

**Pennpetro Energy PLC**  
("Pennpetro" or the "Company")

**Publication of Annual Report and Accounts for 15 month period ending 31 March 2023**

**London, 20th October 2023** - Pennpetro, an independent oil and gas company focusing on production in the Gonzales Oil Field in Texas, USA, today announces that it has published its Annual report and Financial Statements for the 15 month period ending 31 March 2023.

**Chairman's Statement**

Dear Shareholders,

I am pleased to present the annual results for Pennpetro Energy Plc ("Pennpetro") for the period ended 31 March 2023, as the new Executive Chairman, replacing Olof Rapp who has held the position on an interim basis since the departure of Keith Edelman. and I thank them both from their support of the Company.

We have changed the year end this year for the publishing of our Annual Report from a 31 December year end date to 31 March year end date so that all of our subsidiary companies reported on the same date.

As reported last year after selling oil commercially for only one month from our initial well (COG #1) in the Gonzales field in Texas, as the world went into lockdown, we suspended all operations and activities in Texas, in line with the requests of the US Government and Texas State Legislators. The re-opening of the COG #1 well will be a priority for us this coming year.

Covid put the Company into a difficult position, however I'm please to now report that post the last two capital raises in April 2023 and July 2023 totalling £1.8m (gross), Pennpetro is in a much stronger financially position and is now back operating in Texas and is planning a very busy oil production year ahead.

During the reporting period the Company investigated expanding its operative horizons outside of Texas by initially agreeing to farm into the onshore Tunisian assets held by Upland Resources Limited. We outlined this expansionary activity through our RNS which we announced to the LSE on the 21 July 2022. Upon both Tom Evans and Andy Clifford, the President of our subsidiary company Nobel Petroleum USA Inc., who had been contracted as the Operator, visiting Tunisia and engaging with the relevant Tunisian Government authorities, it was evident that there were certain outstanding issues that Upland had failed to deliver upon resulting in the decision of Pennpetro to terminating the farm-in.

Texas has always been a Pennpetro focus and during the period the Company signed a Participation, Development and Option Agreement with Millennium PetroCapital Corporation in March 2023 regarding certain of their operational assets located adjacent to our own Gonzales areas. The active area comprises 250,000 acres being the Area of Mutual Interest. This Agreement has been subsequently expanded upon with Pennpetro taking full ownership of the Chalk Talk #1H, Chalk Talk #4 and Chalk Talk #3H (including Whistling Straits #5H sidetrack) wells, as announced on from 27 June 2023.

Additionally, and in a very exciting development for the Company, we also executed on 28 March 2023 a farm-in agreement with UKOG Limited and Horse Hill Developments Limited, both subsidiaries of UK Oil & Gas Plc, to drill the next infill oil production well at Horse Hill Oil Field - the Horse Hill 3 well. This field, just to the north of London's Gatwick Airport, continues to produce 35° to 41° degree API sweet quality oil from the discovery well, and according to UKOG, the HH-1 well production to mid-March 2023 totalled over 185,000 barrels. Pennpetro must undertake a new 3D seismic programme over Horse Hill as a prerequisite to drilling HH-3. The farm-in agreement is not yet unconditional, but Pennpetro is hopeful that the Horse Hill Development partners will sanction the Pennpetro involvement.

During the reporting period, the Company expanded its capital base by the placement of 1,166,667 ordinary new shares to raise £350,000 (gross) during March 2022 for additional working capital purposes, and the appointment of Peterhouse Capital Limited as our corporate broker. We also agreed the appointment of Zeus Partners as joint broker and financial advisor.

Since the period end, the Company raised £1.5 million (gross) with the issue of 10,000,000 new shares together with support from existing shareholders as to their contributing shares. This financing closed on 11 April 2023.

This financing was followed by a further raise for £300,000 in May 2023 with the issuance of 5,800,000 new shares and again with the support from existing shareholders. The Company also has access to a \$20 million financing facility, signed in May 2021, which remains undrawn.

Pennpetro has a lot to get on with operationally this year. Ideally, we would like to see at all of the Chalk Talk 1 and 4 wells, Chalk Talk #3H well (including the Whistling Straits #5 sidetrack) and City of Gonzales (COG #1) wells contributing to the Company's cashflow between now and the end of 2023. We see a lot of expansion potential for oil production in Texas on top of our existing well portfolio and will endeavour to pursue low-cost oil production as we move forward.

The past few years have been more than challenging for Pennpetro. Tom Evans and his team have done a remarkable job in keeping the Company alive through very difficult circumstances and I thank them for their herculean efforts in doing so. I would also like to thank our valued shareholders, partners and contractors for their assistance over the past few years. Here's looking forward to a much more fruitful 2023. Success if all about oil production and we now have at least 4 wells to bring on line in Texas and potentially a very exciting opportunity of drilling the next Horse Hill production well in the UK.

**David Lenigas**  
**Executive Chairman**  
18 October 2023

### **Executive Director's Statement**

The reporting period for 15 months to the 31 March 2023 saw no oil production from Gonzales County in Texas. Our COG #1 well was shut in due to Covid related shut downs as per US Government instructions. Production had not been restarted by the end of the period, but plans are being put in place to look at putting COG #1 back into production by the end of Calendar Year 2023.

On the 16 March 2023 Pennpetro announced that its wholly owned subsidiary, Nobel Petroleum USA Inc. ("Nobel") has reached an important milestone towards becoming an oil producer again with the execution of the Participation, Development and Option Agreement and Joint Operating Agreement with Millennium PetroCapital Corporation ("Millennium") for a proposed 250,000 acre (1,011 square kilometres) Area of Mutual Interest ("AMI") petroleum joint venture in Gonzales County, Texas. That announcement followed the earlier RNS, dated 10 October 2022, announcing the signing of the initial heads of terms agreement with Millennium.

On 28 March 2023, just prior to the end of the reporting period, the Company made a number of very significant announcements. These included a fresh financing for £1.5 million (gross), the commitment to participate with Millennium in the Whistling Straits #5H sidetrack well off the Chalk Talk #3H well and the appointment of Mr David Lenigas as the Company's new Executive Chairman.

By the 14 April 2023, the well has been drilled to 10,195 feet MD with a 7,632.22 feet true vertical depth ("TVD") having reached our target and penetrated the crestal portion of the microfracture swarm. It was reported that oil shows were seen on the rig's skimmer tanks from 8,120 feet over numerous extended intervals with gas flares registering between 129-226 units of gas including C1 through ti C4.

At that time, Nobel was paying 33.33% of the cost to drill and complete this joint development well connected to the storage tanks for a net 25% working interest (18.75% net revenue interest) as well as a prospect fee which covers sunk costs relating to leasing, land, legal, 3D seismic licensing, geological and geophysical analysis.

Millennium, the Whistling Straits #5H well operator attempted to flow the well with a JET pump and the partners decided that this pump was unsuitable for this well and a down hole ESP pump would be better suited.

On 27 June 2023, Nobel Petroleum USA Inc. ("Nobel") signed a series of agreements with Millennium PetroCapital Corporation ("Millennium") to increase its stake in the Whistling Straits #5H well from a 25% working interest ("WI") to a 100% WI with 75% net revenue interest ("NRI") and to assume operatorship of the well with immediate effect in addition to 2,036.38 acres of oil leases.

Nobel also has the exclusive right to acquire a 100% WI in two nearby Chalk Talk wells (Chalk Talk #1H and Chalk Talk #4H) for no additional costs, if Nobel determines that production can be restored to one or both wells within a 90 day evaluation period. In August 2023, Nobel exercised its rights to buy 100% of Chalk Talk #1H and #4H. Initial production rates typically range from 100- 400 barrels of oil per day ("bopd"), based on unfracked analog wells within the Austin Chalk Play for new wells. The Chalk Talk #1H well has previously produced 55,000 barrels of oil between June 2020 and July 2022 while the Chalk Talk #4H well produced 6,400 barrels of oil between June 2021 and November 2021. Both wells were producing at rates of approximately 15-20 bopd prior to being shut-in and Nobel hopes to restore production to similar levels or better after a thorough evaluation and contingent upon a well workover.

The Company plans to bring on oil production from Chalk Talk #1H, Chalk Talk #3H (Whistling Straits #5H sidetrack) and COG #1 wells during 2023.

Going back to our City of Gonzales operations, our focus during the latter part of 2021 and 2022 was to continue to develop our proven reserve base at our licences in Gonzales, which had been previously curtailed by Covid-19 and the ensuing pandemic conditions imposed across all of the United States.

According to the Group's Competent Person's Report ("CPR"), prepared in December 2017, Pennpetro had a Working Interest in 2,000 Mbbl of oil and 1,000 MMcf of gas across its Gonzales leases. On 6 August 2019, Nobel increased its working interest in the portfolio of petroleum interests from 75% to 100%, thereby its Working Interest is now over 4,000 MBBL (4 millions barrels) of oil and 2,000 MMcf (2 Bcf) of gas resulting in a substantive uplift in our valuation metric.

## **Tunisia**

In July 2022 the Company farmed into the prospective onshore Saouaf petroleum permit in Tunisia held by Upland Resources Limited. Unfortunately, post a visit by myself and Andy Clifford to Tunisia and engaging with the relevant Tunisian Government authorities, it was not possible to continue with this project due to substantive unresolved Upland Resources limited issues regarding the veracity of the permit. We elected to terminate our engagement in November. However, Tunisia is an area to which we may well return in the future as we have built excellent relationships within the country, which has an attractive suite of under-explored and under-developed opportunities.

## **United Kingdom - Horse Hill**

On the United Kingdom domestic front, it was announced on 28 March 2023 that the Company had signed an agreement with UKOG Limited and Horse Hill Developments Limited both subsidiaries of UK Oil & Gas Plc to farm-in and drill the next infill oil production well at the Horse Hill Oil Field located about 2 km north of Gatwick Airport. The Agreement covers Horse Hill and its surrounding licences covering an aggregate area of 142.9 square kilometres.

The drilling of a new crestal infill, designated Horse Hill-3, will be undertaken post completion of a high-definition 3D seismic survey. We will receive a direct licence interest of 49% inclusive production. UKOG advised in mid-March that continuing commitments and financing costs remain low, manageable and flexible. The farm-in agreement is not yet unconditional.

## **Corporate**

Pennpetro's Board currently comprises four Directors, who collectively have extensive international experience and a proven track record in investment, corporate finance and business acquisition, operation and development and are well placed to implement the Company's business objectives and strategy highly active plays. The appointment of Andy Clifford in April 2020, a highly seasoned and experienced oil professional as the President of the Company's operational subsidiary Nobel Petroleum USA, Inc., together with the recent appointment of David Lenigas as our new Executive Chairman, emphasises the Company's dedication to its forward development profile.

## **Outlook**

In line with our strategy, all our operations are in highly active plays where the economics of drilling and producing remain attractive at sub-US\$30 oil prices. With this aim we are taking advantage of the prior industry downturn to accelerate the positioning of our South Texas leasehold position in favour of the Austin Chalks and Eagleford Shales. With a strategic foothold in these prolific, low- cost plays established and a proven management team in place, we will look to further expand our position in this US onshore sweet spot, as and when management considers it most advantageous to do so.

For 2022 and early 2023, our main objectives were to exit the prior pandemic issues and to build upon the initiative that commenced with the completion of our initial well, COG#1-H, and to further acquire additional land leases.

Finally, I would like to thank the Board, management team and all our advisers for their hard work over the last fifteen months and also to our shareholders for their continued support.

**Thomas Evans**  
**Executive Director**  
18 October 2023

## **Operations Report**

### **Summary**

Nobel Petroleum USA, Inc., has operational teams on the ground working from its offices in Houston. During the period, one new horizontal well in which the Group has an interest commenced completion activity. The Group was planning to initiate an encompassing 3D seismic survey in 2020 with Dawson Geophysical Company to complement its comprehensive well logs geological analysis, together with an enhanced programme of additional new petroleum leasing contiguous to the area, with proposed planning to provide a further number of permitted drilling

locations by year end. However, the onset of COVID-19 curtailed these plans.

In addition, the Company's subsidiary, Pennpetro USA Corp, Inc., through its highly regarded Houston based technical teams, has continued to examine a number of asset opportunities encompassing producing hydrocarbons with offsetting strategic leasehold interests capable of both additional infill and expansionary drilling locations. These activities are completed through the Company's operational enterprise, Nobel Petroleum USA, Inc.

As reported on in the Operations report in the previous section, we have acquired 100% ownership and become operator to the recently drilled Whistling Straights #5 well in Gonzales country Texas, together with the acquisition and assumption of the operatorship of the Chalk Talk #1-H and #4-H wells, again both in Gonzales County, Texas. We will be reverting to the ongoing development of the COG assets once we have completion of the newly acquired assets from Millennium PetroCapital Corporation.

#### **SOUTH TEXAS**

The Company, through its indirect wholly owned subsidiary, Nobel Petroleum USA, Inc., holds interests in acreage within active oil and gas plays within the County of Gonzales, State of Texas: The Austin Chalk, and Eagleford Shale horizontal development and vertical development of the Buda formation. Nobel Petroleum USA, Inc. has observed an increase in the value of its interests within its project acreage, due in part to uplifting its active equity interests and increased consolidation of its acreage positions, together with the continued operational successes to the immediate south of its operational area.

Of particular interest is the recent drilling being undertaken to the southern edge of the Nobel operational area by the Millennium Group, who have averaged over 400 bpd of oil.

#### **Austin Chalk**

The play covers an extensive area with over a million acres yet to be developed and runs all the way from the Pearsale Field south of Gonzales to the giant Giddings Oil Field, the largest oilfield found in Texas in the past 50 years to the north of Gonzales, and further north onto the North Rayou Jack Field. Recently, this play has extended into western Louisiana with a number of major players including EOR Resources and Marathon acquiring strong acreage positions. The Austin Chalk overlays the oil rich Eagleford Shale, with both formations capable of interacting with each other, and is a low permeability fractured reservoir that has been the target for horizontal drilling since the mid-1980s and consists of interbedded chinks, volcanic ash, and marls. It is located at drill depths from 7,000 to 8,000 feet. It can be a liquids-rich play, yielding high volumes of oil and condensate. Initial production rates can range over 1,000 bopd with ultimate reserves exceeding 500 MBO per well.

#### **Eagleford Shale**

The Eagleford continues to prove itself as a world-class crude oil formation having produced in excess of 2.9 billion barrels of crude oil and condensate. This play is classified as a petroleum system in that it is a self-sourced reservoir with seals. Migration of Eagleford hydrocarbons was primarily along bedding planes during the expulsion phase. Absent of traps, hydrocarbons migrated up-dip or north where vertical natural fractures were encountered. These natural fractures were associated with the regional fault trends. Here, the hydrocarbons migrated into the extensively fractured Austin Chalk. Initial production rates with laterals can exceed 1,000 bopd.

#### **Buda Formation**

The Buda is a biomicritic limestone lying below the Eagleford Shale and above the Del Rio Shale. There has been an increase in the focus on, and the development of, the Buda formation by a number of US operators in South Texas, with a number of horizontal wells having been completed. It is a development we are following closely.

As previously identified, while the Buda has always been acknowledged as a resource play in South Texas, it sits at the bottom of our drilling prognosis, as it can be drilled as a separate vertical completion and added to our overall horizontal programme. Furthermore, its unit spacing can be brought significantly down to 40 acres, thereby fulfilling a separate in-fill operation alongside our

horizontal drilling focus.

**Thomas Evans**

Executive Director

18 October 2023

## **Financial Report**

The financial results for the group for the 15 Months ended 31 March 2023 are presented below:

The financial results for the 15 Months ended 31 March 2023 show a loss after tax of \$318,902 (2021: loss \$1,311,707).

The majority of the cost contributing to the Group's loss for the year included legal and professional fees, loan arrangement fees, directors' emoluments and interest charges, which were in line with the Board's expectations. This has been partially offset by a gain on loan modification of \$497,939.

The Group's borrowings at 31 March 2023 were \$4,018,369 (2021: \$4,256,262). In addition, as reported in the prior year, the repayment date for the loan facility with Petroquest Energy Limited was extended a further year to 31 December 2024.

The Group had cash balances at 31 March 2023 of \$46,792 (2021: \$1,828) and short-term investments of \$82,224 (2021: \$34,914). The year-on-year movement in cash and short-term investments was primarily a result of cash raised from equity issues less cash used in operating activities and development expenditure.

As at 31 March 2023, the Group had \$878,000 (2021 \$878,000) still available to draw under its loan facility of \$5m with Petroquest Energy Limited.

In addition, the Group had a receivables balance at 31 March 2023 of \$315,299 (2021: \$309,456).

\$100,000 was capitalised during the year to property, plant and equipment in connection with the Millennium Petrocapital Corporation Participation, Development and Option Agreement. As at 31 March 2023, total property, plant and equipment held by the Group was \$1,484,931 (2021: \$1,384,931).

The cumulative drilling-related expenditure capitalised in intangible assets remained at \$4,233,890 at 31 March 2023 (2021: \$4,233,890).

**Thomas Evans**

Executive Director

18 October 2023

*The annual report and financial statements for the 15 month Period 31 March 2023 are available to download on the Company's website at [www.pennpetroenergy.co.uk](http://www.pennpetroenergy.co.uk). Some extracts from the report and Accounts are shared below:*

**For further information visit [www.pennpetroenergy.co.uk](http://www.pennpetroenergy.co.uk) or follow us on twitter @pennpetro or contact:**

**Pennpetro Energy PLC:**

Tom Evans, CEO

David Lenigas, Chairman

**Brokers:**

**Zeus Capital**

[tme@pennpetroenergy.com](mailto:tme@pennpetroenergy.com)

+44 (0) 7881825378

[lenigas@monaco-capital.com](mailto:lenigas@monaco-capital.com)

+44 (0) 207 614 5900

Simon Johnson

**Peterhouse Capital Limited**

Lucy Williams

Duncan Vasey

+44 (0) 20 7469 0930

+44 (0) 20 7220 9797

+44(0) 207 129 1474

pennpetro@flagstaffcomms.com

**Flagstaff Strategic and Investor Communications**

Tim Thompson

Alison Allfrey

Anna Probert

**NOTES TO EDITORS:**

Pennpetro Energy is an independent oil and gas company focusing on production in the Gonzales Oil Field in Texas, USA. Shares in the company were admitted to the Official List of the London Stock Exchange by way of a Standard Listing on 21 December 2017 with the ticker symbol "PPP".

Its wholly owned subsidiary, Nobel Petroleum USA Inc. has a 100% Working Interest in 2,036.38 acres in Gonzales County in Texas. These acres include the Whistling Straits #5 well and the Chalk Talk #1H and #4H wells. Noble also has a Participation, Development and Option Agreement and Joint Operating Agreement with Texas based Millennium PetroCapital Corporation over a 250,000-acre Area of Mutual Interest in Gonzales County, Texas, aimed at exploiting the prolific proven Austin Chalk oil and gas play. Pennpetro Energy has also recently signed a conditional binding agreement to conduct a new 3D seismic survey on the Horse Hill Oil Field near London's Gatwick Airport which paves the way to drilling the next production well (HH-3) for 49% of the revenue of this proposed well. Further information on the Company can be found at [www.pennpetroenergy.co.uk](http://www.pennpetroenergy.co.uk)

**IMPORTANT NOTICE - FORWARD-LOOKING STATEMENTS**

This announcement may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts and involve predictions. Forward-looking statements may and often do differ materially from actual results. In addition, even if results or developments are consistent with the forward-looking statements contained in this announcement, those results or developments may not be indicative of results or developments in subsequent periods. Any forward-looking statements reflect the Group's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group's business, results of operations, financial position, liquidity, prospects, growth or strategies and the industry in which it operates. Forward-looking statements speak only as of the date they are made and cannot be relied upon as a guide to future performance.

**PENNPETRO ENERGY PLC**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE**  
**INCOME**

For the 15-months ended 31 March 2023

Note	15 Month ended 31 March 2023	Year ended 31 December 2021
	\$	\$
<b>Continuing Operations</b>		
Revenue	-	-
Administrative expenses	(556,494)	(1,021,046)
6		

<b>Operating Loss</b>		<b>(556,494)</b>	<b>(1,021,046)</b>
Gain on loan modification 20		497,939	-
Finance costs 9		(260,347)	(290,661)
<b>Loss before Tax</b>		<b>(318,902)</b>	<b>(1,311,707)</b>
Income tax 10		-	-
<b>Loss for the year attributable to owners of the parent</b>		<b>(318,902)</b>	<b>(1,311,707)</b>
<b>Other Comprehensive Income:</b>			
<b>Items that may be reclassified subsequently to profit or loss</b>			
Currency translation differences		50,127	(6,838)
<b>Other Comprehensive Income for the Year</b>		<b>50,127</b>	<b>(6,838)</b>
<b>Total Comprehensive Income for the Year attributable to the owners of the parent</b>		<b>(268,775)</b>	<b>(1,318,545)</b>
<b>Loss per share attributable to the owners of the parent during the year</b>			
Basic (cents per share)	11	(0.39)	(1.72)
Diluted (cents per share)		(0.39)	(1.72)

**PENNPETRO ENERGY PLC**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
For the 15-month ended 31 March 2023

	<b>Note</b>	<b>31 March 2023 \$</b>	<b>31 December 2021 \$</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	12	1,484,931	1,384,931
Intangible assets	13	4,233,890	4,233,890
<b>Total Non-Current Assets</b>		<b>5,718,821</b>	<b>5,618,821</b>
<b>Current Assets</b>			
Trade and other receivables	15	315,299	309,456
Short term investments	16	82,224	34,914
Cash and cash equivalents	17	46,792	1,828

<b>Total Current Assets</b>		<b>444,315</b>	<b>346,198</b>
<b>TOTAL ASSETS</b>		<b>6,163,136</b>	<b>5,965,019</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity Attributable to Owners of Parent</b>			
Share capital	18	1,079,101	979,427
Share premium	18	6,610,719	4,121,700
Convertible reserve		4,172,846	6,021,575
Reorganisation reserve		(6,578,229)	(6,578,229)
Foreign exchange reserve		226,110	133,619
Retained losses		(4,332,766)	(4,013,864)
<b>Total Equity</b>		<b>1,177,781</b>	<b>664,228</b>
<b>Current Liabilities</b>			
Trade and other payables	21	966,986	1,044,529
Borrowings	20	-	4,256,262
<b>Total Current Liabilities</b>		<b>966,986</b>	<b>5,300,791</b>
<b>Non- Current Liabilities</b>			
Borrowings	20	4,018,369	-
<b>Total Non-Current Liabilities</b>		<b>4,018,369</b>	<b>-</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,163,136</b>	<b>5,965,019</b>

**PENNPETRO ENERGY PLC**  
**COMPANY STATEMENT OF FINANCIAL POSITION**  
For the 15-months ended 31 March 2023

	<b>Note</b>	<b>31 March 2023 \$</b>	<b>31 December 2021 \$</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Investments in subsidiaries	14	6,440,980	7,038,631
Property, plant and equipment	12	-	-
<b>Total Non-Current Assets</b>		<b>6,440,980</b>	<b>7,038,631</b>
<b>Current Assets</b>			
Trade and other receivables	15	2,957,318	3,093,418
Short term investments	16	82,224	34,914
Cash and cash equivalents	17	-	-
<b>Total Current Assets</b>		<b>3,039,542</b>	<b>3,128,332</b>
<b>TOTAL ASSETS</b>		<b>9,480,522</b>	<b>10,166,963</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity Attributable to Shareholders</b>			
Share capital	18	1,079,101	979,427
Share premium	18	6,610,719	4,121,700
Convertible reserve		4,172,846	6,021,575



Convertible reserve		4,112,040	3,821,973
Foreign exchange reserve		(334,293)	575,249
Retained losses		(3,406,463)	(2,866,030)
<b>Total Equity</b>		<b>8,121,910</b>	<b>8,831,921</b>
<b>Current Liabilities</b>			
Trade and other payables	21	1,358,612	1,335,042
<b>Total Current Liabilities</b>		<b>1,358,612</b>	<b>1,335,042</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>9,480,522</b>	<b>10,166,963</b>

The Company has elected to take the exemption under Section 408 of the Companies Act 2006 from presenting the parent company Statement of Comprehensive Income. The loss for the parent company for the period was \$540,433 (2021: \$991,451).

## PENNPETRO ENERGY PLC

### CONSOLIDATED STATEMENT OF CASH FLOWS

For the 15-month period ended 31 March 2023

	<b>15 Months ended 31 March 2023</b>	<b>Year ended 31 December 2021</b>
	<b>\$</b>	<b>\$</b>
<b>Cash Flows from Operating Activities</b>		
Loss before tax	(318,902)	(1,311,707)
Foreign exchange	778	(8,078)
Result on loan amendment	(497,939)	-
Finance costs	260,347	290,661
Share base payment charge	-	229,224
	(555,716)	(799,900)
<b>Changes to working capital</b>		
Increase in trade and other receivables	(5,843)	(511)
Increase in trade and other payables	171,667	548,671
<b>Cash used in operations</b>	<b>(389,892)</b>	<b>(251,740)</b>
Interest paid	-	-
<b>Net Cash used in Operating Activities</b>	<b>(389,892)</b>	<b>(251,740)</b>
<b>Cash Flows from Investing Activities</b>		
Purchases of property, plant and equipment	(100,000)	(617)
(Increase)/ decrease of short-term investments	(47,310)	14,238
<b>Net Cash (used in)/ generated from Investing Activities</b>	<b>(147,310)</b>	<b>13,621</b>
<b>Cash Flows from Financing Activities</b>		
Loan repaid	-	(65,938)
Proceeds from issues of ordinary shares	582,166	-
Advances received from borrowings	-	304,556

<b>582,166</b>	<b>238,618</b>
<b>44,964</b>	<b>499</b>
1,828	1,329
<b>46,792</b>	<b>1,828</b>

### Net Cash generated from Financing Activities

#### Net Increase in Cash and Cash Equivalents

Cash and cash equivalents at the beginning of the period

#### Cash and Cash Equivalents at the End of the Period

#### Non-cash transactions (refer note 18)

Share issue 30 March 2022 - partial exercise of convertible loan for equivalent proceeds of \$1,848,729  
Share issue July 2022 - settlement of liability through shares for total of \$330,267

Share issue November 2022 - settlement of liability through shares for total of \$18,533

The notes on pages 42 to 68 form part of these financial statements.

### PENNPETRO ENERGY PLC COMPANY STATEMENT OF CASH FLOWS

For the 15 month period ended 31 March 2023

	<b>15 Months period 31 March 2023 \$</b>	<b>Year ended 31 December 2021 \$</b>
<b>Cash Flows from Operating Activities</b>		
Loss before tax	(540,433)	(991,451)
Share based payments	-	229,224
Unrealised foreign exchange	2,496	(6,838)
	<b>(537,937)</b>	<b>(769,065)</b>
<b>Changes to working capital</b>		
Increase in trade and other receivables	(134,753)	(31,306)
Increase in trade and other payables	137,834	786,133
<b>Cash used in operations</b>	<b>(534,856)</b>	<b>(14,238)</b>
<b>Net cash used in Operating Activities</b>	<b>(534,856)</b>	<b>(14,238)</b>
<b>Cash Flows from Investing Activities</b>		
(Increase)/ decrease of short-term investments	(47,310)	14,238
<b>Net Cash used in Investing Activities</b>	<b>(47,310)</b>	<b>14,238</b>
<b>Cash Flows from Financing Activities</b>		
Proceeds from issue of ordinary shares	582,166	-
<b>Net Cash generated from Financing Activities</b>	<b>582,166</b>	<b>-</b>
<b>Net movement in Cash and Cash Equivalents</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the year	-	-
Net Decrease in cash and cash equivalents	-	-
<b>Cash and Cash Equivalents at the End of the Year</b>		

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact [ms@seg.com](mailto:ms@seg.com) or visit [www.ms.com](http://www.ms.com).

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

FRNKKBQABDKOKB