

Update and Result of AGM

03 September 2008

Update and Result of Annual General Meeting ("AGM")

Further Realisations and Investments; 30 June 2008 Net Asset Value

St Peter Port Capital Limited ("the Company" or "St Peter Port") is pleased to update shareholders on its progress. The Company announces further significant realisations of pre-IPO investments and further investments it has made, in both cases since it published its preliminary final results on 9 July 2008. It is also publishing its net asset value per share as at 30 June 2008. Finally, it reports the result of today's AGM.

Further Realisations

In its preliminary final results on 9 July 2008, the Company reported that it had at that date realised more than £11 million in cash from pre-IPO investments, generating a net gain of £4 million and a return on investment cost of 56 per cent.

Since that date the Company has made further realisations of £8.9 million, generating a further gain of £2.8 million and a return on the cost of these investments of 45 per cent. In its report of 9 July, the Company stated that three "liquidity events" were expected in the next few weeks. Two of these occurred (Petaquilla Copper and Torbanite Ore); the third was the flotation of Rockwell Petroleum which, after an extensive

roadshow, did not proceed. The disposals include the complete disposal of Cadogan Petroleum, Petaquilla Copper and Torbanite One and the sale of elements of other quoted holdings where a balance has been retained.

Further Investments

Since the announcement of its preliminary final results on 9 July 2008, the Company has made six further pre-IPO investments totalling approximately £8.2 million. The Company has now invested approximately £65.2 million (before allowing for divestments) in pre-IPO deals since its launch. The additional investments are:

- a US\$4.2 million investment in loan notes in Red Flat Nickel Corporation ("Red Flat Nickel"), in a complex deal. The investment offers the potential of very substantial upside if further drilling and evaluation is positive and leads to a "liquidity event" such as a trade sale. Red Flat Nickel controls two nickel laterite deposits in Oregon. The St Peter Port loan will fund exploration of deposits on the two fully owned tenements;
- a €3.2 million subscription for convertible loan notes in Providence Resources P.l.c. ("Providence Resources"). Providence Resources is an Irish oil and gas company with substantial offshore exploration interests in Ireland, further offshore interests in Nigeria and (largely producing) onshore and offshore assets in the UK and USA. Providence is listed in Ireland and on AIM; however, the convertibles are currently unlisted but the company intends to apply for their listing in the short term;
- a US\$2 million subscription for common shares in CEP International Petroleum Limited ("CEP"). CEP is a Canadian-based oil and gas exploration company. It owns 42.5 per cent of two exploration licences in the western part of the Kamchatka peninsula in Eastern Russia,

where its major partner is the Korean National Oil Corporation. A third exploration licence has been recently acquired in the same region;

- a further investment of C\$1.6 million for ordinary shares in Enhanced Oil Resources Inc (“EOR”). EOR is the owner/operator of St. Johns Helium/CO₂ field in Arizona and New Mexico, which it believes to be the largest undeveloped field of helium and CO₂ in North America. The company is focused on its own production of oil via enhanced oil recovery processes using CO₂ injection in the USA and has acquired suitable depleted oil properties in west Texas. The company is also developing production of helium and carbon dioxide to sell to third parties;
- a £750,000 loan to China Molybdenum Limited ("China Moly"), in addition to our earlier investment in ordinary shares of £3 million. China Moly has acquired high grade molybdenum and nickel mining assets near Zhangjiaie City, Hunan Province, China. Molybdenum steel alloys provide heat and corrosion resistance and are commonly used when constructing oil rigs and pipe lines and for making precision cutting tools; and
- a US\$2 million subscription for common shares in Latin Gold Limited ("Latin Gold"). The company has acquired mineral rights to a previously mined area where low-tech artisanal miners (with whom the company has made an agreement) have produced an estimated (by the company) 4.5m oz from soils over the last 11 years. These artisanal miners have generated 65 million tonnes of tailings (spoil), which the company has found to contain an attractively high residual gold content; Latin Gold plans to extract this industrially. The licensed area also has significant exploration potential in the hard rock below the artisanal workings.

In addition to these investments, the Company has exercised its put option in relation to a holding of Emerald. In consideration it has received part cash and, in addition, security in relation to the balance payable (including interest) in the form of holdings of two pre-IPO investments, HaloSource Inc ("HaloSource") and Waipuna Limited ("Waipuna"). HaloSource is a US-based company with a leading technology

for purification of water at point of use. Waipuna is a New Zealand-based company, focused on sales in Europe, which has developed a non-pesticide weed controller, certified for use in organic agriculture.

The Company understands that each of CEP, Latin Gold, HaloSource, Waipuna and EOR is planning to float (or, in EOR's case, to obtain a full listing) within the next 12 months. Red Flat Nickel and China Moly are planning liquidity events (possibly a trade sale) within the same timeframe.

Net Asset Value

Total assets of the Company as at 30 June 2008 were £77.5m, giving a net asset value of 103.38 pence per share, an increase of 0.9 per cent from the net asset value as at 31 March 2008.

Currency Movements

It has been the Company's policy since inception not to hedge the currency exposure arising from its holdings denominated in currencies other than sterling, its unit of account. There is an element of natural hedging in relation to the Company's holdings in oil and gas and resources investments against for example movements in the US dollar, because a dollar appreciation tends to be offset in globally determined commodity prices.

However, there has been a significant depreciation of sterling against all major currencies since 30 June 2008. Ignoring any other changes in value, this has added about £2.7 million to the Company's NAV, equivalent to an additional 3.6 pence per share.

Current Financial Resources

In addition to its holdings of securities arising from pre-IPO investments, the Company now has approximately £26.5m of cash and other liquid assets (including the proceeds from the realisations discussed above) available to make further pre-IPO investments.

Result of Annual General Meeting

At the AGM held earlier today, all resolutions were duly passed.

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