

CEB Resources Plc

**Interim Report
for the six months ended 31 October
2014**

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Chairman's Statement

Dear Shareholders,

I am pleased to present the interim results for the six months to 31 October 2014.

By the end of the period, the Company had implemented its investing policy in accordance with the AIM Rules for Companies.

During the period, the Company realised a profit of USD 851,000 on its holding in Carbon Investment S.o.o. ("Carbon Investment") the owner of the advanced Mariola thermal coal project in Southern Poland. This was achieved by assigning its share option and initial 10% equity stake in Carbon Investment to Balamara Resources Limited ("Balamara") in return for 15,000,000 shares in Balamara with a value of AUD 1,170,000 (USD 1,099,000) and cash of AUD 100,000 (USD 94,000). 20,000,000 Company shares issued to Carbon Investment as part consideration of the original investment cost were cancelled and returned to the Company. This represented a threefold return on the initial investment within a space of five months. Balamara is a company which is focussed on becoming a mid-tier resources company through its tier one thermal and coking coal projects in Poland. Shares in Balamara are quoted on the Australian Stock Exchange.

Of the 15,000,000 Balamara shares acquired, 5,320,000 shares have been sold, netting gross proceeds of AUD 350,000 (USD 329,000), thereby realising a loss of USD 52,000, and a balance of 9,770,000 shares remains at the Balance Sheet date.

A successful aeromagnetic survey has been flown at the Australian Peelwood base metals project identifying strong new drilling targets outside the existing ore zone. Both parties to the farm-in arrangement were pleased with the success of this initial survey which has resulted in the delineation of two new strong targets which will be considered for follow-up drilling exploration programs once all proceeds from the Mariola sale are monetised. We have left the valuation of our holding in Peelwood unchanged.

The Company continues to keep a very tight control on costs, which amounted to just USD 161,000 in the period.

As a result of the above movements, we show a profit in the six months of USD 463,000 and the NAV per share has increased from 0.3 US cents in April 2014 to 0.5 US cents in October 2014.

On 1 October 2014 the Company changed its Nominated Advisor and Joint Broker from N+1 Singer Advisory LLP to Sanlam Securities UK Limited. The AGM was held on the 31st October 2014 in Perth Western Australia with all resolutions successfully passed.

During the period the Board has actively reviewed a number of projects and investment opportunities, further decisions including at the Peelwood Project will be made once all the remaining Balamara stock has been sold. The Board's ultimate goal will be for the company to seek to achieve future profits as have been achieved from the sale of the Mariola project.

Cameron Pearce
Chairman
24 November 2014

**Consolidated Statement of Comprehensive Income
For the six months ended 31 October 2014**

	Notes	(Unaudited) 6 Months to 31 October 2014 USD'000	(Unaudited) 6 Months to 31 October 2013 USD'000	(Audited) 12 Months to 30 April 2014 USD'000
Interest income		-	1	4
Sundry income		-	225	225
Profit on disposal of subsidiaries		-	-	45
Net gain from financial assets at fair value through profit or loss	6	682	-	-
Net investment income		<u>682</u>	<u>226</u>	<u>274</u>
Other administration fees and expenses		(161)	(426)	(894)
Total administrative expenses		<u>(161)</u>	<u>(426)</u>	<u>(894)</u>
Foreign exchange loss		(58)	(116)	(80)
Finance costs		-	(4)	-
Profit/(loss) for the period before taxation		<u>463</u>	<u>(320)</u>	<u>(700)</u>
Taxation		-	-	-
Profit/(loss) for the period		<u>463</u>	<u>(320)</u>	<u>(700)</u>
Other comprehensive income/(loss)				
Foreign exchange gain on translation of subsidiaries		-	4	-
Total comprehensive profit/(loss) for the period		<u>463</u>	<u>(316)</u>	<u>(700)</u>
Basic and diluted profit / (loss) per share (US cents)	7	<u>0.2</u>	<u>(0.2)</u>	<u>(0.4)</u>

The notes on pages 6 to 9 form an integral part of the financial statements.

**Consolidated Statement of Financial Position
At 31 October 2014**

		(Unaudited) 31 October 2014 USD'000	(Unaudited) 31 October 2013 USD'000	(Audited) 30 April 2014 USD'000
	Note			
Non-current assets				
Financial assets at fair value through profit or loss	6	738	-	751
Current assets				
Trade and other receivables		13	37	31
Cash and cash equivalents		319	3,157	97
Total current assets		<u>332</u>	<u>3,194</u>	<u>128</u>
Total assets		<u>1,070</u>	<u>3,194</u>	<u>879</u>
Current liabilities				
Trade and other payables		(14)	(149)	(47)
Total liabilities		<u>(14)</u>	<u>(149)</u>	<u>(47)</u>
Net assets		<u>1,056</u>	<u>3,045</u>	<u>832</u>
Represented by:				
Share capital	8	-	2,643	-
Share premium	8	3,616	-	3,855
Capital redemption reserve		-	277	-
Distributable reserves		(2,560)	(2,063)	(3,023)
Other reserves		-	2,188	-
Total equity		<u>1,056</u>	<u>3,045</u>	<u>832</u>
Net Asset Value per share (US cents)	9	<u>0.5</u>	<u>2.3</u>	<u>0.3</u>

The notes on pages 6 to 9 form an integral part of the financial statements.

**Consolidated Statement of Changes in Equity
For the six months ended 31 October 2014**

	Share Capital	Share Premium	Capital Redemption Reserves	Distributable Reserves	Other Reserves	Total Equity
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Balance at 1 May 2013	2,643		277	5,091	2,184	10,195
Loss for the period	-	-	-	(320)	-	(320)
<i>Other comprehensive income</i>						
Foreign exchange gain on translation of subsidiaries	-	-	-	-	4	4
<i>Transactions with owners recorded directly in equity</i>						
Distribution	-	-	-	(6,834)	-	(6,834)
Balance at 31 October 2013	<u>2,643</u>	<u>-</u>	<u>277</u>	<u>(2,063)</u>	<u>2,188</u>	<u>3,045</u>
Balance at 1 May 2013	2,643	-	277	5,091	2,184	10,195
Loss for the year	-	-	-	(700)	-	(700)
Redesignation of shares to nil par value	(2,643)	2,643	-	-	-	-
Release of Capital Redemption Reserve	-	-	(277)	277	-	-
<i>Other comprehensive income</i>						
Realisation of translation reserves	-	-	-	2,184	(2,184)	-
<i>Transactions with owners recorded directly in equity</i>						
Share issue proceeds	-	1,508	-	-	-	1,508
Share issue costs	-	(296)	-	-	-	(296)
Distribution	-	-	-	(9,874)	-	(9,874)
Balance at 30 April 2014	<u>-</u>	<u>3,855</u>	<u>-</u>	<u>(3,023)</u>	<u>-</u>	<u>832</u>
Balance at 1 May 2014	-	3,855	-	(3,023)	-	832
Profit for the period	-	-	-	463	-	463
<i>Transactions with owners recorded directly in equity</i>						
Share cancellation (Note 8)	-	(239)	-	-	-	(239)
Balance at 31 October 2014	<u>-</u>	<u>3,616</u>	<u>-</u>	<u>(2,560)</u>	<u>-</u>	<u>1,056</u>

The notes on pages 6 to 9 form an integral part of the financial statements.

Consolidated Statement of Cash Flows
For the six months ended 31 October 2014

	(Unaudited) 6 Months to 31 October 2014 USD'000	(Unaudited) 6 Months to 31 October 2013 USD'000	(Audited) 12 Months to 30 April 2014 USD'000
Cash flows from operating activities			
Profit/(loss) for the period	463	(320)	(700)
Adjustments for:			
Interest income	-	(1)	(4)
Interest expense	-	4	-
Exchange differences	45	-	-
Profit on disposal of subsidiaries	-	-	(45)
Net gain from financial assets at fair value through profit or loss	(682)	-	-
Write off of fixed assets	-	-	16
Changes in working capital			
Change in trade and other receivables	19	9,627	78
Change in trade and other payables	(33)	(182)	(287)
Change in financial assets at fair value through profit or loss	13	-	-
Net cash flows (used)/generated in operating activities	<u>(175)</u>	<u>9,128</u>	<u>(942)</u>
Cash flows from investing activities			
Purchase of investments	-	-	(512)
Proceeds on sale of investments	397	-	9,516
Interest received	-	1	4
Net cash flows generated from investing activities	<u>397</u>	<u>1</u>	<u>9,008</u>
Cash flows from financing activities			
Interest expense paid	-	(4)	-
Proceeds from issue of ordinary shares	-	-	973
Distributions	-	(6,834)	(9,874)
Net cash flows used in financing activities	<u>-</u>	<u>(6,838)</u>	<u>(8,901)</u>
Net increase/(decrease) in cash and cash equivalents	222	2,291	(835)
Cash and cash equivalents at start of period	97	932	932
Effect of exchange rate fluctuations on cash balances	-	(66)	-
Cash and cash equivalents at end of period	<u>319</u>	<u>3,157</u>	<u>97</u>

The notes on pages 6 to 9 form an integral part of the financial statements.

Notes to the condensed consolidated interim financial information For the six months ended 31 October 2014

1. General information

The Company is a closed-end investment company incorporated on 19 September 2006 in the Isle of Man as a public limited company. The address of its registered office is IOMA House, Hope Street, Douglas, Isle of Man.

The Company is listed on the Alternative Investment Market of the London Stock Exchange.

Clean Energy Brazil plc re-registered under the 2006 Isle of Man Companies Act and changed its name to CEB Resources plc on 29 November 2013.

2. Statement of Compliance

These interim consolidated financial statements are unaudited and have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 30 April 2014.

These interim consolidated financial statements were approved by the Board of Directors on 24 November 2014.

3. Significant accounting policies

The accounting policies applied by the Group in these interim consolidated financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 30 April 2014.

4. Critical accounting estimates and assumptions

The preparation of condensed consolidated interim financial statements in conformity with IFRSs requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results for which form the basis of making the judgements about carrying values of assets and liabilities that are not readily available from other sources. Actual results may differ from these estimates.

In preparing these condensed consolidated financial statements, the significant judgements in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at end for the year ended 30 April 2014.

5. Financial risk management policies

The principal risks and uncertainties are consistent with those disclosed in preparation of the Group's annual financial statements for the year ended 30 April 2014.

6. Investments at fair value through profit or loss

	31 October 2014 USD'000	31 October 2013 USD'000	30 April 2014 USD'000
Fair value at beginning of period	751	-	-
Purchase of investments	1,099	-	751
Sale of investments	(955)	-	-
Unrealised price movement on fair value of investments	(157)	-	-
Fair value at 30 April 2014	738	-	751
	31 October 2014 USD'000	31 October 2013 USD'000	30 April 2014 USD'000
Realised gain	799	-	-
Unrealised loss	(117)	-	-
Net gain from financial assets at fair value through profit or loss	682	-	751

On 18 December 2013 the Company entered an Option Agreement with ASX-listed company Balamara to farm into its Peelwood concession located in NSW, Australia. Under the agreement the Company, could earn into 49% of Peelwood. This option was partly exercised on 28 January 2014 earning the Company 20% of the concession at a cost of AUD 200,000 or \$179,000. Further rights to exercise options have now lapsed. The investment remains valued at cost at the Balance Sheet date, as the Directors consider that fair value equates to cost.

On 17 February 2014 the Company entered an agreement for an option to acquire up to 49% of the ordinary shares in Carbon Investment, at a cost of USD 572,000, which included share capital of the Company, as detailed in Note 6. On 14 July 2014 the Company assigned its share option in Carbon Investment to Balamara in return for a consideration of USD 94,000 in cash plus 15,000,000 Balamara ordinary shares having a value of USD 1,099,000.

Of the 15,000,000 Balamara shares attained in the above transaction, 5,320,000 shares were sold in the period netting gross proceeds of USD 329,000, a balance of 9,770,000 shares remains at the Balance Sheet date. Of these sales the most recent was at a share price of AUD 0.065 each, compared with the entry price of AUD 0.078 each. This price has been used to value the investment at the balance sheet date instead of the market price, in view of the thin trading and the fact that the market price may therefore not be indicative of fair value. This has led to an unrealised loss on the investment of USD 157,000 during the period (of which USD 40,000 is due to the devaluation of AUD against USD).

7. Profit/(loss) per share

The basic and diluted profit/(loss) per share is calculated by dividing the profit/(loss) for the period attributable to ordinary shareholders by the weighted average number of shares outstanding during the period:

	6 months ended 31 October 2014	6 months ended 31 October 2013	Year ended 30 April 2014
Profit/(loss) attributable to ordinary shareholders of the Company	USD 463,000	USD (320,000)	USD (700,000)
Weighted average number of shares in issue	239,381,295	133,700,000	165,487,000
Basic gain/(loss) per share (US cents)	0.2	(0.2)	(0.4)

There is no difference between fully diluted earnings/(loss) per share and basic earnings per share. There were also 37,250,462 warrants in issue at the 31 October 2014 and they are anti-dilutive.

8. Share capital and share premium

	Number of shares		
	31 October 2014	31 October 2013	30 April 2014
Authorised	600,000,000	600,000,000	600,000,000
Ordinary shares of 1 pence each	-	133,700,000	-
Issued ordinary shares redesignated at nil par value	232,714,628	-	252,714,628
Warrants issued	37,250,462	-	37,250,462
		Value £'000	
	31 October 2014	31 October 2013	30 April 2014
Authorised	-	6,000	-
Issued ordinary shares of 1 pence each	-	1,337	-
Issued ordinary shares at nil par value	-	-	-

All shares are fully paid and each ordinary share carries one vote. No warrants have been exercised at the Balance Sheet date.

On 17 February 2014 the Company issued 20 million Company ordinary shares at a price of 0.715 pence per share as part-consideration for the purchase of 10% equity in Carbon Investment.

On 14 July 2014 the Company sold its investment in Carbon Investments to Balamara. The 20,000,000 Company ordinary shares previously issued to Carbon Investment under the terms of the Option Agreement were returned to the Company and cancelled these shares had a cost of USD 239,000, which has been removed from equity and realised as a gain on the sale of investments.

9. Net asset value (NAV)

The Company's NAV per share is calculated by dividing the net assets attributable to the equity holders of the Company at the end of the period by the number of shares in issue.

	31 October 2014	31 October 2013	30 April 2014
Net assets	USD 1,056,000	USD 3,045,000	USD 832,000
Number of shares in issue	232,714,628	133,700,000	252,714,628
NAV per share (US cents)	<u>0.5</u>	<u>2.3</u>	<u>0.3</u>

10. Directors' remuneration

Fees earned during the period and previous year are as below:

	31 October 2014	31 October 2013	30 April 2014
	USD'000	USD'000	USD'000
Josef (Yossi) Raucher	-	61	102
Timothy Walker (Audit Committee Chairman)	-	12	12
Eitan Milgram	-	61	102
Cameron Pearce	35	-	13
Jeremy King	5	-	3
	<u>40</u>	<u>134</u>	<u>232</u>

11. Contingent assets and liabilities

The Company and YAGM entered into an Equity Swap Agreement on 13 March 2014 (the "Swap Agreement") over 27,586,207 Company shares held by YAGM. The net proceeds to the Company from this equity investment and Swap Agreement was USD 166,000 (GBP 100,000), being USD 333,000 (GBP 200,000) received by the Company for the share issue and USD 166,000 (GBP 100,000) being paid to YAGM for the Swap Agreement. Under the terms of the Swap Agreement the Company may be obliged to return to YAGM an amount not exceeding GBP 100,000 if the Company's share price falls below 0.8 pence per share during the period-ended 30 June 2015. Conversely the Company will be entitled to a further payment from YAGM if the share price rises above 0.8 pence per share, such amount based on the share price performance.