovery	-	1	-
Bank interest income	-	2	-
Foreign exchange gain, net	27	-	5
Gain on disposal of a subsidiary	-	32	-
Gain on disposal of property, plant and equipment	-	4	-
Other interest income	-	15	-
Release of provision for claims	-	3,046	-
Management fee income	-	-	4
Waiver of amounts due to former fellow subsidiaries	-	-	157
Others	10	564	3,810
Total	37	3,664	3,976

5. Restructuring credit/(expenses)

	Unaudited six months ended 30 June 2011 US\$'000	Unaudited six months ended 30 June 2010 US\$'000	Audited year ended 31 December 2010 US\$'000
Provision for onerous contract in respect of operating lease	-	(15)	-
Others	-	130	23
Total	-	115	23

6. Employee benefit expenses (including directors' remuneration)

	Unaudited six months ended 30 June 2011 US\$'000	Unaudited six months ended 30 June 2010 US\$'000	Audited year ended 31 December 2010 US\$'000
Fees	-	25	29
Salaries, allowances and benefits in kind	209	1,529	2,281
Salary waiver	(33)	-	-
Commissions paid and payable	-	210	368
Bonus paid and payable	12	15	23
Share-based compensation	5	118	177
Pensions – defined contribution scheme	-	12	18
National insurance costs	17	15	26
Total	210	1,924	2,922

7. Profit/(Loss) before taxation

	Unaudited six months ended 30 June 2011 US\$'000	Unaudited six months ended 30 June 2010 US\$'000	Audited year ended 31 December 2010 US\$'000
Profit/(Loss) before taxation is arrived at after charging/(crediting):			
Auditors' remuneration:			
Fee payable to the Company's auditors for the audit of the Company's financial statements	19	24	22
Fee payable to the Company's auditors for the other services:			
- audit of the Company's subsidiaries pursuant to legislation	-	9	14
- taxation services	-	5	2
- others	-	3	-
Depreciation			
- owned assets	34	102	144
Employee benefits expenses (including directors' remuneration (Note 6))	210	1,924	2,922
Foreign exchange losses/(gain), net	(27)	30	(11)
Impairment of available-for-sale investments	-	65	322
Impairment of other receivables	-	3	3
Operating lease charges in respect of rental premises	106	148	219

8. Taxation

	Unaudited six months ended 30 June 2011 US\$'000	Unaudited six months ended 30 June 2010 US\$'000	Audited year ended 31 December 2010 US\$'000
Current tax			
- United Kingdom	-	(32)	(32)
- Overseas	-	35	35
Total	-	3	3

United Kingdom and overseas income tax for the period have been calculated at the rates prevailing in the relevant jurisdictions.

The Group has significant unrelieved tax losses, the utilisation of which is uncertain and consequently no deferred tax asset has been recognised.

9. Profit/(Loss) per share for profit/(loss) attributable to owners of the Company

(a) Basic

	Unaudited six months ended 30 June 2011 US\$'000	Unaudited six months ended 30 June 2010 US\$'000	Audited year ended 31 December 2010 US\$'000
(Loss)/profit attributable to owners of the Company	(757)	958	(811)
	Number of shares	Number of shares	Number of shares
Weighted average number of shares for calculating basic loss per share	375,244,344	243,475,000	259,475,821
	Unaudited six months ended 30 June 2011 US cents	Unaudited six months ended 30 June 2010 US cents	Audited year ended 31 December 2010 US cents
Basic (loss)/profit per share	(0.20)	0.39	0.31

(b) Diluted

No diluted loss per share is shown for the six month ended 30 June 2011, 30 June 2010 or 31 December 2010, as the outstanding share options have no dilutive effect on the weighted average number of ordinary shares in issue during the period.

10. Financial assets at fair value through profit or loss

	Unaudited 30 June 2011 US\$'000	Unaudited 30 June 2010 US\$'000	Audited 31 December 2010 US\$'000
Held for trading			
Listed securities:			
- Equity securities – Australia	-	9	-
- Equity securities – Japan	-	32	-
- Equity securities – USA	99	-	-
- Equity securities – United Kingdom	484	-	-
Fair value of listed securities	583	41	-
Unlisted securities:			
- Equity securities - Australia	-	9	-
Fair value of unlisted securities	-	9	-
Total	583	50	-

The movement in financial assets at fair value through profit or loss during the period is as follows:-

	Unaudited six months ended 30 June 2011 US\$'000	Unaudited six months ended 30 June 2010 US\$'000	Audited year ended 31 December 2010 US\$'000
At 1 January	-	115	115
Additions	490	-	-
Disposals	-	(69)	(118)
Gain on financial assets at fair value through profit or loss	93	4	3
At 30 June/ 31 December	583	50	-

Particulars and valuation basis of principal financial assets held at fair value through profit or loss are as follows:-

Name	No. of shares / Percentage of interest held by the Company indirectly						Fair value			Valuation basis
	Unaudited 30 June 2011 Holding		Unaudited 30 June 2010 Holding		Audited 31 December 2010 Holding		Unaudited 30 June 2011 US\$'000	Unaudited 30 June 2010 US\$'000	Audited 31 December 2010 US\$'000	
IB Daiwa Corporation – Ordinary shares	-	-	1,410,000	0.23	-	-	-	32	-	Quoted market price at 30 June 2010 of ¥2 per share, listed on JASDAQ Japan
Evergreen Energy Inc. – Ordinary shares	57,692	0.22	-	-	-	-	99	-	-	Quoted market price at 30 June 2011 of US\$1.71, listed on NYSE Arca USA
Viridas PLC – Ordinary shares	44,000,000	7.61	-	-	-	-	310	-	-	Quoted market price at 30 June 2011 of £0.0044, listed on London AIM UK
Aurum Mining Plc – Ordinary shares	3,333,333	2.82	-	-	-	-	174	-	-	Quoted market price at 30 June 2011 of £0.0325, listed on London AIM UK

11. Share capital

	Number of ordinary shares	Value
		US\$'000
<i>Authorised</i>		
<i>(par value of US\$0.01 each)</i>		
At 30 June 2011, 30 June 2010 and 31 December 2010	5,000,000,000	50,000
<hr/>		
<i>Issued and fully paid</i>		
<i>(par value of US\$0.01 each)</i>		
At 30 June 2010	243,475,000	2,435
Issue of shares	<u>66,367,043</u>	<u>663</u>
At 31 December 2010	309,842,043	3,098
Issue of shares	<u>65,402,301</u>	<u>654</u>
At 30 June 2011	375,244,344	3,752
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On 13 January 2011 the Company issued 25,000,000 Ordinary shares of US\$0.01 each for proceeds of £1,000,000 before expenses.

On 14 January 2011 the Company issued 12,500,000 Ordinary shares of US\$0.01 each for proceeds of £500,000 before expenses.

On 10 February 2011 the Company issued 18,750,000 Ordinary shares of US\$0.01 each for proceeds of £750,000 before expenses.

On 27 April 2011 the Company issued 9,152,301 Ordinary shares on exercise of a warrant.

12. Material contracts with formerly related parties

As of 04 October 2010, the parent company Zoltav disposed of its subsidiaries and therefore from this date all amounts shown as due to or from fellow subsidiaries relate to the former subsidiaries of the Company.

(a) During the period, the Group had the following material related party transactions:

	Unaudited six months ended 30 June 2011 US\$'000	Unaudited six months ended 30 June 2010 US\$'000	Audited year ended 31 December 2010 US\$'000
Management services fee received from fellow subsidiaries	-	281	-
Management services fee paid to fellow subsidiaries	72	-	-
Rental expenses, facilities and administrative costs charged by a fellow subsidiary	-	(281)	(415)
Fees paid to a fellow subsidiary	-	(145)	-

(b) At the balance sheet date, the Group had the following amounts due from/(to) related parties. The amounts due from/(to) related parties are interest free, unsecured and have no fixed repayment terms.

	Unaudited six months ended 30 June 2011 US\$'000	Unaudited six months ended 30 June 2010 US\$'000	Audited year ended 31 December 2010 US\$'000
Amounts due from fellow subsidiaries	3	6	-

	Unaudited six months ended 30 June 2011 US\$'000	Unaudited six months ended 30 June 2010 US\$'000	Audited year ended 31 December 2010 US\$'000
Amounts due to fellow subsidiaries	(63)	(1,021)	-
Total	(63)	(1,021)	-

13. The Interim Report for the six months to 30 June 2011 was approved by the Directors on 29 September 2011.

14. Copies of this announcement will be sent to shareholders and will be available for inspection at the Companies Registered Office. The Interim Report may also be viewed at Zoltav Resources Inc's website at: <http://zoltav.com/>