Gunsynd plc

("Gunsynd", or "the Company")

Interim Results for the six months ended 31 January 2020

Chairman's Statement

I am pleased to report the interim results for the six months ended 31 January 2020.

Review of Investments

Human Brands Inc. ("HB")

Human Brands is a private company which owns, licenses, and markets a portfolio of liquor brands. Its two key products are an aged tequila (Copa Imperial Tequila) and a Japanese Whiskey (Shinju Whiskey). On 27 January 2020, the Company announced that it had rolled up its existing investments in Human Brands into a new £378,575 convertible loan note.

A number of distribution deals have recently been signed for Shinju, extending its distribution to include Florida, California and New Jersey, in addition to Maryland/DC, Massachusetts and New York.

Human Brands has entered into conditional agreements with the owners of the Santo Coyote restaurant in Guadalajara to develop two new bar/restaurants in conjunction with Santo Coyote management. In addition, Human Brands has conditionally taken a minority stake in a new bar (Santo Cantina), within the Santa Coyote restaurant, the consideration for which will be settled in a cash and shares. Human Brands' Armero tequila brand will be heavily promoted on the menu at these locations and Shinju will also be available. These agreements are on hold for now due to the COVID-19 situation in Mexico.

Whilst numerous states in the US have gone into lockdown this looks like ending sooner rather than later. The lockdown has impacted Human Brands particularly with respect to its bar in Washington DC which has had to shut temporarily.

As announced on 10 December 2019, Human Brands intends to re-domicile its business from the US to the UK and change its name to Rogue Baron Ltd and then raise further funds. This process is still ongoing and has been impacted by the effects of COVID-19 on confidence and markets.

United Oil and Gas Plc ("UOG")

UOG is an independent oil & gas company 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.

In September 2019, UOG was awarded four blocks in a North Sea licensing round which follows on from UOG signing a non-binding Heads of Terms on an agreement to sell North Sea blocks 15/18d and 15/19b to Anasuria Hibiscus UK Limited for a headline consideration of up to US$5 million.

Prior to that, UOG announced a conditional acquisition by UOG of Rockhopper Egypt Pty Ltd ("Rockhopper Egypt") for US$16 million.

Following the announcement on 20 December 2019, issued pursuant to media reports in Egypt, ASH-2, which was drilled to a total depth of 4,030m in the Alem El Buieb (AEB) Formation, has been completed to allow selective production from both an upper and lower reservoir interval. The upper and lower intervals were tested separately at maximum gross rates of 7,027 and 3,851 boepd respectively.

ASH-2 came on stream on 2 January 2020 and has been consistently producing at over 3,000 boepd (660 boepd net to Rockhopper's 22% interest) on a 32/64" choke. The well will continue to be monitored over the coming months, and during this period, the interpretation of the test data and the longer-term planning for the ASH field-development will continue with the joint venture partners and Egyptian General Petroleum Corporation ('EGPC'). They are currently drilling the first well in the 2020 infill programme (El Salmiya 5) with an update due on this shortly.

Since ASH-2 came on stream, gross production from the Abu Sennan licence has averaged c. 8,000 boepd, which equates to c. 1,760 boepd net to Rockhopper's 22% interest. On April 2 it was announced that gross production in Egypt was 8,400 boepd (1,850 net to UOG)

20% of United's net production is gas which is sold under a fixed price contract that is relatively insensitive to oil-price changes.

In response to COVID-19, UOG has deferred Italian capex, reduced its Egyptian infill campaign from 4 to 2 wells, cut admin expenditure and looked at divestment plans for selected non-core assets.

Gunsynd currently holds 1.93 million shares in UOG which is a holding of approximately 0.3%

Sunshine Minerals Limited ("Sunshine")

The Company has an 18.2% interest in Sunshine Minerals, a company with nickel interests in the Solomon Islands.

On 2 December 2019, Sunshine announced that an ASX listed company, Malachite Resources ("Malachite"), had entered into a conditional share subscription agreement with Sunshine to acquire a 15% stake. The Company understands that Malachite continues to undertake due diligence on the transaction including site visits and analysis of the relevant drilling data.

On 20 December 2019, the Company announced a dispute between Axiom Mining Limited ("Axiom") and the Mines and Minerals Board of the Solomon Islands ("MMERE") relating to certain of Sunshine's assets was still ongoing. The Company notes that the Solomon Islands government purportedly cancelled Axiom's foreign investor certificates for alleged failure to complete surveys and hold a provincial business licence.

Gunsynd's interest in Sunshine Minerals Limited is likely to be diluted by certain consultants' fees owed being paid in equity, and the Malachite share subscription if it were to proceed. Malachite Resources has now held its AGM which was needed in order to allow the conversion of certain debts to equity.

Kolosori Nickel Limited ("Kolosori")

On 4 December 2019, the Company announced it had purchased a 7.67% stake in Kolosori, which owns 80% of the nickel prospecting licence PL05/19 over the Kolosori Prospect in the Solomon Islands, for consideration of £45,000. Gunsynd also had an option to acquire a larger stake but did not take this up. Kolosori has been in talks with a party regarding the financing of a work programme but no binding agreement has been reached.

Oyster Oil and Gas Limited ("Oyster") now ZTR Acquisition Corporation ("ZTR")

On 29 November 2019, the Company announced it had entered into a binding term sheet with Sajawin Pty Ltd ("Sajawin") to conditionally sell the Oyster Madagascar licence for circa £260,000 subject to various conditions.

The Production Sharing Contract for Blocks 1-4 in the Republic of Djibouti are not included in the above transaction and will be transferred to a party of Subco's choosing before completion of the sale to Sajawin. Oyster remains in discussions with the Djibouti government over these blocks and given the current circumstances with respect to oil prices and the effect of COVID-19 on capital markets it is possible that some or all of the blocks will be relinquished.

Sajawin continues to undertake the necessary work to meet the conditions precedent to conclude this deal.

As notified on 2 July 2019 Oyster has reached an "in principle" agreement with the Government of Madagascar for a two-year extension to the current exploration phase, however this has still yet to be formally documented. As such the conditions precedent for the deal have yet to be met, given this and the current oil price Gunsynd is in discussions with Sajawin regarding extending the long stop date on the transaction.

Brazil Tungsten Holdings Limited ("BTHL")

On 7 February 2020, the Company announced that it had been notified by BTHL, a company in which it has a 6.18% interest, that BTHL had very constrained working capital and that, in order to continue with its operations, it would need to undertake a deep discounted rights issue, which would lead to a significant dilution in Gynsynd's shareholding or alternatively that BTHL would place itself into administration which would reduce Gunsynd's interest to nil. The rights issue was not taken up by shareholders and as a result BTHL are in discussion with lawyers over the best way to wind the company up. There will be likely to be no money distributed to shareholders after liquidation.

The Company has since written down its investment in BTHL by £400,000 to nil.

All of our investments are minority investments. Whilst we may offer advice to management of investee companies, they can and sometimes do ignore such advice. Similarly, private companies don't have the disclosure requirements of public companies and are under no obligation to keep us constantly updated. Decisions are ultimately made by investee companies not by the Company.

Finance Review

The Company's loss for the period was £642,000 (31 January 2019: £248,000 loss). The increase in loss from last year is attributable to the £400,000 impairment expense for the period in relation to the Company's investment in BTHL. The market valuation gain for "available for sale" assets was a loss of £13,000 (31 January 2019: £178,000 loss).

The Company had net assets at 31 January 2020 of £1,721,000 (31 January 2019: £2,175,000) including cash balances of £225,000 (31 January 2019: £543,000).

Outlook

The outbreak of the coronavirus and subsequent government actions have had an extraordinarily negative economic impact which has been reflected on global stock exchanges. The panic selling has seen dramatic falls in share prices. However, in recent days there seems to be a shift towards optimism as parts of Europe are talking of partially ending their lockdowns. Hopefully this sentiment will flow through to the markets. Historically alcohol has been regarded as recession proof which gives us grounds for some confidence even if the economy enters a prolonged recession which we obviously hope it won't.

Over the past quarter the board of Gunsynd has been actively conducting due diligence on a number of early stage exploration opportunities in the Australian precious metals sector. With the current gold price reaching record highs of 1,800 USD/oz ($2,800 AUD/oz equivalent) early stage exploration has a strong tail-wind of risk capital willing to invest in in this sector. Due diligence is ongoing and the board hopes to secure an attractive exposure in this space in the short to medium term.

Gunsynd maintains a low fixed cost structure and with no large General and Administration expenses and this will continue through volatile and uncertain conditions across global markets.

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

Hamish Harris
Chairman

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

For further information, please contact:

Gunsynd plc: Hamish Harris	+44 (0) 20 7440 0640
Nominated Adviser / AQSE 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 2020

	Unaudited Six months ended 31 January 2020 £'000	**Unaudited Six months ended 31 January 2019 £'000**	**Audited Year ended 31 July 2019 £'000**
Unrealised (loss) on available for sale assets	(13)	(178)	(224)
Realised Profit on available for sale assets	(2)	56	35
	(15)	**(122)**	**(189)**
Administrative and other costs	(208)	(139)	(347)
Share of associate losses	(34)	-	(6)
Impairment of financial investments	(400)	-	(100)
Other income	-	-	50
Finance income	15	13	34
Loss before tax	**(642)**	**(248)**	**(558)**
Taxation	-	-	-
Loss for the period	**(642)**	**(248)**	**(558)**
Loss for the period and total comprehensive loss attributable to equity shareholders	**(642)**	**(248)**	**(558)**
Other comprehensive income/(expenditure) for the period net of tax	**-**	**-**	-
Total comprehensive income/(expenditure) for the period	**(642)**	**(248)**	**(558)**
Loss per ordinary share			
Basic	(0.010)	(0.005)	(0.011)
Diluted	(0.010)	(0.005)	(0.011)

Gunsynd plc
Interim statement of financial position - unaudited
As at 31 January 2019

	Unaudited At 31 January 2020	Unaudited At 31 January 2019	Audited At 31 July 2019
	£'000	**£'000**	**£'000**
ASSETS			
Non-current assets			
Available for sale investments	876	1,592	1,238
Investment in associate	315	-	350
Total non-current assets	**1,191**	**1,592**	**1,588**
Current assets			
Trade and other receivables	372	207	333
Cash and cash equivalents	225	543	568
Total current assets	**597**	**750**	**901**
Total assets	**1,788**	**2,342**	**2,489**
LIABILITIES			
Current liabilities			
Trade and other payables	(67)	(167)	(126)
Total current liabilities	**(67)**	**(167)**	**(126)**
Total liabilities	**(67)**	**(167)**	**(126)**
Net assets	**1,721**	**2,175**	**2,363**
EQUITY			
Equity attributable to equity holders of the company			
Ordinary share capital	633	489	633
Deferred share capital	1,729	1,729	1,729
Share premium reserve	10,890	10,536	10,890
Share-based payments reserve	205	205	205
Retained earnings	(11,736)	(10,784)	(11,094)
Total equity	**1,721**	**2,175**	**2,363**

Gunsynd plc
Interim statement of changes in equity - unaudited
For the six months ended 31 January 2019

	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 2018	**489**	**1,729**	**10,536**	**234**	**(10,565)**	**2,423**
Loss for the six month period ended 31 January 2018	-	-	-	-	(248)	**(248)**
Total comprehensive loss	**-**	**-**	**-**	**-**	**(248)**	**(248)**
Transactions with owners:						
Share options lapsed	-	-	-	(29)	29	**-**
At 31 January 2019	**489**	**1,729**	**10,536**	**205**	**(10,784)**	**2,175**
Audited						
At 1 August 2018	**489**	**1,729**	**10,536**	**234**	**(10,565)**	**2,423**
Loss for the year	-	-	-	-	(558)	**(558)**
Total comprehensive loss	**-**	**-**	**-**	**-**	**(558)**	**(558)**
Transactions with owners:						
Issue of share capital	144	-	393	-	-	**537**
Share issue costs	-	-	(39)	-	-	**(39)**
Share options lapsed	-	-	-	(29)	29	**-**
At 31 July 2019	**633**	**1,729**	**10,890**	**205**	**(11,094)**	**2,363**
Unaudited						
At 1 August 2019						
Loss for the six month period ended 31 January 2019	-	-	-	-	(642)	**(642)**
Total comprehensive loss	**-**	**-**	**-**	**-**	**(642)**	**(642)**
At 31 January 2020	**633**	**1,729**	**10,890**	**205**	**(11,736)**	**1,721**

Gunsynd plc
Interim statement of cash flows - unaudited
For the six months ended 31 January 2019

	Unaudited Six months ended 31 January 2020	Unaudited Six months ended 31 January 2019	Audited Year ended 31 July 2019
	£'000	£'000	£'000
Cash flows from operating activities			
(Loss)/profit after tax	(642)	(248)	(558)
Finance income net of finance costs	(15)	(13)	(34)
Unrealised Revaluation of AFS assets	13	178	224
(Loss)/profit on sale of AFS Asset	3	(56)	(35)
Share of associate loss	34	-	6
Impairment provision	400	-	100
Operating cash outflow before changes in working capital	**(207)**	**(139)**	**(295)**
Movement in trade and other receivables	(23)	89	79
Movement in trade and other payables	(59)	(141)	(182)
Cash flow from operations	**(289)**	**(191)**	**(400)**
Tax received	-	-	-
Net cash flows used in operating activities	**(289)**	**(191)**	**(400)**
Cash flow from investing activities			
Payments for investments in AFS assets	(87)	(100)	(358)
Disposal proceeds from sale of AFS asset	48	497	600
Unsecured loans to investee company	(15)	-	(109)
Net cash outflow from investing activities	**(54)**	**397**	**133**
Cash flows from financing activities			
Proceeds on issuing of ordinary shares	-	-	537
Cost of issue of ordinary shares	-	-	(39)
Net cash inflow from financing activities	**-**	**-**	**498**
Net (decrease)/increase in cash and cash equivalents	**(343)**	**206**	**231**
Cash and cash equivalents at start of period	568	337	337
Cash and cash equivalents at end of period	**225**	**543**	**568**

Notes to the interim report
For the six months ended 31 January 2019

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 2020 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 2019.

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 2019 have been derived from the statutory accounts for 2019. 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 2020	**Unaudited Six months ended 31 January 2019**	**Audited Year ended 31 July 2019**
	£'000	**£'000**	**£'000**
Loss on ordinary activities after tax	(642)	(248)	(558)
Weighted average number of ordinary shares for the purposes of basic earnings/(loss) per share (millions)	6,334.3	4,882.9	5,082.7
Weighted average number of ordinary shares for the purposes of diluted earnings/(loss) per share (millions)	6,675.9	5,224.6	5,424.4
Basic (loss)/earnings per share (expressed in pence)	(0.010)	(0.005)	(0.011)
Diluted (loss)/earnings per share (expressed in pence)	(0.010)	(0.005)	(0.011)

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

None noted.

4. Financial Information

The Board of Directors approved this interim report on 27 April 2020.

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