



3 June 2024

**Tower Resources plc**

("Tower" or the "Company")

**Preliminary Results to 31 December 2023**

Tower Resources plc (AIM: TRP), the Africa-focused energy company, announces its preliminary results for the 12 months ended 31 December 2023.

**Highlights**

- Cameroon operational update covering:
  - Application for a one-year extension of the initial exploration period of the Production Sharing Contract ("PSC"), following positive discussions with the Minister of Mines, Industry and Technological Development and the Prime Minister of the Republic of Cameroon
  - Ongoing discussions with rig owners and operators with the aim to secure rig availability to drill at NJOM-3
  - Ongoing negotiations for a term loan with BGF Bank Group and asset-level financing with several other parties
  - Updated resource estimates and risks for the reservoirs connected to the NJOM-1 and the NJOM-2 discovery wells, substantially lowering risk attributed to PS9 Sup and PS3 HW reservoirs, and increasing total risked pMean prospective resources to 35.4 million bbls
  - Deployment of software to conduct detailed attribute analysis of the reprocessed 3D seismic data to identify the oil and gas elements of the reservoirs in the Njonji-1 and Njonji-2 fault blocks, resulting in a clearer picture of the pay zones in both fault blocks.
- Namibia technical update covering:
  - A basin and thermal maturity study to significantly progress the understanding of the hydrocarbon prospectivity of the license. The basin modelling study has been carefully integrated with seismic sequence stratigraphic interpretation of the large 2D seismic datasets and combined with the well data within PEL96 and available well data elsewhere in the Walvis Basin region.
  - The integrated analysis of the seismic, wells and the basin modelling results showing clear evidence of a working petroleum system present within the Dolphin Graben in PEL 96; in the form of oil recovered from cores in the 1911/15-1 well and direct hydrocarbon indicators (DHIs) observed on seismic.
  - The objectives of the basin modelling study were to assess the critical elements of the hydrocarbon charging system, i.e. thermal maturity, distribution of generative source kitchens, volumetric estimation of generative capacity of mature source rocks, timing of generation/expulsion of hydrocarbons and mapping of migration pathways.
  - An oil seep analysis to accompany the basin modelling work, and a review of the existing volumetric data on the prospects and leads that have already been identified
- The execution of a contract with Borr Drilling Limited for the hire of the Norve jack-up rig, one of Borr's fleet of high-specification drilling units, to drill the NJOM-3 well on Tower's Thali license in Cameroon in 2024.
- The completion of an institutional placing via an investment deed to Energy Exploration Capital Partners, LLC ("EEPC"), in January 2023 with an initial placing of \$1.3 million at a price of 0.36p per share with additional follow-on commitments up to a total commitment of \$6.0 million. As part of the placing commitment, additional tranches of share issues were made throughout 2023 raising an additional \$556K at an issue price of between 0.028p and 0.12p per share.
- A placing and subscription of 4,600 million shares to raise £2.3 million (\$2.9 million) at a price of 0.05p (0.06c) per share announced in May 2023 together with the appointment of Axis Capital Markets Limited as joint broker to the Company.
- A subscription at a share price of 0.02p per share to raise £600k announced in December 2023 with

proceeds receivable in January 2024.

- Cash balance at year-end of \$21k (2022: \$231k) prior to receipt of subscription proceeds
- 2023 full-year net administrative costs, excluding share-based payment charges, of \$702k (2022: \$631k)

### Post-Reporting Period Events

**4 January 2024:** Share issuance in accordance with the terms of the investment deed with EEPIC announced on 16 January 2023, of 440,567,445 ordinary shares of 0.001 pence each. The purchase price of 0.0225 pence per Ordinary Share for the settlement amount of \$125,000 had been prepaid by EEPIC.

**4 January 2024:** Issue of 350.9 million warrants in lieu of £60,000 (in aggregate) of Directors fees in respect of the period January-June 2024, to conserve the Company's working capital. The warrants are exercisable at a strike price of 0.03 pence per share. The warrants are exercisable for a period of five years from the date of issue.

**8 February 2024:** The Company received formal notification from the Minister of Mines, Industry and Technological Development in Cameroon of the extension of the First Exploration Period of the Thali production-sharing contract to 4 February 2025, in accordance with the Company's PSC and the Cameroon Petroleum Code, and with the approval of the President of the Republic of Cameroon. The Company's principal obligation during the First Exploration Period is the drilling of a single well which the Company intends to fulfil through the drilling of the NJOM-3 well during 2024.

**9 February 2024:** Share issuance in accordance with the terms of the investment deed with EEPIC announced on 16 January 2023, of 396,825 ordinary shares of 0.001 pence each. The purchase price of 0.021 pence per Ordinary Share for the settlement amount of \$105,000 had been prepaid by EEPIC.

**15 February 2024:** The Company reached an agreement for the repayment of the outstanding balance owed to EEPIC, in accordance with the terms of the investment deed announced to the market on 16 January 2023. In addition, the Company also announced a Subscription to raise £600,000 via the issue of 3,333,333,333 shares at a price of 0.018p per share.

In addition to the events above, subsequent to the year-end the Company received notice that the third of its appeals to the First-Tier Tax Tribunal had been successful, resulting in a release of the remaining VAT provision and the receipt of remaining receivables.

### Market Abuse Regulation (MAR) Disclosure

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ('MAR'). Upon the publication of this announcement via Regulatory Information Service ('RIS'), this inside information is now considered to be in the public domain.

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## About Tower Resources

Tower Resources plc is an AIM listed energy company building a balanced portfolio of energy opportunities in Africa across the exploration and production cycle in oil and gas and beyond. The Company's current focus is on advancing its operations in Cameroon to deliver cash flow through short-cycle development and rapid production with long term upside, and de-risking attractive exploration licenses through acquiring 3D seismic data in the emerging oil and gas provinces of Namibia and South Africa, where world-class discoveries have recently been made.

Tower's strategy is centred around stable jurisdictions that the Company knows well and that offer excellent fiscal terms. Through its Directors, staff and strategic relationship with EPI Group, Tower has access to decades of expertise and experience in Cameroon and Namibia, and its joint venture with New Age builds on years of experience in South Africa.

## CHAIRMAN AND CHIEF EXECUTIVE'S STATEMENT

2023 has been a year of steady progress for our Company, against a backdrop of a more stable oil market environment, even though the geopolitical environment has remained uncertain. As we observed last year, the global crude oil market has been quite well balanced in the short term, and prices remain very favourable for the Company's projects. The underinvestment of the past few years also still leaves potential for further upside in the years ahead. Another notable aspect of our commercial environment has been the further drilling success of Shell, Total and now GALP in Namibia. Apart from the direct implications for our own subsurface analysis and the availability of services in Namibia, this success has also led to a noticeable renewal of interest in exploration generally, which is helpful in finding partners for our projects even though funding, especially for smaller companies and projects, remains tight.

In the latter part of the year, we contracted a rig, the Norve, one of Borr's fleet of modern high-specification jackup rigs, to drill the NJOM-3 well in Cameroon once the rig has completed its existing contractual obligations. Naturally, the contract is subject to our having financing in place in good time, and it is now already clear that the rig's current drilling campaign has encountered some delays, but we still expect the well to be drilled later this year.

The Government of Cameroon has continued to be extremely supportive and we are very grateful to them for the further extension of the initial exploration period of our Thali license to February 2025. We are also still in active and detailed discussions and due diligence regarding the financing for the NJOM-3 well, and we still expect this to be completed in time for the rig schedule for the well.

In Namibia, as discussed in more detail in the Operational Review, we completed our basin modelling work, and integrated it with a new seep analysis, completed after the basin modelling work was done, and which was consistent with the basin model we had developed. This has greatly increased our confidence in our understanding of the subsurface, and we shared a summary of our analysis with the industry in Cape Town in October 2023, which was well received. A copy of that technical presentation can be found on our website.

Since then, we have been reviewing all of our seismic data (including some 20,000 line-kilometres of 2D data) to identify the most promising anticlines and stratigraphic traps along the expected oil migration paths we have identified. While this includes some of the large anticlines we had already identified in the license area more than a decade ago, it also includes some very large stratigraphic traps which we had not considered before. At the time of writing this, we are still reviewing this work with our partners and with the Ministry, but we are looking forward to sharing our latest view of these leads/prospects and their prioritisation with investors shortly.

In South Africa, our co-venturer and operator NewAge is continuing to explore the options for acquisition of new 3D seismic data over our deep-water Outeniqua basin lead, which continues to attract interest from third parties. The farm-out process which they have been conducting has now resulted in a serious discussion with one party getting underway, though we cannot yet say if it will result in a transaction, and we cannot provide more detail or comment further while discussions are in process. We will inform investors promptly if a firm agreement is reached.

All in all, 2023 is a year in which we have been able to move our projects forward despite funding constraints, and while we would have liked to have done more, it does appear that we will see some of the fruit of this progress in 2024.

**Jeremy Asher**

*Chairman and Chief Executive*

31 May 2024

## STRATEGIC REPORT

Our strategy over the past several years has been to focus in the near term on lower risk appraisal and development within proven basins where there is still low-risk exploration upside, such as our Thali PSC in Cameroon, while still maintaining selective exposure to longer term and high risk/reward exploration in areas where we have existing relationships, such as Namibia and South Africa.

Even before the current conflict in Ukraine, markets were becoming aware by the end of 2021 that the global underinvestment in exploration and production since 2015 was already having a profound effect on both oil and gas supply, and on prices. This has reinforced the benefits, both short and long term, of a strategy based on achieving short-term production as quickly as we can, while also continuing to develop potential resources for the future.

TotalEnergies' 2020 success in South Africa with its Brulpadda and Luiperd wells in the Outeniqua basin, and its recent success in Namibia at Venus-X1, coupled with Shell's recent success in Namibia with its Graff-1 well and the subsequent successful appraisal drilling, followed more recently by GALP's successful well, all indicate that in Namibia and South Africa we have chosen promising countries for our exposure to high risk, high reward exploration. These successes have also resulted in a renaissance of investor interest in exploration, and especially in these countries, as both the scale of these opportunities and the need for the resulting oil and gas over the next decade have become apparent.

In the near term, our strategy still requires reaching first oil in Cameroon as soon as possible, especially now that production is worth so much more than a few years ago. Our Cameroon license also has substantial exploration upside, but this can only be unlocked once we have the existing discovery appraised and in production.

This activity requires financing, and while there is still non-dilutive financing available (within limits) for producing assets, the equity requirements for the earlier stages of exploration and development usually require some trade-offs between the amount of a project one can retain and the speed with which it can be developed. We always look at the alternatives of financing our activity at the asset level, whether via debt or other non-dilutive financing, or via farm-outs, or at the corporate level, again with debt or equity, in order to achieve the best expected outcome for our shareholders.

Although we have both operated and non-operated interests, our preference is to operate assets, in order to control costs and timing more directly, and to build up our local relationships and internal knowledge of reservoirs and petroleum systems, and this remains the case today.

Over the past few years, keeping costs low and flexible without losing access to our people and their skills has also been critical to survival, and we believe will continue to be critical to success in future - not merely in being able to keep costs to a minimum in periods where activity is necessarily low, as we have recently seen, but also in being able to ramp up the resources and technology we are able to bring to our projects in the future when needed. This is why strategic relationships such as our technical-subsurface relationship with EPI, which has served us well since 2015, and our more recent relationship with Bedrock Drilling on well design and management, have formed a key part of our strategy, although we are also now looking to increase our in-house subsurface capability.

Finally, as noted in previous annual reports, our strategy remains to enable and to support the wider strategic and environmental plans of each of the countries in which we operate, to increase power generation from cleaner sources, including both renewables and natural gas, both to aid economic development and to displace less efficient diesel and fuel-oil based power generation, and to reduce imports of liquid fuels by increasing local production where possible. These countries' strategic plans depend critically on the continued development of local oil and gas production in the near term, in order to meet the national goals and COP26 and other climate commitments which they have set for the next decade.

## OPERATIONAL REVIEW

In 2023 we were able to make progress on our licenses in Cameroon and Namibia, while progress in South Africa has been slower.

In Cameroon we received an extension of the initial exploration period of the Thali PSC to February 2025.

Investors may recall that we explained last year how the market for jack-up rigs had tightened due to very high levels of chartering by Saudi Aramco in 2022, however we remained confident that we would be able to secure a rig in the year ahead, when the rigs that remained working in West Africa came free from existing contractual commitments, and so it has proved. In December 2023, we contracted with Borr to use the Norve, one of their fleet of premium jack-up rigs which is currently operating in West Africa, to drill the NJOM-3 well on our Thali license once its existing contractual obligations were completed. At the time, we expected this to be by the end of August 2024. We now believe this will be later due to operational delays to the current charterer's drilling schedule, but we still expect to be able to spud the NJOM-3 well within the current exploration period.

In the meantime, we have continued to prepare for drilling both by maintaining readiness of our long-lead items and well plans, and also by refreshing our frame contracts with key service providers and keeping abreast of lead times for consumables, fuel and so forth. We have also been developing our thinking and planning for the next phase of development, after NJOM-3 is drilled, notably in respect of the platform to support the wellheads for NJOM-3 and the three subsequent wells.

In Namibia, we completed the basin modelling work that we had begun in 2021. In May 2023 we updated investors regarding the initial conclusions of this basin modelling work. As we explained in our last annual report, this had indicated the potential for mature oil source rocks in the deeper syn-rift sections across the Dolphin Graben, generating predominantly oil phase hydrocarbons in substantial volumes, capable of charging very large structures. It has also identified focused migration pathways from those source rocks and generative kitchens to the giant anticlines in the Western area of the license, and a number of potential stratigraphic trap plays both in the Dolphin Graben itself and along the flanks of the giant structures to the West, which are also capable of containing large volumes of oil. The basin modelling work was very closely calibrated with the actual geochemical data measured in the nearby wells and explained the presence of the lacustrine oil in the Norsk Hydro well 1911/15-1 in our license area. The analysis explains why this oil would originally have been generated and potentially trapped and the subsequent tilting of the area would have caused any trapped hydrocarbons to have migrated elsewhere, explaining the residue of oil in the well and providing us with high confidence in the analysis.

By October we had completed the integration of this work with an oil seep analysis we had commissioned over the license area, which matched up very closely with the generation locations and migration paths we had identified, giving us further confidence in the basin model. We presented this work in Cape Town, where it attracted considerable interest, and a similar presentation with voiceover is available on our website.

Between then and now we have been working to prioritise the leads we have already identified in the license area, and to identify new leads, and to reassess their likelihood and expected volume of charge. This will allow us to choose the best area over which to acquire new 3D seismic data in due course. We are now close to completing that work, and look forward to sharing it with investors as soon as we have incorporated feedback from our partners and the Ministry.

In South Africa, our 50% partner NewAge, as operator of the Algoa-Gamtoos block, has continued to negotiate with potential contractors for 3D seismic data acquisition on either a proprietary or a multi-client basis. Just as in 2022, this remains a slow process partly because of the uncertainties created by the new Petroleum Bill and its implementation, and also the associated uncertainty over the environmental consultation process highlighted by the litigation over Shell's delayed plans to acquire 3D seismic over a rather larger area to the East of our license. PASA, the regulatory authority, has remained understanding of this situation, and the regulatory and other uncertainties do appear to be getting clarified step by step. Nevertheless, we are not yet in a position to move forward with the next phase of 3D seismic data acquisition; however, we are continuing to plan and budget for this work.

NewAge has continued to explore farm-out options for the Algoa Gamtoos block and some reasonably detailed discussions are now underway with an interested party, although no agreement has yet been reached.

**PRELIMINARY RESULTS FOR THE YEAR ENDED 31 DECEMBER 2022**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

		31 December 2023 (audited)	31 December 2022 (audited)
	Note	\$	\$
<b>Revenue</b>		-	-
Cost of sales		-	-
<b>Gross profit</b>		-	-
Other administrative expenses		(749,540)	(712,915)
Share-based payment charges		(337,358)	(294,125)
VAT provision release	14	1,178,228	-
<b>Total administrative expenses</b>		<b>91,330</b>	<b>(1,007,040)</b>
<b>Group operating (loss) / profit</b>	4	<b>91,330</b>	<b>(1,007,040)</b>
Finance expense	6	(545,526)	(2,082)
<b>(Loss) / profit for the year before taxation</b>		<b>(454,196)</b>	<b>(1,009,122)</b>
Taxation	7	-	-
<b>(Loss) / profit for the year after taxation</b>		<b>(454,196)</b>	<b>(1,009,122)</b>
Other comprehensive income		-	-
<b>Total comprehensive (expense) / income for the year</b>		<b>(454,196)</b>	<b>(1,009,122)</b>
<b>Basic (loss) / profit per share (USc)</b>	10	<b>(0.01c)</b>	<b>(0.05c)</b>
<b>Diluted (loss) / profit per share (USc)</b>	10	<b>(0.01c)</b>	<b>(0.05c)</b>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

		31 December 2023 (audited)	31 December 2022 (audited)
	Note	\$	\$
<b>Non-current assets</b>			
Property, plant and equipment	11	-	-
Exploration and evaluation assets	12	34,770,924	31,833,671
		<b>34,770,924</b>	<b>31,833,671</b>

**Current assets**

Trade and other receivables	14	1,420,325	474,749
Cash and cash equivalents		20,633	231,216
		<b>1,440,958</b>	705,965
<b>Total assets</b>		<b>36,211,882</b>	32,539,636
<b>Current liabilities</b>			
Trade and other payables	15	2,832,127	2,631,815
Provision for liabilities and charges	16	-	502,972
Borrowings	17	12,867	12,244
		<b>2,844,994</b>	3,147,031
<b>Non-current liabilities</b>			
Borrowings	17	18,098	29,286
<b>Total liabilities</b>		<b>2,863,092</b>	3,176,317
<b>Net assets</b>		<b>33,348,790</b>	29,363,319
<b>Equity</b>			
Share capital	18	18,394,680	18,283,317
Share premium	18	156,166,470	152,336,303
Retained losses	19	(141,212,360)	(141,256,301)
<b>Total shareholders' equity</b>		<b>33,348,790</b>	29,363,319

The financial statements of Tower Resources plc, registered number 05305345 were approved by the Board of Directors and authorised for issue on 31 May 2024.

Signed on behalf of the Board of Directors

**Jeremy Asher** - Chairman and Chief Executive

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	<sup>1</sup> Share-based payments reserve	Retained losses	Total
	\$	\$	\$	\$	\$
<b>At 1 January 2022</b>	<b>18,264,803</b>	<b>148,747,595</b>	<b>2,883,798</b>	<b>(143,494,024)</b>	<b>26,402,172</b>
Shares issued for cash	18,384	3,870,790			3,889,174
Shares issued on settlement of third-party fees	131	29,393	-	-	29,524
Share issue costs	-	(311,475)			(311,475)
Share-based payment charge for the year	-	-	363,047	-	363,047
Transfer to retained losses	-	-	(738,615)	738,615	-
Total comprehensive expense for the year	-	-	-	(1,009,122)	(1,009,122)
<b>At 31 December 2022</b>	<b>18,283,317</b>	<b>152,336,303</b>	<b>2,508,230</b>	<b>(143,764,531)</b>	<b>29,363,319</b>
Shares issued for cash	97,460	3,859,030			3,956,490
Shares issued on settlement of third-party fees	13,903	298,593	-	-	312,496
Share issue costs	-	(307,450)			(307,450)

Share issue costs	-	(321,456)			(321,456)
Share-based payment charge for the year	-	-	498,137	-	498,137
Total comprehensive income for the year	-	-	-	(454,196)	(454,196)
<b>At 31 December 2023</b>	<b>18,394,680</b>	<b>156,166,470</b>	<b>3,006,367</b>	<b>(144,218,727)</b>	<b>33,348,790</b>

<sup>1</sup> The share-based payment reserve has been included within the retained loss reserve on the consolidated statement of financial position and is a non-distributable reserve.

## CONSOLIDATED STATEMENT OF CASH FLOWS

		<b>31 December 2023 (audited)</b>	31 December 2022 (audited)
	<b>Note</b>	<b>\$</b>	<b>\$</b>
<b>Cash outflow from operating activities</b>			
Group operating profit / (loss) for the year		91,330	(1,007,040)
Share-based payments	21	498,137	363,047
Shares issued on settlement of third-party fees		312,496	29,524
<b>Operating cash flow before changes in working capital</b>		<b>901,963</b>	<b>(614,469)</b>
Increase in receivables and prepayments		(945,576)	(466,510)
(Decrease) / increase in provision for liabilities and charges		(502,972)	502,972
Increase in trade and other payables		200,312	295,479
<b>Cash used in operations</b>		<b>(346,273)</b>	<b>(282,528)</b>
Interest paid (net)		(542,704)	(7,387)
<b>Cash used in operating activities</b>		<b>(888,978)</b>	<b>(289,915)</b>
<b>Investing activities</b>			
Exploration and evaluation costs	12	(2,937,253)	(3,053,280)
<b>Net cash used in investing activities</b>		<b>(2,937,253)</b>	<b>(3,053,280)</b>
<b>Financing activities</b>			
Repayment of loan facilities	17	(12,465)	(12,294)
Cash proceeds from issue of ordinary share capital net of issue costs	18	3,629,034	3,577,698
Interest paid	17	(921)	(1,220)
<b>Net cash from financing activities</b>		<b>3,615,647</b>	<b>3,564,184</b>
(Decrease) / increase in cash and cash equivalents		(210,583)	220,989
Cash and cash equivalents at beginning of year		231,216	10,227
<b>Cash and cash equivalents at end of year</b>		<b>20,633</b>	<b>231,216</b>



## COMPANY STATEMENT OF FINANCIAL POSITION

	Note	31 December 2023 (audited) \$	31 December 2022 (audited) \$
<b>Non-current assets</b>			
Loans to subsidiary undertakings	13	26,242,971	20,859,388
Investments in subsidiary undertakings	13	12,307,766	12,307,766
		<b>38,550,737</b>	33,167,154
<b>Current assets</b>			
Trade and other receivables	14	1,420,323	474,747
Cash and cash equivalents		11,663	159,456
		<b>1,431,986</b>	634,203
<b>Total assets</b>		<b>39,982,723</b>	33,801,357
<b>Current liabilities</b>			
Trade and other payables	15	1,013,290	87,069
Provision for liabilities and charges	16	-	502,972
Borrowings	17	12,867	12,244
		<b>1,026,157</b>	602,285
<b>Non-current liabilities</b>			
Borrowings	17	18,098	29,286
<b>Total liabilities</b>		<b>1,044,255</b>	631,571
<b>Net assets</b>		<b>38,938,468</b>	33,169,786
<b>Equity</b>			
Share capital	18	18,394,680	18,283,317
Share premium	18	156,166,470	152,336,303
Retained losses	19	(135,622,682)	(137,449,834)
<b>Total shareholders' equity</b>		<b>38,938,468</b>	33,169,786

In accordance with the provisions of Section 408 of the Companies Act 2006, the Company has not presented a statement of comprehensive income and for the year-ended 31 December 2023 the Company made a loss of \$1.3 million (2022: \$312k)

The financial statements of Tower Resources plc, registered number 05305345 were approved by the Board of Directors and authorised for issue on 31 May 2024.

Signed on behalf of the Board of Directors

**Jeremy Asher** - Chairman and Chief Executive

## COMPANY STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	<sup>1</sup> Share- based payments reserve	Retained losses	Total
	\$	\$	\$	\$	\$
<b>At 1 January 2022</b>	18,264,803	148,747,595	2,883,798	(140,384,601)	29,511,595
Shares issued for cash	18,384	3,870,790	-	-	3,889,174
Shares issued on settlement of third-party fees	131	29,393	-	-	29,524

Share issue costs	-	(311,475)	-	-	(311,475)
Share option charge for the year	-	-	363,047	-	363,047
Transfer to retained losses	-	-	(738,615)	738,615	-
Total comprehensive expense for the year	-	-	-	(312,078)	(312,078)
<b>At 31 December 2022</b>	<b>18,283,317</b>	<b>152,336,303</b>	<b>2,508,230</b>	<b>(139,958,064)</b>	<b>33,169,786</b>
Shares issued for cash	97,460	3,859,030	-	-	3,956,490
Shares issued on settlement of third-party fees	13,903	298,593	-	-	312,496
Share issue costs	-	(327,456)	-	-	(327,456)
Share option charge for the year	-	-	498,137	-	498,137
Total comprehensive expense for the year	-	-	-	(1,329,015)	(1,329,015)
<b>At 31 December 2023</b>	<b>18,394,680</b>	<b>156,166,470</b>	<b>3,006,367</b>	<b>(138,629,049)</b>	<b>38,938,468</b>

<sup>1</sup> The share-based payment reserve has been included within the retained loss reserve on the Company statement of financial position and is a non-distributable reserve.

## COMPANY STATEMENT OF CASH FLOWS

		31 December 2023 (audited)	31 December 2022 (audited)
	Note	\$	\$
<b>Cash flow from operating activities</b>			
Operating profit/(loss) for the year		887,121	(846,081)
Share-based payments	21	498,137	363,047
Shares issued on settlement of third-party fees		312,496	29,524
<b>Operating cash flow before changes in working capital</b>		<b>1,697,754</b>	<b>(453,510)</b>
Increase in receivables and prepayments		(945,576)	(466,510)
(Decrease) / increase in provision for liabilities and charges		(502,972)	502,972
Increase / (decrease) in trade and other payables		926,221	(139,125)
<b>Cash from / (used in) operations</b>		<b>1,175,427</b>	<b>(556,173)</b>
Interest received		444,715	528,698
<b>Cash from / (used in) operating activities</b>		<b>1,620,142</b>	<b>(27,475)</b>
<b>Investing activities</b>			
Loans granted to subsidiary undertakings	13	(5,383,583)	(3,383,485)
<b>Net cash used in investing activities</b>		<b>(5,383,583)</b>	<b>(3,383,485)</b>
<b>Financing activities</b>			

Repayment of loan facilities	17	(12,465)	(12,294)
Cash proceeds from issue of ordinary share capital net of issue costs	18	3,629,034	3,577,698
Interest paid	17	(921)	(1,220)
<b>Net cash from financing activities</b>		<b>3,615,648</b>	3,564,184
(Decrease)/ increase in cash and cash equivalents		(147,793)	153,224
Cash and cash equivalents at beginning of year		<b>159,456</b>	6,232
<b>Cash and cash equivalents at end of year</b>		<b>11,663</b>	159,456

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Accounting policies

#### a) General information

Tower Resources plc is a public company incorporated in the United Kingdom under the UK Companies Act. The address of the registered office is 134 Buckingham Palace Road, London, SW1W 9SA. The Company and the Group are engaged in the exploration for oil and gas.

These financial statements are presented in US dollars as this is the currency in which the majority of the Group's expenditures are transacted and the functional currency of the Company and have been prepared in accordance with UK-adopted International Accounting Standards, and in compliance with the requirements of the Companies Act 2006.

#### b) Basis of accounting and adoption of new and revised standards

##### Changes in accounting policies

A number of new standards are effective from 1 January 2023 but they do not have material effect on the Group's financial statements.

##### New and amended standards

The following amended standards and interpretation are effective for financial years commencing on or after 1 January 2024. The Group does not intend to adopt the standards below, before their mandatory application date.

Standard	Description	IASB Issue Date	IASB Effective Date	Secretary of State Adoption Date
IAS 1 (amendments)	Classification of Liabilities as Current or Non-current.	23 January 2020	1 January 2024	Endorsed
IFRS 16 (amendments)	Lease Liability in a Sale and Leaseback	22 September 2022	1 January 2024	Endorsed
IAS 1 (amendments)	Non-current Liabilities with Covenants.	31 October 2022	1 January 2024	Endorsed
IAS 12 (amendments)	International Tax Reform - Pillar Two Model Rules.	23 May 2023	1 January 2024	Endorsed

IAS 7 and IFRS 7 (Amendments)	Supplier Finance Arrangements	25 May 2023 IASB Issue Date	1 January 2024 IASB Effective Date	Endorsed Secretary of State Adoption Date

#### **Future accounting pronouncements**

The Company intends to adopt the above listed standards and interpretations in its financial statements for the annual period beginning 1 January 2024. The Company does not expect the implementation to have a material impact on the financial statements.

#### **c) Going concern**

The Group will need to complete a farm-out and/or another asset-level transaction within the coming months, or otherwise raise further funds in addition to funds already raised in 2024, in order to meet its liabilities as they fall due, particularly with respect to the forthcoming drilling programme in Cameroon. The Directors believe that there are a number of options available to them through either, or a combination of, capital markets, farm-outs or asset disposals with respect to raising these funds. There can, however, be no guarantee that the required funds may be raised or transactions completed within the necessary timeframes, which results in an inherent material uncertainty as to the application of going concern in these accounts. Having assessed the risks attached to these uncertainties on a probabilistic basis, the Directors are confident that they can raise sufficient finance in a timely manner and therefore believe that the application of going concern is both appropriate and correct.

This point is also discussed in note 2 of the financial statements.

#### **d) Basis of consolidation**

The consolidated financial statements incorporate the accounts of the Company and its subsidiaries and have been prepared by using the principles of acquisition accounting ("the purchase method") which includes the results of the subsidiaries from their date of acquisition. Intra-group sales, profits and balances are eliminated fully on consolidation.

The results of subsidiaries acquired or disposed of are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

As a Consolidated Statement of Comprehensive Income is published, a separate Statement of Comprehensive Income for the Parent Company has not been published in accordance with section 408 of the Companies Act 2006.

#### **e) Jointly controlled operations**

Jointly controlled operations are arrangements in which the Group holds an interest on a long-term basis which are jointly controlled by the Group and one or more ventures under a contractual arrangement. The Group's exploration, development and production activities are sometimes conducted jointly with other companies in this way. Since these arrangements do not constitute entities in their own right, the consolidated financial statements reflect the relevant proportion of costs, revenues, assets and liabilities applicable to the Group's interests.

#### **f) Oil and Gas Exploration and Evaluation Expenditure**

Costs incurred before the acquisition of a license or permit to explore an area are expensed to the income statement.

All exploration and evaluation costs incurred following a license or permit to explore being obtained or acquired on the acquisition of a subsidiary are capitalised in respect of each identifiable project area. These costs are classified as intangible assets and are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves (successful efforts).

Costs incurred by Directors' and employees of the parent Company on the exploration activities are recharged to the subsidiaries and capitalised as exploration assets accordingly.

Other costs are expensed unless commercial reserves have been established or the determination process has not been completed. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences the accumulated costs for the relevant area of interest are transferred from intangible assets to tangible assets as 'Developed Oil and Gas Assets' and amortised over the life of the area according to the rate of depletion of the economically recoverable costs.

**g) Impairment of Oil and Gas Exploration and Evaluation assets**

The carrying value of unevaluated areas is assessed when there has been an indication that impairment in value may have occurred. The impairment of unevaluated prospects is assessed based on the Directors' intention with regard to future exploration and development of individual significant areas and the ability to obtain funds to finance such exploration and development.

**h) Decommissioning costs**

Where a material liability for the removal of production facilities and site restoration at the end of the field life exists, a provision for decommissioning is made. The amount recognised is the present value of estimated future expenditure determined in accordance with local conditions and requirements. An asset of an amount equivalent to the provision is also created and depreciated on a unit of production basis. Changes in estimates are recognised prospectively, with corresponding adjustments to the provision and the associated asset.

**i) Property, plant and equipment**

Property, plant and equipment is stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Computers and equipment, fixtures, fittings and equipment: straight line over 4 years

Leasehold and office refurbishment costs: over duration of lease

The assets' residual values and useful lives are reviewed and adjusted if necessary at each year-end. Profits or losses on disposals of plant and equipment are determined by comparing the sale proceeds with the carrying amount and are included in the statement of comprehensive income. Items are reviewed for impairment if and when events indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount which is the higher of an asset's net selling price and value in use.

**j) Investments**

The Parent Company's investments in subsidiary companies are stated at cost less any expected credit loss for impairment and are shown in the Company's Statement of Financial Position.

**k) Share-based payments**

The Company makes share-based payments to certain Directors, employees and consultants by the issue of share options or warrants. The fair value of these payments is calculated either using the Black Scholes option pricing model or by reference to the fair value of the remuneration settled by way of the grant of such options or warrants. The expense is recognised on a straight-line basis over the period from the date of award to the date of vesting, based on the Company's best estimate of shares that will eventually vest.

**l) Foreign currency translation**

i Functional and presentational currency

Items included in the financial statements are shown in the currency of the primary economic environment in which the Company operates ("the functional currency") which is considered by the Directors to be the U.S Dollar. The exchange rate at 31 December 2023 was £1 / \$1.2715 (2022: £1 / \$1.2026).

ii Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Transactions in the accounts of individual Group companies are recorded at the rate of exchange ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates ruling at the year-end. All differences are taken to the statement of comprehensive income.

**m) Taxation**

i Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible on other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

ii Deferred taxation

Deferred income taxes are provided in full, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income taxes are determined using tax rates that have been enacted or substantially enacted and are expected to apply when the related deferred income tax asset is realised or the related deferred income tax liability is settled.

The principal temporary differences arise from depreciation or amortisation charged on assets and tax losses carried forward. Deferred tax assets relating to the carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

**n) Financial instruments**

The Group's Financial Instruments comprise of cash and cash equivalents, loans and receivables. There are no other categories of financial instrument.

i Cash and cash equivalents

Cash and cash equivalents are carried at cost and comprise cash in hand, cash at bank, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

ii Receivables

Receivables are measured at amortised cost unless the time value of money is immaterial. A provision for expected credit losses of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the expected credit losses is the difference between the assets' carrying amount and the recoverable amount. Expected credit losses for impairment of receivables are included in the statement of comprehensive income.

iii Payables

Payables are recognised initially at fair values and subsequently measured at amortised cost using the effective interest method.

**Financial liabilities and equity**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the asset of the Group after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received net of direct issue costs.

**o) Share capital**

Ordinary shares are classified as equity. Proceeds received from the issue of ordinary shares above the nominal value are classified as Share Premium. Costs directly attributable to the issue of new shares are shown in equity as a deduction from the Share Premium account.

**p) Provisions**

Provisions are recognised when the Group has a present obligation as a result of a past event and it is probable that the Group would be required to settle that obligation. Provisions are measured at the managements' best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

**q) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. The chief operating decision makers have been identified as the executive Board members.

**r) Leases**

The Group do not have any leases with a term of 12-months or more that contain an option to purchase or where the underlying asset has anything other than a low value and has elected for exemption to the reporting requirements of IFRS 16 (Leases).

**2. Critical accounting judgements and key sources of estimation uncertainty**

The preparation of financial statements in conformity with International Financial Reporting Standards requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Although these estimates are based on managements' best knowledge of current events and actions, actual results ultimately may differ from those estimates. IFRS also require management to exercise its judgement in the process of applying the Group's accounting policies.

The prime areas involving a higher degree of judgement or complexity, where assumptions and estimates are significant to the financial statements, are as follows:

**Recoverability of inter-company balances**

Determining whether inter-company investments and balances are impaired requires an estimation of whether there are any indications of expected credit losses that result in their carrying values not being recoverable, details of which are included in note 13. The Board believes that the carrying values at the year end are recoverable based primarily on the expected realisation value of the exploration assets even though they are unlikely to be repaid until the projects are successful and the subsidiaries start to generate revenues.

**Impairment of capitalised exploration and evaluation expenditure**

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether it successfully recovers the related exploration and evaluation asset through sale. Factors which could impact the future recoverability include the level of proved, probable and inferred resources, future technological changes which could impact the cost of drilling and extraction, future legal changes (including changes to environmental restoration obligations), changes to commodity prices and licence renewal dates and commitments.

To the extent that capitalised exploration and evaluation expenditure is determined to be irrecoverable in the future, this will reduce profits and net assets in the period in which this determination is made. In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage which permits reasonable assessment of the existence or otherwise of economically

recoverable reserves. To the extent that it is determined in the future that this capitalised expenditure should be written off, this will reduce profits and net assets in the period in which this determination is made. Details of impairments of capitalised exploration and evaluation expenditure during the year are included in note 12.

#### VAT receivable

At 31 December 2022 there remained three further appeals to the First-Tier Tax Tribunal by HMRC, which were yet to be heard. The two earlier appeals concerned time periods not covered by the original Tribunal decisions, to which HMRC had raised procedural objections which it latterly withdrew. These appeals were formally settled during 2023, resulting in a payment to the Company of \$422,359 (£351,212). The third more recent appeal concerns a revised assessment in respect of time periods covered by the Upper Tribunal's 21 May 2021 decision which was proved to be incorrect and upheld in favour of the Company. As such no further liability to HMRC for VAT exists and a VAT receivable was recognised within the financial statements, and received subsequent to the year-end.

#### Capital markets / going concern

The Group relies on the UK equities market and the market for equity participations in oil and gas exploration assets in order to raise the funds required to operate as a listed entity and complete the respective work programmes for its oil and gas exploration assets. From time to time, and especially in light of the repercussions of events in the Ukraine, general economic and market conditions may deteriorate to a point where it is not possible to raise equity finance to fund exploration projects, nor debt to develop projects.

Additional financing may therefore not be available to the Group restricting the scope of operations, risking both its long-term expansion programme, its obligations under contracts which may be withdrawn or terminated for non-compliance and ultimately the financial stability of the Group to continue as a going concern.

Please see note 1 (c) for a more detailed discussion of going concern matters.

#### Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black Scholes model and by reference to the value of the fees or remuneration settled by way of granting of warrants. The determination of fair value using the Black Scholes methodology is based on the input parameters chosen and will therefore contain an element of judgement and uncertainty. Details of share-based payment transactions are included in note 21.

### 3. Operating segments

The Group has two reportable operating segments: Africa and Head Office. Non-current assets and operating liabilities are located in Africa, whilst the majority of current assets are carried at Head Office. The Group has not yet commenced production and therefore has no revenue. Each reportable segment adopts the same accounting policies. In compliance with IFRS 8 'Operating Segments' the following table reconciles the operational loss and the assets and liabilities of each reportable segment with the consolidated figures presented in these Financial Statements, together with comparative figures for the year-ended 31 December 2022.

	Africa		Head Office		Total	
	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$
Administrative expenses <sup>1</sup>	(122,982)	(55,120)	551,670	(709,024)	428,688	(764,144)
Share-based payment charges	-	-	(337,358)	(242,896)	(337,358)	(242,896)
Financing costs	(596)	(641)	(544,930)	(1,441)	(545,526)	(2,082)
<b>Loss by reportable segment</b>	<b>(123,578)</b>	<b>(55,761)</b>	<b>(330,618)</b>	<b>(953,361)</b>	<b>(454,196)</b>	<b>(1,009,122)</b>
<b>Total assets by reportable segment <sup>2 / 3</sup></b>	<b>34,779,896</b>	<b>31,905,433</b>	<b>1,431,986</b>	<b>634,203</b>	<b>36,211,882</b>	<b>32,539,636</b>
<b>Total liabilities by reportable segment <sup>4</sup></b>	<b>(1,818,839)</b>	<b>(2,544,748)</b>	<b>(1,044,253)</b>	<b>(631,569)</b>	<b>(2,863,092)</b>	<b>(3,176,317)</b>

<sup>1</sup> Administrative expenses include \$1.2 million (2022: \$nil) of VAT provision write-backs



<sup>2</sup> Included within total assets of \$34.8 million (2022: \$32.5 million) are \$20.1 million Cameroon (2022: \$17.4 million), \$907k Namibia (2022: \$751k) and \$13.8 South Africa (2022: \$13.7 million)

<sup>3</sup> Carrying amounts of segment assets exclude investments in subsidiaries.

<sup>4</sup> Carrying amounts of segment liabilities exclude intra-group financing.

#### 4. Group operating (loss) / profit

	2023	2022
	\$	\$
Share-based payment charges included within staff costs	278,255	242,897
Share-based payment charges included within professional costs	59,103	51,228
Gain on foreign currencies	48,022	69,299
<b>An analysis of auditor's remuneration is as follows:</b>		
Fees payable to the Group's auditors for the audit of the Group and subsidiary annual accounts	65,856	57,136
Fees payable to the Group's auditors for non-audit assurance services	-	-
<b>Total audit fees</b>	<b>65,856</b>	<b>57,136</b>

#### 5. Employee information

The average monthly number of employees of the Group (including Directors) was:

	2023	2021
Head office	3	3
Africa	3	3
	<b>6</b>	<b>6</b>

Group employee costs during the year (including executive Directors) amounted to:

	2023	2022
	\$	\$
Share-based payment charges	278,255	242,897
	<b>278,255</b>	<b>242,897</b>

During 2023, no awards were made under the Group share incentive scheme.

Key management personnel include the executive and non-executive Directors whose remuneration comprised entirely non-cash share-based payment charges of \$278k (2022: \$290k); see Directors' Report for additional detail. During the year \$332k (2022: \$271k) of the full-year share-based payment charge of \$493k (2022: \$363k) related to employees and their remuneration as employees.

The highest paid Director was Jeremy Asher \$204k (2022: \$187k).

#### 6. Finance costs

During the year covered by these financial statements the Group incurred finance costs of \$545k (2022: \$2k) in connection with its equity fundraisings (see note 18). The Company incurred finance costs of \$545k (2022: \$2k).

#### 7. Taxation

2023	2022
\$	\$

<b>Current tax</b>		
UK Corporation tax	-	-
<b>Total current tax charge</b>	<b>-</b>	<b>-</b>
<i>The tax charge for the period can be reconciled to the loss for the year as follows:</i>		
Group loss before tax	454,196	996,438
Tax at the UK Corporation tax rate of 23.5% (2022: 19%)	(106,738)	(189,323)
<i>Tax effects of:</i>		
Expenses not deductible for tax purposes	71,721	46,150
Tax losses carried forward and not recognised as a deferred tax asset	35,017	143,173
<b>Current tax charge</b>	<b>-</b>	<b>-</b>

As of 1 April 2023, the main rate of UK corporation tax increased from 19% to 25%. As the company's financial year straddles this date, a blended corporation tax rate of 23.5% has been applied which is calculated by apportioning the two tax rates on a weighted basis for the proportion of the financial year for which each main tax rate was applicable.

## 8. Deferred tax

At the reporting date the Group had an unrecognised deferred tax asset of \$4.6 million (2022: \$4.8 million) relating to unused tax losses. No deferred tax asset has been recognised due to the uncertainty of future profit streams against which these losses could be utilised.

## 9. Parent company income statement

For the year-ended 31 December 2023 the Parent Company made a loss of \$1.3 million (2022: loss of \$312k) including financing costs of \$545k (2022: \$1k) and VAT provision movements of \$1.2 million (2022: \$nil). The Company charged finance interest on intercompany loan accounts of \$1.5 million (2022: \$536k) and fees with respect to the provision of strategic advice and support of \$172k (2022: \$105k). In accordance with the provisions of Section 408 of the Companies Act 2006, the Parent Company has not presented a statement of comprehensive income.

## 10. Loss / (profit) per share

The fully diluted weighted average number of shares in issue and to be issued as at 31 December 2023 is 6,405,097,403 (2022: 2,165,197,663). At 31 December 2023 the dilutive effect of share options outstanding was nil (2022: nil). At 31 December 2023 and 31 December 2022, the fully diluted loss per share has been kept the same as the basic loss per share because the conversion of share options and share warrants would decrease the basic loss per share and is thus anti-dilutive. The number of anti-dilutive shares that were excluded from this computation of profit per share was 9,382,490 (2022: 7,688,323).

	<b>Basic &amp; Diluted</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
(Loss) / profit for the year	(454,196)	(996,438)
Weighted average number of ordinary shares in issue during the year	6,405,097,403	2,165,197,663
Dilutive effect of share options outstanding	-	-
Fully diluted average number of ordinary shares during the year	6,405,097,403	2,165,197,663
(Loss) / profit per share (USc)	(0.01c)	(0.05c)

## 11. Property, plant and equipment

	<b>Group</b>	<b>Company</b>
<b>Year-ended 31 December 2023</b>	<b>\$</b>	<b>\$</b>
<b>Cost</b>		
At 1 January 2023	1,046	1,046

At 31 December 2023	1,046	1,046
<b>Depreciation</b>		
At 1 January 2023	1,046	1,046
At 31 December 2023	1,046	1,046
<b>Net book value</b>		
At 31 December 2023	-	-
At 31 December 2022	-	-
	<b>Group</b>	<b>Company</b>
<b>Year-ended 31 December 2022</b>	<b>\$</b>	<b>\$</b>
<b>Cost</b>		
At 1 January 2022	1,046	1,046
At 31 December 2022	1,046	1,046
<b>Depreciation</b>		
At 1 January 2022	1,046	1,046
At 31 December 2022	1,046	1,046
<b>Net book value</b>		
At 31 December 2022	-	-
At 31 December 2021	-	-

## 12. Intangible Exploration and Evaluation (E&E) assets

	Exploration and evaluation assets	Goodwill	Total
Year-ended 31 December 2023	\$	\$	\$
<b>Cost</b>			
At 1 January 2023	103,842,133	8,023,292	111,865,425
Additions during the year	2,937,253	-	2,937,253
<b>At 31 December 2023</b>	<b>106,752,824</b>	<b>8,023,292</b>	<b>114,776,116</b>
<b>Amortisation and impairment</b>			
At 1 January 2023	(72,008,462)	(8,023,292)	(80,031,754)
Impairment during the year	-	-	-
<b>At 31 December 2023</b>	<b>(72,008,462)</b>	<b>(8,023,292)</b>	<b>(80,031,754)</b>
<b>Net book value</b>			
<b>At 31 December 2023</b>	<b>34,770,924</b>	<b>-</b>	<b>34,770,924</b>
At 31 December 2022	31,833,671	-	31,833,671

	Exploration and evaluation assets	Goodwill	Total
Year-ended 31 December 2022	\$	\$	\$
<b>Cost</b>			
At 1 January 2022	100,788,853	8,023,292	108,812,145
Additions during the year	3,053,280	-	3,053,280
<b>At 31 December 2022</b>	<b>103,842,133</b>	<b>8,023,292</b>	<b>111,865,425</b>
<b>Amortisation and impairment</b>			
At 1 January 2022	(72,008,462)	(8,023,292)	(80,031,754)
Impairment during the year	-	-	-
<b>At 31 December 2022</b>	<b>(72,008,462)</b>	<b>(8,023,292)</b>	<b>(80,031,754)</b>
<b>Net book value</b>			
<b>At 31 December 2022</b>	<b>31,833,671</b>	<b>-</b>	<b>31,833,671</b>
At 31 December 2021	28,780,391	-	28,780,391

During the year the Group capitalised amounts totalling \$2.9 million (2022: \$3.1 million) with respect to the following assets:

	2023 \$	2022 \$
Cameroon	2,651,002	3,085,434
Namibia	156,851	383,193
South Africa	102,838	(415,347)
Total	2,910,691	3,053,280

The carrying values of E&E assets at the year end were:

	2023 \$	2022 \$
Cameroon	20,073,606	17,422,604
South Africa	13,789,397	13,659,997
Namibia	907,921	751,070
Total	34,770,924	31,833,671

#### *Cameroon*

The \$2.7 million of capitalised expenditure comprised ongoing NJOM-3 appraisal drilling preparation costs (geotechnical platform site survey plus the capitalised cost of operating the local office in Douala).

The Directors have not provided for any impairment of the Group's investment in the Thali license, because potential transactions and funding discussions with third parties and the Company's internal cash flow projections for the license support the Directors' view that the current carrying value is recoverable. Furthermore, the operating company, Tower Resources Cameroon SA, has applied for and been awarded an extension of the First Exploration Period of the license to 4 February 2025.

#### *Namibia*

The Group continued to make various licence commitment and training payments to the Government of the Republic of Namibia in addition to commencing basin modelling work and other work in line with the work programme commitments.

The Company's investment in the current license is currently \$908k (2022: \$751k), which appears well supported by the valuations implied by recent transactions in the region, allowing for the early stage of the evaluation and appraisal process. Furthermore, the Directors continue to believe firmly that the relatively modest amounts of expenditure incurred on acquiring and securing tenure to the licence is fully supported by their initial view of its prospectivity based on the information that is currently available

#### *South Africa*

In South Africa, Rift Petroleum Limited, Tower's wholly owned subsidiary, and its JV partner and operator New African Global Energy SA (Pty) Ltd, continued to work on planning the 3D seismic acquisition, the tendering and evaluation process for which is ongoing. The Petroleum Authority of South Africa ("PASA") formally approved the application to enter the second renewal period, submitted by the Operator NewAge Energy Algoa (Pty) Ltd, on 17 November 2020, having confirmed that the first renewal period work programme had been completed to its satisfaction. The second renewal period commits the JV to the acquisition of 700km of 2D seismic acquisition or the acquisition of 300km of 3D seismic. The minimum spend is \$5.0 million in total to the JV and this period will conclude upon the completion of the work programme, representing a commitment to acquire a minimum of 700km 2D or 300km of 3D seismic over the block. Acquiring the additional seismic data in 2024 is now unlikely to be possible, and as a result, the JV partners do not expect to acquire the new 3D seismic data over the block until 2025 at the earliest. The operator has told the Company that PASA accepts this position and merely requires that the seismic acquisition obligation is completed before the JV enters the next renewal period.

#### *Impairment*

In accordance with the Group's accounting policies and IFRS 6 'Exploration for and Evaluation of Mineral Resources' the Directors have reviewed each of the exploration license areas for indications of impairment. Having done so, it was concluded that a full impairment review was not required on the

Cameroon, South African or Namibian CGUs.

### 13. Investment in subsidiaries

Company	Loans to subsidiary undertakings \$	Shares in subsidiary undertakings \$	Total \$
<b>Cost</b>			
At 1 January 2023	85,721,514	32,216,739	117,938,253
Net advances during the year	5,383,583	-	5,383,583
<b>At 31 December 2023</b>	<b>91,105,097</b>	<b>32,216,739</b>	<b>123,321,836</b>
<b>Provision for impairment</b>			
At 1 January 2022	(64,862,126)	(19,908,973)	(84,771,099)
Provision for impairment	-	-	-
<b>At 31 December 2023</b>	<b>(64,862,126)</b>	<b>(19,908,973)</b>	<b>(84,771,099)</b>
<b>Net book value</b>			
<b>At 31 December 2023</b>	<b>26,242,970</b>	<b>12,307,766</b>	<b>38,550,737</b>
At 31 December 2022	20,859,388	12,307,766	33,167,154

Included within loans made to subsidiary undertakings during the year of \$5.3 million (2022: \$3.4 million) are amounts of \$4.3 million Cameroon (2022: \$2.5 million), \$402k South Africa (2022: \$158k), \$610k Rift Petroleum Holdings (2022: \$616k) and \$110k (2022: \$131k) Namibia.

Loans made by the parent company to subsidiary undertakings are interest-bearing in accordance with loan agreements made in 2015, and are repayable to the parent company on demand.

The subsidiary undertakings at the year-end are as follows (these undertakings are included in the Group accounts):

	Country of incorporation	Class of shares held	Proportion of voting rights held		Nature of business
	2023	2023	2023	2022	2023
Tower Resources Cameroon Limited <sup>1</sup>	England & Wales	Ordinary	100%	100%	Holding company
Tower Resources Cameroon SA <sup>2</sup>	Cameroon	Ordinary	100%	100%	Oil and gas exploration
Rift Petroleum Holdings Limited <sup>1</sup>	Isle of Man	Ordinary	100%	100%	Holding company
Rift Petroleum Limited <sup>3</sup>	Zambia	Ordinary	100%	100%	Oil and gas exploration
Rift Petroleum Limited <sup>3</sup>	Isle of Man	Ordinary	100%	100%	Oil and gas exploration
Tower Resources (Namibia) Holdings Limited <sup>1</sup>	England & Wales	Ordinary	100%	100%	Holding company
Tower Resources (Namibia) Limited <sup>4</sup>	England & Wales	Ordinary	100%	100%	Oil and gas exploration

<sup>1</sup> Held directly by the Company, Tower Resources plc

<sup>2</sup> Held directly or indirectly through Tower Resources Cameroon Limited

<sup>3</sup> Held directly or indirectly through Rift Petroleum Holdings Limited

<sup>4</sup> Held directly or indirectly through Tower Resources (Namibia) Holdings Limited

### 14. Trade and other receivables

	Group		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
Trade and other receivables	1,420,325	474,749	1,420,323	474,747

Trade and other receivables include VAT recoverable from HMRC on late appeals owed to the Company, which at the end of 2023 were \$632k (2022: \$422k), all amounts for which were repaid by HMRC in May 2024.

Also included are net amounts due on the settlement of shares placed on 18 December 2023 of \$759k, which was received in January 2024.

#### 15. Trade and other payables

	Group		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
Trade payables	291,647	195,776	186,626	28,451
Other payables	757,719	-	757,719	-
Accruals	1,782,761	2,436,039	66,945	58,618
	2,832,127	2,631,815	1,013,290	87,069

Included within other payables are amounts prepaid by EECF against shares not yet drawn down against the Share Placement Deed (see note 18).

Accruals include UK \$67k (2022: \$59k); Cameroon \$1.4 million (2022: \$2.1 million); Namibia \$221k (2022: \$167k) and South Africa \$128k (2022: \$190k) and comprise operational and other asset related costs due plus amounts payable to Ministerial bodies with respect to licence tenure, most of which have been settled subsequent to the year-end.

Group creditor payment days are approximately 30 days (2022: 32 days).

#### 16. Provision for liabilities and charges

	Group		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
VAT appeals	-	502,972	-	502,972
	-	502,972	-	502,972

At 31 December 2022 there remained three further appeals to the First-Tier Tax Tribunal by HMRC, which were yet to be heard. The two earlier appeals concerned time periods not covered by the original Tribunal decisions, to which HMRC had raised procedural objections which it latterly withdrew. These appeals were formally settled during 2023, resulting in a payment to the Company of \$422,359 (£351,212). The third more recent appeal concerns a revised assessment in respect of time periods covered by the Upper Tribunal's 21 May 2021 decision, which revised assessment was contested successfully by the Company. As such no further liability to HMRC for VAT exists or is recognised within the financial statements (see note 14 for VAT amounts receivable at the year-end).

#### 17. Borrowings

Total borrowings for the Group and Company are noted below.

	Group		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
Principal balance at beginning of year	41,088	59,532	41,088	59,532
Amounts drawn down during the year	-	-	-	-
Principal repaid during the year	(12,465)	(12,294)	(12,465)	(12,294)
Currency revaluations at year end	2,105	(6,149)	2,105	(6,149)
Principal balance at end of year	30,728	41,088	30,728	41,088

Financing costs at beginning of year	442	818	442	818
Changes to financing costs during the year	-	-	-	-
Interest expense	696	925	696	925
Interest paid during the year	(921)	(1,220)	(921)	(1,220)
Currency revaluations at year end	20	(81)	20	(81)
	237	442	237	442
Financing costs at the end of the year				
Carrying amount at end of period	30,965	41,530	30,965	41,530
Current	12,867	12,244	12,867	12,244
Non-current	18,098	29,286	18,098	29,286
PRINCIPAL REPAYMENT DATES				
	Group		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
Due within 1 year	12,867	12,244	12,867	12,244
Due within years 2-5	18,098	29,286	18,098	29,286
Due in more than 5 years	-	-	-	-
	30,965	41,530	30,965	41,530

Borrowing represent a 5-year Barclays Bounceback loan taken out in June 2021 and repayable in June 2026. During the year, the Group and Company entered into no new facilities (2022: \$nil).

## 18. Share capital

	2023	2022
	\$	\$
Authorised, called up, allotted and fully paid		
12,467,459,075 (2022: 3,554,437,955) ordinary shares of 0.001p	18,394,680	18,283,317

The share capital issues during 2023 are summarised as follows:

	Number of shares	Share capital at nominal value \$	Share premium \$
At 1 January 2023	3,554,437,955	18,283,317	152,336,303
Shares issued for cash	7,784,543,067	97,460	3,859,029
Shares issued on settlement of third party fees	1,128,478,053	13,903	298,593
Share issue costs	-	-	(327,454)
At 31 December 2023	12,467,459,075	18,394,680	156,166,470

In December 2022, the Company entered into a Share Placement Deed ("SPD") with Energy Exploration Capital Partners LLC ("EECP") under which EECP advanced \$1.3 million in January 2023 against subsequent share placements as outlined under the SPD. Following the initial placing, EECP could also invest, at the request of the Company, up to US\$1.8 million in the aggregate for Shares worth \$1.9 million. If required by the Company, a further \$3.0 million could have been raised for shares worth an equivalent amount, with EECP's consent. At the year-end \$758k remained owing to EECP. Shares totalling 1,313,021,120 were issued to EECP during 2023, and these are included in shares issued for cash (\$16k nominal value / \$776k share premium)

On 31 May 2023 the Company raised \$2.9 million by placing 4,600,000,000 shares for cash at 0.05 pence per share

pence per share.

On 18 December 2023 the Company raised \$760k by placing 3,000,000,000 shares for cash at 0.02 pence per share.

## 19. Reserves

Reserves within equity are as follows:

### Share capital

Amounts subscribed for share capital at nominal value.

### Share premium account

The share premium account represents the amounts received by the Company on the issue of its shares which were in excess of the nominal value of the shares.

### Retained losses

Cumulative net gains and losses recognised in the Statement of Comprehensive Income less any amounts reflected directly in other reserves.

## 20. Financial instruments

### Capital risk management and liquidity risk

Capital structure of the Group and Company consists of cash and cash equivalents held for working capital purposes and equity attributable to the equity holders of the Parent, comprising issued capital, reserves and retained losses as disclosed in the Statement of Changes in Equity. The Group and Company uses cash flow models and budgets, which are regularly updated, to monitor liquidity risk.

### Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each material class of financial asset, financial liability and equity instrument are disclosed in note 1 to the financial statements.

Due to the short-term nature of these assets and liabilities such values approximate their fair values at 31 December 2023 and 31 December 2022.

	Carrying amount / fair value	
	2023	2022
Group	\$	\$
<b>Financial assets (classified as loans and receivables)</b>		
Cash and cash equivalents	20,633	231,216
Trade and other receivables	1,420,325	474,749
<b>Total financial assets</b>	<b>1,440,958</b>	<b>705,965</b>
<b>Financial liabilities at amortised cost</b>		
Trade and other payables	2,832,127	2,631,815
Borrowings	30,965	41,530
<b>Total financial liabilities</b>	<b>2,863,092</b>	<b>2,673,345</b>

	Carrying amount / fair value	
	2023	2022
Company	\$	\$
<b>Financial assets (classified as loans and receivables)</b>		
Cash and cash equivalents	11,663	159,456
Trade and other receivables	1,420,323	474,747
Loans to subsidiary undertakings	26,242,971	20,859,388
<b>Total financial assets</b>	<b>27,674,957</b>	<b>21,493,591</b>



**Financial liabilities at amortised cost**

Trade and other payables	1,013,290	87,069
Borrowings	30,965	41,530
<b>Total financial liabilities</b>	<b>1,044,255</b>	<b>128,599</b>

**Financial risk management objectives**

The Group's and Company's objective and policy is to use financial instruments to manage the risk profile of its underlying operations. The Group continually monitors financial risk including oil and gas price risk, interest rate risk, equity price risk, currency translation risk and liquidity risk and takes appropriate measures to ensure such risks are managed in a controlled manner including, where appropriate, through the use of financial derivatives. The Group and Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

**Interest rate risk management**

The Group and Company borrowings carry a fixed interest rate of 1% per month and are therefore not exposed to any sensitivity risk.

**Interest rate sensitivity analysis**

The sensitivity analysis below has been determined based on the exposure to interest rates at the reporting date and assuming the amount of the balances at the reporting date were outstanding for the whole year.

A 100-basis point change represents management's estimate of a possible change in interest rates at the reporting date. If interest rates had been 100 basis points higher and all other variables were held constant the Group's profits and equity would be impacted as follows:

	<b>Group</b>		<b>Company</b>	
	<b>Increase</b>		<b>Increase</b>	
	<b>2023</b>	2022	<b>2023</b>	2022
	<b>\$</b>	\$	<b>\$</b>	\$
Cash and cash equivalents	4,013	1,122	3,311	782
Borrowings	366	500	366	500
	<b>4,379</b>	1,622	<b>3,677</b>	1,282

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates on classes of financial assets and financial liabilities, was as follows:

	<b>2023</b>	<b>2023</b>	2022	2022
	<b>Floating interest rate</b>	<b>Non-interest bearing</b>	Floating interest rate	Non-interest bearing
	<b>\$</b>	<b>\$</b>	\$	\$
Cash and cash equivalents	14,123	6,510	172,782	58,434

**Foreign currency risk**

The Group's and Company's reporting currency is the US dollar, being the currency in which the majority of the Group's revenue and expenditure is transacted. The US dollar is the functional currency of the Company and the majority of its subsidiaries. Less material elements of its management, services and treasury functions are transacted in pounds sterling. The majority of balances are held in US dollars with transfers to pounds sterling and other local currencies, as required to meet local needs. The Group does not enter into derivative transactions to manage its foreign currency translation or transaction risk as it does not believe such risks are material.

At the year-end the Group and Company maintained the following cash reserves:

<b>Group</b>	<b>Company</b>
2023	2022

	2023	2022	2023	2022
Cash and cash equivalents	\$	\$	\$	\$
Cash and cash equivalents held in US\$	2,167	55,874	2,167	55,874
Cash and cash equivalents held in GBP	11,149	156,448	9,496	103,582
Cash and cash equivalents held in XAF	2,460	13,326	-	-
Cash and cash equivalents held in other currencies	4,857	5,568	-	-
	20,633	231,216	11,663	159,456

### Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group or Company. The Group and Company reviews the credit risk of the entities that it sells its products to or that it enters into contractual arrangements with and will obtain guarantees and commercial letters of credit as may be considered necessary where risks are significant to the Group or Company.

The Group has cash and cash equivalents of \$21k as at 31 December 2023 (2022: \$231k). The cash and cash equivalents are held with financial institutions which are rated below. Wherever possible ratings are provided by Fitch Ratings, however, where no rating was available from either Fitch Ratings or either of the other major international credit rating agencies such as Standard & Poors or Moodys, the bank's local credit rating was used:

	Rating	Group		Company	
		2023	2022	2023	2022
Cash and cash equivalents		\$	\$	\$	\$
Barclays Bank plc	A+	11,663	159,456	11,663	159,456
Royal Bank of Scotland	A	6,510	58,434	-	-
First AfriLand Bank	No rating	2,081	12,947	-	-
BGFI Bank	A+	379	379	-	-
		20,633	231,216	11,663	159,456

## 21. Share-based payments

	2023	2022
	\$	\$
In the statement of comprehensive income the Group recognised the following charge with respect to its share-based payments	498,137	363,047

The share-based payments include the cost of warrants issued in respect of the company's equity financings and bridging loan, and also share-based payments for a number of services to the Group's various contractors and brokers and payments in lieu of Director fees.

### Options

Details of share options outstanding at 31 December 2023 are as follows:

	Number in issue
At 1 January 2022	392,000,000
Lapsed during the year	-
Awarded during the year	296,000,000
<b>At 31 December 2022</b>	<b>688,000,000</b>

Date of grant	Number in issue <sup>1</sup>	Option price (pence)	Latest exercise date
24 Jan 2019	70,000,000	1.250	24 Jan 2024
18 Dec 2020	86,000,000	0.450	18 Dec 2025
01 Apr 2021	88,000,000	0.450	01 Apr 2026
16 Aug 2022	148,000,000	0.300	16 Aug 2027

10 Aug 2022	140,000,000	0.000	10 Aug 2027
16 May 2023	268,000,000	0.100	15 May 2028
	660,000,000		

<sup>1</sup> These options vest in the beneficiaries in equal tranches on the first, second and third anniversaries of grant.

The following Directors held interests, directly or indirectly, in share options at the year-end:

	2023	2022
	No.	No.
Jeremy Asher	480,000,000	280,000,000
Total	480,000,000	280,000,000

## Warrants

Details of warrants outstanding at 31 December 2023 are as follows:

	Number in issue
At 1 January 2023	599,969,023
Awarded during the year	545,526,533
Lapsed during the year	(162,162,382)
<b>At 31 December 2023</b>	<b>983,333,174</b>

Date of grant	Number in issue	Warrant price (pence)	Latest exercise date
01 Oct 2018	4,687,500	1.575	30 Sep 2023
16 Apr 2019	90,000,000	1.000	14 Apr 2024
30 Jun 2019	4,285,714	1.000	28 Jun 2024
30 Jul 2019	3,000,000	1.000	28 Jul 2024
15 Oct 2019	10,990,933	0.500	13 Oct 2024
31 Mar 2020	49,816,850	0.200	30 Mar 2025
29 Jun 2020	19,719,338	0.350	28 Jun 2025
28 Aug 2020	78,616,352	0.600	28 Aug 2023
01 Oct 2020	10,960,907	0.390	30 Sep 2025
01 Dec 2020	4,930,083	0.375	30 Nov 2025
31 Dec 2020	12,116,316	0.450	30 Dec 2025
01 Apr 2021	16,998,267	0.450	31 Mar 2026
01 Jul 2021	24,736,149	0.250	30 Jun 2026
01 Oct 2021	16,233,765	0.425	30 Sep 2026
01 Jan 2022	17,329,020	0.425	01 Jan 2027
01 Apr 2022	19,851,774	0.263	01 Apr 2027
01 Jul 2022	16,831,240	0.295	01 Jul 2027
03 Oct 2022	26,114,205	0.250	03 Oct 2027
01 Aug 2022	10,588,228	0.425	31 Jul 2024
15 Feb 2023	29,114,906	0.175	15 Feb 2028
02 May 2023	43,053,960	0.143	01 May 2028
16 May 2023	112,500,000	0.100	16 May 2026
03 Jul 2023	128,571,426	0.050	02 Jul 2028
18 Dec 2023	65,000,000	0.040	18 Dec 2026
02 Oct 2023	167,286,241	0.050	01 Oct 2028
	983,333,174		

The following table shows the interests of the Directors in the share warrants in issue at 31 December:

	2023	2022
	No.	No.
Jeremy Asher	333,341,403	217,875,279
Paula Brancato	96,981,488	33,238,104
Mark Enfield	95,137,640	31,394,256
Total	525,460,531	282,507,639

The weighted average exercise price of the share warrants was 0.28p (2022: 0.59p) with a weighted average contractual life of 2.8 years (2022: 1.8 years). At 31 December 2023 and 2022 all warrants had fully vested.

In its Statement of Comprehensive Income, the Company recognised share-based payment charges of \$337k (2022: \$294k).

In compliance with the requirements of IFRS 2 on share-based payments, the fair value of options or warrants granted during the year is calculated using the Black Scholes option pricing model. For this purpose, the volatility applied in calculating the above charge varied between 20% and 100% (2022: 20% and 111%), depending upon the date of grant, and the risk-free interest rate was 0.50% (2022: 0.50%) and the Dividend Yield was nil% for 2023 and 2022.

The Company's share price ranged between 0.02p and 0.2p (2022: 0.2p and 0.4p) during the year. The closing price on 31 December 2023 was 0.03p per share (2022: 0.2p). The weighted average exercise price of the share options was 0.4p (2022: 0.5p) with a weighted average contractual life of 3.1 years (2022: 3.3 years). The total number of options vested at the end of the year was 214.7 million (2022: 185.3 million).

## 22. Related party transactions

Related party transactions include both transactions between group companies and the Directors of the Company, and also intercompany transactions within the Group.

The key management of the Group comprises the Directors of the Company. Except as disclosed, there are no transactions with the Directors other than their remuneration and interests in shares, share options and warrants. As noted in the Directors' Report, Pegasus Petroleum Ltd ("Pegasus"), a company owned and controlled by Jeremy Asher, received \$466k (2022: \$381k) in fees for management services. Further information on Directors' remuneration is detailed in the Directors' Report and their total remuneration in each of the categories specified in IAS 24 'Related Party Disclosures' is shown below:

	Group		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
Fees charged by companies associated with Jeremy Asher <sup>1</sup>	567,649	381,428	-	-
Share-based payments	278,254	242,896	278,254	242,896
Finance interest on Group intercompany loan accounts	1,487,503	536,375	1,487,503	536,375
Fees charged within the Group in respect of the provision of strategic advice and support by the parent	172,135	104,911	172,135	104,911
	2,505,541	1,265,610	1,937,892	884,182

<sup>1</sup> Charged by Pegasus Petroleum Limited ("Pegasus"), a company registered in the Channel Islands, to Rift Petroleum Holdings Limited, a wholly owned subsidiary of Tower Resources plc and registered in the Isle of Man. Pegasus Petroleum Limited ("Pegasus") is owned and controlled by a family trust of which Jeremy Asher is the settlor and lifetime beneficiary.

The following amounts were owed by subsidiary undertakings at the balance sheet date:

	Rift Petroleum Holdings Limited (\$000)	Rift Petroleum Limited (\$000)	Tower Resources (Namibia) Holdings Limited (\$000)	Tower Resources Namibia Limited (\$000)	Tower Resources Cameroon Limited (\$000)	Tower Resources Cameroon SA (\$000)	TOTAL (\$000)
2023	3,225	2,287	16	472	4	20,238	26,242
2022	2,616	1,885	18	362	6	15,974	20,861

### 23. Control

The Company is under the control of its shareholders and not any one party.

### 24. Leases and capital commitments

The Group is committed to funding the following exploration expenditure commitments as at 31 December 2023

	Country	Interest	2024	2025 onwards
Cameroon Thali <sup>1</sup>	Cameroon	100%	\$2.80 million	\$5.60 million
South Africa Algoa-Gamtoos <sup>2</sup>	South Africa	50%	-	\$3.45 million
Namibia Blocks 1910A, 1911 and 1912B <sup>3</sup>	Namibia	80%	-	\$4.50 million
			\$2.80 million	\$13.55 million

<sup>1</sup> Extension granted to February 2025

<sup>2</sup> Period ends on completion of work programme commitments

<sup>3</sup> First period expiration November 2024, extendable to November 2025

### 25. Subsequent events

**4 January 2024:** Share issuance in accordance with the terms of the investment deed with EEPC announced on 16 January 2023, of 440,567,445 ordinary shares of 0.001 pence each. The purchase price of 0.0225 pence per Ordinary Share for the settlement amount of \$125,000 had been prepaid by EEPC.

**4 January 2024:** Issue of 350.9 million warrants in lieu of £60,000 (in aggregate) of Directors fees in respect of the period January-June 2024, to conserve the Company's working capital. The warrants are exercisable at a strike price of 0.03 pence per share. The warrants are exercisable for a period of five years from the date of issue.

**8 February 2024:** The Company received formal notification from the Minister of Mines, Industry and Technological Development in Cameroon of the extension of the First Exploration Period of the Thali production-sharing contract to 4th February 2025, in accordance with the Company's PSC and the Cameroon Petroleum Code, and with the approval of the President of the Republic of Cameroon. The Company's principal obligation during the First Exploration Period is the drilling of a single well which the Company intends to fulfil through the drilling of the NJOM-3 well during 2024.

**9 February 2024:** Share issuance in accordance with the terms of the investment deed with EEPC announced on 16 January 2023, of 396,825 ordinary shares of 0.001 pence each. The purchase price of 0.021 pence per Ordinary Share for the settlement amount of \$105,000 had been prepaid by EEPC.

**15 February 2024:** The Company reached an agreement for the repayment of the outstanding balance owed to EEPC, in accordance with the terms of the investment deed announced to the market on 16 January 2023. In addition, the Company also announced a Subscription to raise £600,000 via the issue of 3,333,333,333 shares at a price of 0.018p per share.

In addition to the events above, subsequent to the year-end the Company received notice that the third of its appeals to the First-Tier Tax Tribunal had been successful, resulting in a release of the remaining VAT provision and the receipt of remaining receivables.

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