Company Registration No. 05542880 (England and Wales)

29 September 2023

Scirocco Energy plc

(“Scirocco” or the “Company”)

UNAUDITED CONSOLIDATED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2023

Contents

Operational highlights

Scirocco Energy (AIM: SCIR), the AIM investing company targeting attractive assets within the European sustainable energy and circular economy markets, is pleased to announce its unaudited interim results for the six months ended 30 June 2023.

Period Highlights:

- In line with the Investing Policy approved at AGM in July 2021, the Company continued to support Energy Acquisitions Group Limited ("EAG"), where Scirocco has a 50% ownership interest, to identify additional investment opportunities building on the acquisition by EAG of 100% of Greenan Generation Limited ("GGL") and associated 0.5 MWe Anaerobic Digestion ("AD") plant located in County Londonderry, Northern Ireland. AD is a process that creates biogas, a renewable energy source that will help the UK deliver on its decarbonization commitments

- During the period, GGL has seen lower average wholesale power prices than the same period in 2022 and experienced reduced operational uptime driven by an intermittent fault. These effects were partially offset by higher ROC payments linked to inflation adjustments
  - Revenue for H1 2023 was £574k compared to £544k for the same period in 2022, an increase of 5.5% year on year.
  - EBITDA for H1 2023 was £151k compared to £202k for the same period in 2022 reflecting lower average wholesale prices and operational interruptions and a general increase to the plant service and feedstock contracts.
- The Company continued to engage with Tanzanian government authorities to progress the completion of the divestment of its 25% working interest in the Ruvuma asset following the agreement with ARA Petroleum Tanzania announced on 31st August 2022. The total consideration for the sale is up to $16 million:
  - Initial consideration of US$3 million payable on completion of the sale, which is expected during October 2023;
  - US$3 million payable upon final investment decision being taken by the parties to the Ruvuma Asset Production Sharing Agreement or the JOA as the case may be, which given progress made to date at the asset is expected to be received by year end 2023;
  - Deferred consideration of up to US$8 million payable in the form of a 25% net revenue share from the point when Ruvuma commences delivery of gas to the gas buyer;
  - Contingent consideration of US$2 million payable on gross production reaching a level equal to or greater than 50Bcf.

- The Company announced on 2 March 2023 that significant progress had been achieved by the operator APT to deliver first gas from the Ruvuma field by the end of 2023;

- The approval process has taken longer than originally anticipated and the Company announced on 25 May 2023 that it had agreed with its counterparty APT to extend the longstop date to 31 August 2023 to provide additional time to achieve the necessary government consents;

- The Prolific Basins financing facility outstanding balance was settled in full during the period through cash instalments paid in connection with the Amendment and Repayment plan announced on 11 October 2022. The facility is now fully repaid;

- The Company disposed of part of its remaining shareholding in Helium One realizing c.

£142k in proceeds during the period;

- As part of an ongoing focus on ensuring that the Company has the correct board composition to support the implementation of the investment policy Muir Miller and Don Nicolson submitted their notice to step down from the board and Niall Roberts, a candidate recommended by the Company's largest shareholder GP Jersey was appointed to the board on 1st March 2023 and Matt Bower, GP Jersey's appointed representative, was appointed to the board on 27th April 2023;
- Continued the Company's focus on cost discipline and cash preservation in order to deliver completion of Ruvuma; and
- Held cash at 30 June 2023 of £295k

Post Period Highlights:

- On 12 July 2023 the Company provided an operational update regarding the Ruvuma asset noting the significant progress made by the JV in the development of the Ruvuma license which provides improved clarity regarding the timing of contingent payments under the sale arrangements between ARA Petroleum Tanzania and Scirocco.
- On 3 August 2023, The Company announced that it had received the tax clearance certificate relating to the Ruvuma transaction from the Tanzanian Revenue Authority.
- The company successfully recovered 1 million Helium One shares which had been "trapped" after Pello Capital entered administration in October 2022. These shares were sold during August 2023 delivering net proceeds of c. £75k.
- On 29 August 2023, the Company announced that whilst significant progress had been made delivering the necessary approvals from the relevant Tanzanian government authorities it had agreed with its counterparty APT to extend the longstop for the Ruvuma transaction to 30 September 2023 to allow sufficient time to achieve the final approval from the Minster of Energy.
- On 28 September 2023, the Company announced that whilst it was actively engaged with Tanzanian government authorities including the Ministry of Energy to deliver the necessary approvals required to complete the transaction, it had agreed with its counterparty APT to extend the longstop for the Ruvuma transaction to 20 October 2023 to allow sufficient time to achieve the final approval from the Minister of Energy.

Commenting on the Interim Results, Alastair Ferguson, Non-Executive Chairman said:

The first half of 2023 has seen the Company continue to focus on selling its legacy natural resources assets to provide capital to invest within target assets in the European sustainable energy and circular economy markets.

Although the sale of its legacy interest in Ruvuma has taken longer than originally anticipated to complete, we are now focused on delivering completion. The proceeds of the divestment - both at completion and any future contingent payments - will be available for reinvestment in assets which comply with the company's investment policy.

With the imminent completion of the Ruvuma sale, the company is expected to accrue cash resources over the coming months supporting new investment activities.

We now look forward to engaging with stakeholders to deliver the investment plan going forward."

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 ("MAR").

<u>**For further information:**</u>

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Chairman's statement

Introduction

I am pleased to be providing this statement in my capacity as Non-Executive Chairman of Scirocco. At the end of 2022, the Company had navigated a challenging year where it secured an agreement to sell its principle legacy asset – Ruvuma – and engaged with stakeholders about the implications of this linked to its new investment policy. The terms of that agreement resulted in a firm consideration for Scirocco, with contingent elements taking the total consideration up to a potential $16m of proceeds. This was a transformative event for the Company, realizing value from a legacy investment that no longer fit within Scirocco's agreed investment policy, and providing cash that could be deployed into low-risk, cash generative opportunities in line with the stated strategy.

Since then the Company has been focused on delivering the completion of the Ruvuma divestment and also tidying up legacy issues such as the repayment of the Prolific Basins facility, the recovery and sale of its remaining shares in Helium One and evolution of the composition of the board.

With the imminent completion of Ruvuma the Company now expects to accrue cash over the coming months as a result of contingent payments linked to progress of the development of Ruvuma towards first gas – transforming the balance sheet and providing liquidity to deliver the Company's long-term growth objectives.

As I have said previously, the Board is committed to grow value for all shareholders by the most appropriate investment of Company resources on a risk adjusted basis. With the completion of Ruvuma I look forward to engaging with shareholders to agree and progress towards this objective, ensuring stakeholder alignment as we embark on the next chapter of the Company's story.

Strategy and Business Development

With the progress made in divesting legacy assets the Board restates Scirocco's objective to build a portfolio of cash generative assets within the following three core areas:

- Energy – assets which generate energy for sale through sustainable or renewable means in the form of biogas or electrical power;
- Circular – assets which recover a valuable component of an industrial, municipal or agricultural waste stream for re-use, generally reducing the system carbon footprint in parallel; and
- Vector – assets involved in the storage, transmission, or delivery of energy within a low carbon context.

The Board believes it will offer Shareholders and investors exposure to an asset portfolio with an attractive risk/reward profile within the sustainable energy ecosystem. Over time, the Board believes shareholder value can be delivered through operational improvement, driving improved profitability; reinvestment of cash flow to fund further acquisition; the periodic refinancing of the portfolio as it grows, supporting lower cost asset finance; and ultimately the payment of a regular dividend.

Outlook

During the first half of 2023 the primary focus within Scirocco has been on delivering the completion of the sale of the Company's Ruvuma interest to APT. In addition the team have continued to work with EAG on the development of the AD portfolio including support on due diligence on one asset. We believe that Scirocco's experience of working with EAG ratifies our investment thesis and shows how the Company can work with investee companies to grow value.

We look forward to assessing the range of opportunities open to the Company taking account of its expected cash position going through the remainder of 2023 and into 2024 and engaging with shareholders/stakeholders to agree the optimal path to creating value.

Alastair Ferguson
Non-Executive Chairman

Date: 29 September 2023

Investment Update

Energy Acquisitions Group Limited

The Company invested in EAG in September 2021 to support the acquisition of Greenan Generation Limited ("GGL").

Financial

In H1 2023 the revenue received for the period by GGL totalled £574k (unaudited). This compares to the same period in 2022 where revenue was £544k (unaudited). EBITDA for H1 2023 was £151k.

The lower EBITDA level was driven by an intermittent fault with the incoming power line causing ancillary equipment to fail. This resulted in lower uptime, lower power export and increased costs for repair works. The issue has now been addressed and preventative investments made to ensure this will not re-occur.

Operational

During H1 2023, Greenan experienced a mix bag in terms of performance, primarily due to an intermittent frequency fluctuation issue between April and June. This had the effect of causing failures in pumps, drives and ancillary control panels on the Greenan plant. The incoming power supply from the DNO substation was found to be the fault, and subsequently, Greenan has undertaken an electrical futureproofing scheme to ensure that all of its panels and drives are protected from frequency fluctuations in future. This period saw substantial upgrade work to electrical infrastructure including:

- All incoming cable upgraded to armored cable;
- All drives protected with voltage and frequency fluctuation devices; and
- Upgrade and replacement of auger, pump and mixer drives in main control panel.

During H1 2023, electricity pricing to Greenan stabilized around £90 per MWhr, a significant average reduction from £163 per MWhr in the same period last year. Turnover for the H1 2023 was £574k with corresponding EBITDA of £151k. April, May and June had average operational efficiencies of 81% but otherwise efficiencies in the period have been strong at over 95%.

Given the electrical upgrade works carried out, it is not expected that any underperformance due to electrical failures or complications will be repeated.

Business Development

Throughout H1 2023, EAG identified a number of investable projects which met its investment criteria. Due to the extended time to complete the Ruvuma divestment and the absence of a suitable authority to issue shares to raise investment capital, Scirocco is unable to support further investment until the completion of Ruvuma is delivered. As a result the Company is aware that EAG has engaged with other prospective investors who can support further acquisitions.

Helium One

At 1 January 2023 Scirocco held 2,906,088 shares in Helium One, 1 million of which were the subject of ongoing recovery discussions with the Pello Capital administrator, Evelyn Partners.

Within the period, 1,906,088 shares in Helium One were sold for an average price of 7.5p/share.

After the end of the period 1,000,000 shares in Helium One were delivered to Scirocco following consultation with Evelyn Partners pursuant to the options exercised by the Company in 2021. These shares were sold during August 2023 at an average price of 7.5p/share delivering net proceeds of c. £75,000.

Scirocco's remaining holding in Helium One is nil shares.

Tom Reynolds
Chief Executive Officer

Date: 29 September 2023

Principal risks and uncertainties

The principal risks facing the Company were set out in the Company's Annual Report and Accounts to 31 December 2022

As the investment policy is implemented, the Company's risk profile will continue to evolve due to its exposure to different assets and markets, and a full statement of risks will be published in subsequent Annual Report and Accounts.

On behalf of the board

Alastair Ferguson
Non-Executive Chairman

Date: 29 September 2023

Directors' responsibilities

The Directors are responsible for preparing the Interim Report in accordance with applicable law and regulations.

Company law requires the Directors to prepare Company financial statements for each financial year. Under AIM Rules for Companies of the London Stock Exchange they are required to prepare the Company financial statements in accordance with International Financial Reporting Standards in conformity with the requirements of the Companies Act 2006. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. The Directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on AIM.

Company law requires the Directors to prepare Company financial statements for each financial year. Under AIM Rules for Companies of the London Stock Exchange they are required to prepare the Company financial statements in accordance with International Financial Reporting Standards (IFRSs) in conformity with the Companies Act 2006.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with IFRS; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Website publication

The Directors are responsible for ensuring the annual report and the financial statements are made available on the Company's website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Six months ended 30 June 2023 (Unaudited)	Six months ended 30 June 2022 (Unaudited)
Continuing operations		**£ 000**	**£ 000**
Administrative expenses	**6**	(971)	(733)
Share of loss from joint venture		(40)	-
Loss before investment activities		**(1,011)**	**(733)**
Interest income	**5**	73	65
Gain on disposal of shares	**8**	16	57
Costs to sell investments		(27)	(30)
Exchange gain/(loss)		136	72
Fair value through profit and loss		(21)	27
(Loss)/profit on ordinary activities before taxation		**(834)**	**(542)**
Income tax expense		**-**	**-**
Total comprehensive (loss)/profit for the period from continuing operations		**(834)**	**(542)**
Discontinued operations			
Profit/(loss) recognised on classification as held for sale	**9**	221	1,314
Profit/(loss) for the period from discontinuing operations		**221**	**1,314**
Profit and total comprehensive income for the period		**(613)**	**772**
Total comprehensive income attributable to owners of the parent		**(613)**	**772**
Earnings per share (pence)			
Basic	**10**	(0.07)	0.10
Diluted			0.10
Earnings per share from continuing operations	**10**		
Basic		(0.09)	(0.07)
Diluted			
Earnings per share from discontinued operations	**10**		
Basic		0.02	0.17
Diluted		0.02	0.17

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 June 2023 (Unaudited)	As at 31 December 2022 (Audited)
		£ 000	£ 000
Non-current assets			
Loan receivable from related party		1,522	1,448
Investment in joint venture	**13**	-	40
Total non-current assets		**1,522**	**1,488**
Current assets			
Trade and other receivables	**15**	134	210
Cash and cash equivalents		295	750
Financial assets at fair value through profit or loss	**11**	58	273
Assets held for sale	**14**	11,445	10,715
Total current assets		**11,932**	**11,948**
Total assets		**13,454**	**13,436**
Current liabilities			
Trade and other payables	**16**	487	224
Liabilities held for sale	**14**	3,478	3,110
Total current liabilities		**3,965**	**3,334**
Net current assets		**7,967**	**8,614**
Total liabilities		**3,965**	**3,334**
Net assets		**9,489**	**10,102**
Equity			
Share capital	**17**	1,801	1,801
Deferred share capital	**17**	1,831	1,831
Share premium reserve	18	38,408	38,408
Share-based payments	**19**	2,071	2,071
Retained earnings		(34,622)	(34,009)
Total equity		**9,489**	**10,102**

CONDENSED STATEMENT OF CHANGES IN EQUITY

	Share capital	Deferred share capital	Share premium	Share-based payments	Retained earnings	Total
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
Balance at 31 December 2021	**1,518**	**2,729**	**38,155**	**1,941**	**(29,194)**	**15,149**
Profit for the period	-	-	-	-	772	772
Credit to equity for equity-settled share-based payments	-	-	-	119	-	119
Balance at 30 June 2022	**1,518**	**2,729**	**38,155**	**2,060**	**(28,422)**	**16,040**
Loss for the period	-	-	-	-	(5,587)	(5,587)
Issue of share capital	283	-	253	-	-	536
Consideration received for shares to be issued	-	(898)	-	-	-	(898)
Credit to equity for equity-settled share-based payments	-	-	-	11	-	11
Balance at 31 December 2022	**1,801**	**1,831**	**38,408**	**2,071**	**(34,009)**	**10,102**
Profit for the period	-	-	-	-	(613)	(613)
Balance at 30 June 2023	**1,801**	**1,831**	**38,408**	**2,071**	**(34,622)**	**9,489**

CONDENSED INTERIM STATEMENT OF CASH FLOWS

		Six months ended 30 June 2023 (Unaudited)	Six months ended 30 June 2022 (Unaudited)
		£ 000	£ 000
Cash flows from operating activities			
Cash absorbed by continuing operations	**25**	(487)	(580)
Interest paid		(20)	-
Net cash outflow from operating activities		**(507)**	**(580)**
Cash flows from investing activities			
Cash movements in relation to assets held for sale		(509)	(381)
Proceeds from disposal of investments		193	-
Loan granted to related party		-	(70)
Net cash (outflow)/inflow from investing activities		**(316)**	**(451)**
Cash flows from financing activities			
Proceeds of long-term borrowings		368	**-**
Net cash (outflow)/inflow from financing activities		**368**	**-**
Net (decrease)/increase in cash and cash equivalents		(455)	(1,031)
Cash and cash equivalents at beginning of period		750	2,059
Cash and cash equivalents at end of period		**295**	**1,028**

NOTES TO CONDENSED INTERIM FINANCIAL INFORMATION

1 BASIS OF PREPARATION

The financial information has been prepared under the historical cost convention and on a going concern basis and in accordance with International Financial Reporting Standards and as applied in accordance with the provisions of the Companies Act 2006. The principal accounting policies adopted by the Company are set out below.

The condensed interim financial information for the period ended 30 June 2023 has not been audited or reviewed in accordance with the International Standard on Review Engagements 2410 issued by the Auditing Practices Board. The figures were prepared using applicable accounting policies and practices consistent with those adopted in the statutory accounts for the year ended 31 December 2022. The figures for the year ended 31 December 2022 have been extracted from these accounts, which have been delivered to the Registrar of Companies, and contained an unqualified audit report.

The condensed interim financial information contained in this document does not constitute statutory accounts. In the opinion of the Directors the financial information for this period fairly presents the financial position, result of operations and cash flows for this period.

This Interim Financial Report was approved by the Board of Directors on 29 September 2023.

Statement of compliance

These condensed company interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union with the exception of International Accounting Standard ('IAS') 34 – Interim Financial Reporting. Accordingly, the interim financial statements do not include all of the information or disclosures required in the annual financial statements and should be read in conjunction with the Company's 2022 annual financial statements.

2 ADOPTION OF NEW AND REVISED STANDARDS

The accounting policies adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2022, except for the adoption of new standards effective as of 1 January 2023. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

IFRS 17	Insurance contracts
IAS 1 and IFRS Practice Statement 2	Disclosure of accounting policies
IAS 8 (Amendments)	Definition of accounting estimates
IAS 12 (Amendments)	Deferred tax related to assets and liabilities arising from a single transaction
IFRS 16 (Amendments)	Liability in a Sale and Leaseback
IAS 1 (Amendments)	Classification of liabilities as current or non-current - deferral of effective date
IAS 1 (Amendments)	Non-current liabilities with covenants

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Company makes estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed below.

Share-based payments (note 17)

The Company utilised an equity-settled share-based remuneration scheme for employees. Employee services received, and the corresponding increase in equity, are measured by reference to the fair value of the equity instruments at the date of grant, excluding the impact of any non-market vesting conditions. The fair value of share options is estimated by using Black-Scholes valuation method as at the date of grant. The assumptions used in the valuation are described in note 17 and include, among others, the expected volatility, expected life of the options and number of options expected to vest.

Recoverability of trade receivables (note 14)

The Company considers the recoverability of trade receivables to be a key area of judgement. The Company considers trade receivables to be credit impaired once there is evidence a loss has been incurred. An expected credit loss is calculated on an annual basis. The Directors believe that the debtor is still recoverable based on their knowledge of the market in Tanzania and historical evidence of similar receivables being paid. The Directors have recognised the asset as they believe they are still legally entitled to receive it. The Tanzanian Government have a history of building up receivables with other companies and billing them at a future date.

NOTES TO CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

4 OPERATING SEGMENTS

Based on risks and returns, the Directors consider that the primary reporting format is by business segment. The Directors consider that there are two business segments:

- Head office support from the UK
- Discontinued operations on its investments in Tanzania

6 months to 30 June 2023	Continuing Operations UK £000	Discontinued Operations Tanzania £000	Total £000
Administrative expenses	(971)	-	(971)
Share of loss in joint venture	(40)	-	(40)
Interest income	73	-	73
Other gains and losses	125	221	346
Fair value through profit and loss	(21)	-	(21)
Profit/(loss) from operations per reportable segment	(834)	221	(613)
Additions to non-current assets	74	-	74
Reportable segment assets	1,935	11,445	13,380
Reportable segment liabilities	487	3,478	3,965

6 months to 30 June 2022	Continuing Operations UK £000	Discontinuing Operations Tanzania £000	Total £000
Administrative expenses	(733)	-	(733)
Interest income	65	-	65
Other gains and losses	99	1,314	1,413
Fair value through profit and loss	27	-	27
Profit/(loss) from operations per reportable segment	(542)	1,314	772
Additions to non-current assets	27	-	27
Reportable segment assets	3,078	13,295	16,373
Reportable segment liabilities	(202)	(166)	(368)

An operating segment is a distinguishable component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's chief operating decision maker to make decisions about the allocation of resources and assessment of performance and about which discrete financial information is available.

NOTES TO CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

5 REVENUE

	6 months to 30 June 2023 £000	6 months to 30 June 2022 £000
Other significant revenue		
Interest income	73	65

Trade receivables accrue interest for non-payment. Outstanding debtors accrue interest at a rate in accordance with the joint venture agreement and are generally on terms of 30 days. In 2023, there is a provision of £nil (June 2022: £nil) for expected credit losses on trade receivables.

Interest income relates to interest charged on outstanding invoices.

6 EXPENSES BY NATURE

	6 months to 30 June 2023 £000	6 months to 30 June 2022 £000
Continuing operations		
Fees payable to the Company's auditor for the audit of the Company's financial statements	(31)	(22)
Professional, legal, and consulting fees	(430)	(291)
AIM related costs including investor relations	(31)	(44)
Accounting-related services	(98)	(73)
Travel and subsidence	(2)	(7)
Office and administrative expenses	(64)	(9)
Other expenses	(107)	-
Share-based payments	-	(119)
Directors' remuneration	(173)	(133)
Wages and salaries and other related costs	(35)	(35)
	(971)	(733)

NOTES TO CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

7 EMPLOYEES

	6 months to 30 June 2023	6 months to 30 June 2022
Average number of employees (excluding executive directors):	1	1

	6 months to 30 June 2023 (unaudited) £000	6 months to 30 June 2022 (unaudited) £000
Their aggregate remuneration comprised:		
Wages and salaries	22	22

	6 months to 30 June 2023 (unaudited) £000	6 months to 30 June 2022 (unaudited) £000
Directors' remuneration	173	133

	Salary and fees £000	Share-based payments £000	Termination payments £000	Total £000
Period ended 30 June 2023				
Alastair Ferguson	38	-	-	38
Tom Reynolds	75	-	-	75
Donald Nicolson	25	-	-	25
Muir Miller	20	-	-	20
Niall Roberts	8	-	-	8
Matt Bower	7	-	-	7
	173	-	-	173

	Salary and fees £000	Share-based payments £000	Termination payments £000	Total £000
Period ended 30 June 2022				
Alastair Ferguson	37	25	-	62
Tom Reynolds	75	25	-	100
Donald Nicolson	13	37	-	50
Muir Miller	8	20	-	28
Douglas Rycroft	-	12	-	12
Niall Roberts	-	-	-	-
Matt Bower	-	-	-	-
	133	119	-	252

From February 2020, the Directors opted to defer their salaries with payments resuming from 2022. Shares in lieu of salary will be issued for deferred amounts (note 17).

No directors received pension contributions in H1 2023 or 2022.

NOTES TO CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

8 OTHER GAINS AND LOSSES

	6 months to 30 June 2023 £000	6 months to 30 June 2022 £000
Gain on disposal of Helium One shares	16	57
	16	57

9 DISCONTINUED OPERATIONS

The Company has a 25% interest in a high-quality development project in Tanzania which the Directors are actively seeking to divest. This stake has been valued at $16m and operations relating to this stake are detailed below.

The results of the discontinued business, which have been included in the income statement, balance sheet and cash flow statement, were as follows:

	6 months to 30 June 2023 £000	6 months to 30 June 2022 £000
Impairment credit on fair value revaluation	221	1,314
Net profit/(loss) attributable to discontinuation	221	1,314

The profit after tax on disposal of the assets held for sale is made up as follows:

	£000
Fair value less costs to sell	7,986
Net book value of assets disposed:	
Intangible assets	(18,877)
Oil and gas properties	(380)
Loan to ARA Petroleum	3,292
Decommissioning provision	166
Impairment on fair value revaluation at 31 December 2022	8,034
	(7,765)
Impairment on fair value revaluation at 30 June 2023	221

Earnings per share impact from discontinued operations:

	6 months to 30 June 2023 £000	6 months to 30 June 2022 £000
Basic and diluted impact (pence)	0.02	0.17

NOTES TO CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

9 DISCONTINUED OPERATIONS (CONTINUED)

Cash flow statement

	6 months to 30 June 2023 £000	6 months to 30 June 2022 £000
Net cash flows from investing activities	(509)	(381)
Total cash flows from discontinued operations	(509)	(381)

10 EARNINGS PER SHARE

The calculation of earnings per share is based on the loss after taxation divided by the weighted average number of shares in issue during the period:

	Six months to 30 June 2023 (Unaudited)	Six months to 30 June 2022 (Unaudited)
Weighted average number of ordinary shares for basic profit/loss per share (000)	900,496	758,790
Weighted average number of ordinary shares for diluted profit/loss per share (000)	1,022,703	758,790
	£000	**£000**
Earnings		
Continuing operations		
(Loss)/profit for the period from continued operations	(834)	(542)
Discontinued operations		
Profit/(loss) for the period from discontinued operations	221	1,314
Basic earnings per share (pence)		
From continuing operations	(0.09)	(0.07)
From discontinuing operations	0.02	0.17
	(0.07)	0.10
Diluted earnings per share (pence)		
From continuing operations	-	-
From discontinuing operations	0.02	0.17

As the inclusion of the potential ordinary shares would result in a decrease in the loss per share, they are anti-dilutive and, as such, a diluted loss per share is not included.

11 INVESTMENTS

Quoted Equity Investments

Cost	**30 June 2023 £000**	**31 December 2022 £000**
Quoted equity investments	58	206
Unquoted equity investments	-	67
	58	273

The quoted investments in the current year relate to an equity investment held in Helium One Ltd, a company incorporated in the British Virgin Islands. Their subsidiaries hold helium mining licenses across Tanzania.

The shares held have been valued at the mark-to-market value of 5.75p per share at 30 June 2023. During the period to 30 June 2023, the Company disposed of 1,906,088 shares. On disposal of the shares the investment was revalued to the mark-to-market value on the various dates of disposal and a subsequent gain or loss recognised.

Unquoted Equity Investments

Cost	**£000**
At 1 January 2022	125
Remeasurement	(58)
At 31 December 2022	67
Disposal	
At 31 December and 30 June 2023	(67)
Carrying amount	
At 30 June 2023	-

The unquoted investments in the current period relate to an equity investment held in Corallian Energy Limited, a company incorporated in England which holds interests in oil and gas basins in the United Kingdom.

12 SUBSIDIARIES

Details of the company's subsidiaries at 30 June 2023 are as follows:

Name of undertaking	**Registered office**	**Principal activities**	**Class of shares held**	**% held Direct**
Scirocco Energy International Limited	1 Park Row, Leeds, United Kingdom, LS1 5AB	Dormant Holding Company	Ordinary	100.00
Scirocco Energy (UK) Limited	1 Park Row, Leeds, United Kingdom, LS1 5AB	Investment Holding Company	Ordinary	100.00

The results of all subsidiaries are included within the consolidated results of Scirocco Energy plc.

Under section 479A of the Companies Act 2006, Scirocco Energy PLC agrees that Scirocco Energy (UK) Limited is exempt from audit. Under section 479C, Scirocco Energy PLC guarantees all outstanding liabilities for the subsidiary.

13 JOINT VENTURES

The Group has a 50% (2022: 50%) interest in joint venture, Energy Acquisitions Group Limited, a company incorporated in Northern Ireland. The primary activity of Energy Acquisitions Group Limited is to acquire and finance renewable energy assets in the United Kingdom.

The Group's interest in EAG is accounted for using the equity method in the consolidated financial statements. Summarized financial information of the joint venture, and reconciliation with the carrying amount of the investment in the consolidated financial statements at 30 June 2022 are set out below:

Name of undertaking	Registered office	Principal activities	Class of shares held	% held Direct
Energy Acquisitions Group Limited	32 Lodge Road, Coleraine, Northern Ireland, BT52 1NB	Investment in renewable energy assets	Ordinary	50.00

Energy Acquisitions Group Limited consolidated summary statement of financial position (unaudited)

	2023 £000	2022 £000
Non-current assets	3,039	2,960
Current assets	493	593
Current liabilities	(98)	(113)
Non-current liabilities	(3,290)	(3,360)
The following amounts have been included in the amounts above		
Cash and cash equivalents	223	326
Current financial liabilities	(98)	(113)
Non-current financial liabilities	(3,290)	(3,360)
Net assets (100%)	144	80
Group share of net assets (50%)	72	40

Energy Acquisitions Group Limited consolidated summary profit and loss account (unaudited)

	2023 £000	2022 £000
Revenue	574	1,414
Direct costs	(318)	(561)
Overhead and administrative expenses	(205)	(297)
Interest payable and similar expenses	(135)	(334)
Profit for the financial year	(84)	222
The following amounts have been included in the amounts above		
Depreciation and amortization	33	62
Interest income	-	-
Interest expense	135	334
Income tax expense	-	-

There were no dividends received from the joint venture during the year and there are no dividends forecast.

The joint venture had no contingent liabilities or commitments as at 30 June 2023 and 2022. The financial statements of the JV are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group. Presentation of the summarized financial information has been made on the basis of the Joint Venture's published financial statements.

NOTES TO CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

14 ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE

	30 June 2023	31 December 2022
	£000	£000
Intangible assets	11,445	10,714
Total assets classified as held for sale	11,445	10,714
Loan	3,312	2,944
Decommissioning provision	166	166
	3,478	3,110

At the date of authorization of these interim financial statements, it was determined that a sale would be highly probable, following the approval of shareholders at the general meeting on 29 June 2022.

15 TRADE AND OTHER RECEVIABLES

	30 June 2023	31 December 2022
	£000	£000
Other receivables	91	96
Less provision for expected credit losses	-	-
	91	96
VAT recoverable	32	74
Prepayments	11	40
	134	**210**

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value.

16 TRADE AND OTHER PAYABLES

	30 June 2023	31 December 2022
	£000	£000
Trade payables	100	38
Accruals	384	65
Other payables	3	121
	487	**224**

The Directors consider that the carrying amount of trade payables approximates to their fair value.

NOTES TO CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

17 SHARE CAPITAL

		Number of shares	Nominal value £000
a)	**Called up, allotted, issued and fully paid: Ordinary shares of 0.2 pence each**		
	As at 31 December 2021	758,787,925	1,518
	24 January 2022 – placing for cash at 0.72 pence	20,465,467	40
	18 March 2022 – placing for cash at 0.54 pence	28,490,028	57
	6 May 2022 – placing for cash at 0.46 pence	17,459,747	35
	21 July 2022 – placing for cash at 0.28 pence	30,369,291	61
	27 September 2022 – placing for cash at 0.20 pence	44,923,630	90
At 31 December 2022 and 30 June 2023		900,496,088	1,801

		30 June 2023 £000	31 December 2022 £000
b)	**Deferred shares**		
	At beginning of the period	1,831	2,729
	Shares not issued moved to deferred share capital	-	19
	Issue of new shares	-	(556)
	Cash settlement of shares not issued	-	(180)
	Reclassify shares not issued as current liability		(181)
		1,831	1,831

c) Total share options in issue

During the period no incentive options were granted (2022: nil). As at June 30 2022 there were 51,419,781 incentive options in issue (2022: 51,419,781).

During the period there were no share options in lieu of salary and/or fees due to the relevant option holders were granted (2022: 10,193.284). As at 30 June 2023 there were 54,246,990 share options in lieu of salary and/or fees in issue (2022: 44,053,706).

d) Total warrants in issue

All warrants lapsed in the prior year and no warrants were issued, cancelled or exercised during the period (2022: no warrants were issued).

18 SHARE PREMIUM ACCOUNT

	30 June 2023 £000	31 December 2022 £000
At beginning of the period	38,408	38,399
Issue of new shares	-	253
	38,408	38,408

19 SHARE BASED PAYMENT

The Company has opted to remunerate the Directors for the period to 30 June 2022 by a grant of an option over the Ordinary Shares of the capital of the Company as detailed in the deed of option grants. The life of the options is 18 months. There were 3 executive directors and 2 non-executive directors who are members of the plan. The following table summarizes the expense recognized in the Statement of Comprehensive Income since the options were granted.

	30 June 2023	**31 December 2022**
	£000	**£000**
Directors' options	-	32
Incentive options	-	87
Credit to equity for equity-settled share-based payments	**-**	**119**

During June 2020 (and the height of the Covid-19 pandemic) the Company sought to put in place a strategy that would help to conserve the Company's cash position in the near term and to maximise alignment between the Board, Management team and Shareholders.

Accordingly, the Company proposed to grant nominal cost options over new Ordinary Shares of 0.2p (£0.002) to Directors and select members of the Management Team ("the Director Options"). The award of Director Options ceased in August 2022 and the total options issued up to this date were 70,787,245.

In 2021, members of the Management Team were also awarded options over Ordinary Shares with an exercise price of 1.3p (£0.013) ("the Incentive Options"), which was approximately a 24% premium to the closing mid-market price of the Company's Ordinary Shares on 26June 2020. Each Incentive Option is ordinarily exercisable on the 3rd anniversary of the grant date (being 30 June 2023), except in the event of specified corporate events or, exceptionally, if the option holder leaves as a 'good leaver'. No further Incentive Options were awarded in the period ended June 2023 or in the year ended December 2022.

The Company used the Black-Scholes model to determine the value of the incentive options and the inputs. There were no incentive share options for the period ended 30 June 2023. The value of the options and the inputs for the period ended 30 June 2023 were as follows:

	Issue 30 June 2020 Incentive options
Share price at grant (pence)	1.09
Exercise price at grant (pence)	1.30
Expected volatility (%)	84.42
Expected life (years)	6
Risk free rate (%)	0.17
Expected dividends (pence)	nil

Expected volatility was determined using the Company's share price for the preceding 3 years.

The total share-based payment expense in the period for the Company was £nil in relation to the issue of incentive options (2022: £86,806) and £nil finance charges in relation to warrants (2022: £nil).

The Incentive Options granted represent approximately 6.8% of the Company's issued share capital (excluding warrants issued to Prolific Basins LLC). The Board has retained additional headroom for additional Incentive Options as it recognises that the future performance of the Company will be dependent on its ability to retain the services of key executives.

NOTES TO CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

20 FINANCIAL INSTRUMENTS

Categories of financial instruments
The following table combines information about:

- Classes of financial instruments based on their nature and characteristics; and
- The carrying amounts of financial instruments

	30 June 2023 £000	31 December 2022 £000
Financial assets at amortised cost		
Other debtors	91	96
Prepayments	11	40
Cash and cash equivalents	295	750
Loan receivable from related party	1,522	1,448
	1,919	**2,334**

	Book value 30 June 2023 £000	Fair value 30 June 2023 £000	Book value 31 Dec 2022 £000	Fair value 31 Dec 2022 £000
Financial assets at fair value				
Non-current investment – Helium One	58	58	206	206
Non-current investment – Corallian Energy Limited	-	-	67	67
	58	**58**	**273**	**273**

	30 June 2023 £000	31 December 2022 £000
Financial liabilities at amortised cost		
Trade payables	100	38
Accruals	384	65
Other payables	3	121
	487	**224**

The table below analyses financial instruments carried at fair value, by valuation method.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair values for the Company's assets and liabilities are not materially different from their carrying values in the financial statements.

The following table presents the Company's financial assets that are measured at fair value:

	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Non-current investment – Helium One	58	-	-	58
	58	-	-	58

20 FINANCIAL INSTRUMENTS (CONTINUED)

The Company does not have any liabilities measured at fair value. There have been no transfers in to or transfers out of fair value hierarchy levels in the period.

Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm’s length basis. The quoted market price used for financial assets held by the Company is the current bid price.

Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. No investments are valued using level 2 inputs in the period.

Financial instruments in level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Following the guidance of IFRS 9, these financial instruments have been assessed to determine the fair value of the instrument. In their assessment, the Directors have considered both external and internal indicators to decide whether an impairment charge must be made or whether there needs to be a fair value uplift on the instrument.

The carrying value of the Company's financial assets and liabilities measured at amortised cost are approximately equal to their fair value. The Company is exposed through its operations to one or more of the following financial risks:

- Fair value or cash flow interest rate risk
- Foreign currency risk
- Liquidity risk
- Credit risk
- Market risk
- Expected credit losses

Policy for managing these risks is set by the Board. The policy for each of the above risks is described in more detail below.

Fair value and cash flow interest rate risk

Generally, the Company has a policy of holding debt at a floating rate. The Directors will revisit the appropriateness of this policy should the Company’s operations change in size or nature. Operations are not permitted to borrow long-term from external sources locally.

Foreign currency risk

Foreign exchange risk arises because the Company has operations located in various parts of the world whose functional currency is not the same as the functional currency in which the Company’s investments are operating. The Company’s net assets are exposed to currency risk giving rise to gains or losses on retranslation into sterling. Only in exceptional circumstances will the Company consider hedging its net investments in overseas operations as generally it does not consider that the reduction in volatility in net assets warrants the cash flow risk created from such hedging techniques.

20 FINANCIAL INSTRUMENTS (CONTINUED)

The Company's exposure to foreign currency risk at the end of the reporting period is summarized below.

	30 June 2023	31 December 2022
	$000	$000
	USD	USD
Trade and other receivables	115	116
Cash and cash equivalents	372	878
Trade and other payables	-	-
Net exposure	487	994

Sensitivity analysis

As shown in the table above, the Company is primarily exposed to changes in the GBP:USD exchange rate through its cash balance held in USD and trading balances. The table below shows the impact in GBP on pre-tax profit/loss of a 10% increase/decrease in the GBP:USD exchange rate, holding all other variables constant.

	30 June 2023	31 December 2022
	£000	£000
GBP:USD exchange rate increases 10%	32	136
GBP:USD exchange rate decreases 10%	(30)	(69)

Liquidity risk

The liquidity risk of each entity is managed centrally by the treasury function. Each operation has a facility with treasury, the amount of the facility being based on budgets. The budgets are set locally and agreed by the Board annually in advance, enabling the cash requirements to be anticipated. Where facilities of the Group need to be increased, approval must be sought from the finance Director. Where the amount of the facility is above a certain level, agreement of the Board is needed.

All surplus cash is held centrally to maximize the returns on deposits through economies of scale. The type of cash instrument used, and its maturity date will depend on the forecast cash requirements.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts presented are the undiscounted cash flows.

	Less than 6 months	6 to 12 months	Between 1 and 2 years	Between 2 and 5 years
	£000	£000	£000	£000
30 June 2023				
Trade and other payables	487	-	-	-
Total	487	-	-	-
31 December 2022				
Trade and other payables	224	-	-	-
Total	224	-	-	-

20 FINANCIAL INSTRUMENTS (CONTINUED)

Credit risk

The Company is mainly exposed to credit risk from credit sales. It is Company policy, implemented locally, to assess the credit risk of new customers before entering contracts. Such credit ratings are taken into account by local business practices.

The Company does not enter into complex derivatives to manage credit risk, although in certain isolated cases may take steps to mitigate such risks if it is sufficiently concentrated.

Market risk

As the Company invests in listed companies, the market risk will be that of finding suitable investments for the Company to invest in and the returns that those investments will yield given the markets in which investments are made.

Expected credit losses

Allowances are recognized as required under the IFRS 9 impairment model and continue to be carried until there are indicators that there is no reasonable expectation of recovery.

For trade and other receivables which do not contain a significant financing component, the Company applies the simplified approach. This approach requires the allowance for expected credit losses to be recognized at an amount equal to lifetime expected credit losses. For other debt financial assets, the Company applies the general approach to providing for expected credit losses as prescribed by IFRS 9, which permits for the recognition of an allowance for the estimated expected loss resulting from default in the subsequent 12-month period. Exposure to credit loss is monitored on a continual basis and, where material, the allowance for expected credit losses is adjusted to reflect the risk of default during the lifetime of the financial asset should a significant change in credit risk be identified.

Most the Company's financial assets are expected to have a low risk of default. A review of the historical occurrence of credit losses indicates that credit losses are insignificant due to the size of the Company's clients and the nature of the services provided. The outlook for the oil and gas industry is not expected to result in a significant change in the Company's exposure to credit losses. As lifetime expected credit losses are not expected to be significant the Company has opted not to adopt the practical expedient available under IFRS 9 to utilize a provision matrix for the recognition of lifetime expected credit losses on trade receivables. Allowances are calculated on a case-by-case basis based on the credit risk applicable to individual counterparties.

Exposure to credit risk is continually monitored to identify financial assets which experience a significant change in credit risk. In assessing for significant changes in credit risk the Company makes use of operational simplifications permitted by IFRS 9. The Company considers a financial asset to have low credit risk if the asset has a low risk of default; the counterparty has a strong capacity to meet its contractual cash flow obligations in the near term; and no adverse changes in economic or business conditions have been identified which in the longer term may, but will not necessarily, reduce the ability of the counterparty to fulfil its contractual cash flow obligations. Where a financial asset becomes more than 30 days past its due date additional procedures are performed to determine the reasons for non-payment to identify if a change in the exposure to credit risk has occurred.

Should a significant change in the exposure to credit risk be identified the allowance for expected credit losses is increased to reflect the risk of expected default in the lifetime of the financial asset. The Company continually monitors for indications that a financial asset has become credit impaired with an allowance for credit impairment recognised when the loss is incurred. Where a financial asset becomes more than 90 days past its due date, additional procedures are performed to determine the reasons for non-payment to identify if the asset has become credit impaired.

20 FINANCIAL INSTRUMENTS (CONTINUED)

The Company considers an asset to be credit impaired once there is evidence that a loss has been incurred. In addition to recognizing an allowance for expected credit loss, the Company monitors for the occurrence of events that have a detrimental impact on the recoverability of financial assets. Evidence of credit impairment includes, but is not limited to, indications of significant financial difficulty of the counterparty, a breach of contract or failure to adhere to payment terms, bankruptcy or financial reorganization of a counterparty or the disappearance of an active market for the financial asset. A financial asset is only written off when there is no reasonable expectation of recovery.

The Company employs the simplified approach to make an estimate of ECL. There are no outstanding balances as at 30 June 2023 resulting in an ECL of £nil in the current year.

21 RELATED PARTY TRANSACTIONS

The only transactions between the Company and related parties are between the parent and its subsidiaries, relating to a loan from parent to Scirocco (UK) limited, and interest charged on this loan. Details of Director's remuneration, being key personnel, are given in note 7. The company did not enter into any other transactions with entities having shared or related directors during the periods presented.

22 ULTIMATE CONTROLLING PARTY

In the opinion of the Directors there is no controlling party.

23 COMMITMENTS

As at 30 June 2023, the Company had no material commitments (31 December 2022: £nil).

24 RETIREMENT BENEFIT SCHEME

The Company operates only the basic pension plan required under UK legislation, contributions thereto during the period amounted to £nil (31 December 2022: nil).

25 CASH GENERATED BY OPERATIONS

	30 June 2023 £000	30 June 2022 £000
Profit/(loss) for the period from continuing operations	(834)	(542)
Profit/(loss) for the period for discontinuing operations	221	1,314
Adjustments for:		
Finance costs	-	-
Exchange movement	2	-
Revaluation of investments to mark-to-market value	22	(81)
(Profit)/loss on fair value revaluation of available for sale assets	(221)	(1,314)
Interest accrued on loan to related party	(73)	(65)
Equity settled share-based payment expense	-	119
Share of loss in joint venture	40	
Movements in working capital:		
(Increase)/decrease in trade and other receivables	76	(35)
Increase in trade and other payables	280	24
Cash absorbed by operations	**(487)**	**(580)**

26 EVENTS AFTER THE REPORTING DATE

Ruvuma Operations Update

On 12 July 2023 the Company provided an operational update regarding the Ruvuma asset noting the significant progress made by the JV in the development of the Ruvuma license which provides improved clarity regarding the timing of contingent payments under the sale arrangements between ARA Petroleum Tanzania and Scirocco.

Highlights:

- Following analysis of the results of the initial 3D seismic processing and interpretation, the JV partners have chosen a new optimal target location of the Chikumbi-1 well ("CH-1"). The Tanzanian authorities have given provisional approval of the new CH-1 well pad location and final written approval is expected imminently.

- The full processing of the 3D seismic data is now complete. Given the vast volume of data acquired, interpretation is now due to be completed in Q4 2023, which may result in a full revision of gas reserve and resource potential for the field.

- A well-workover of the Ntorya-1 well ("NT-1"), to enable rapid tie-in to the gas production facilities and bring the well into early production requires the use of a drilling rig and remains scheduled to run after the drilling of CH-1.

- The Gas Sales Agreement ("GSA") in respect of the Ntorya Gas Field has now been agreed among the JV partners and the Tanzania Petroleum Development Corporation ("TPDC"). Signing of the GSA will take place upon approval by the Attorney General's Office.

- The Field Development Plan ("FDP") for the development of the Ntorya Area has now been approved by all parties.

- The Development Licence for the Ntorya Area has been approved by all relevant Tanzanian authorities and has been submitted to the Cabinet of Ministers for final authorisation.

26 EVENTS AFTER THE REPORTING DATE (CONTINUED)

- The Tanzanian authorities have continued with the necessary workstreams to progress the construction of the export pipeline from Ntorya to the Madimba Gas Plant to accommodate gas, according to recent public reports, by December 2023.

- APT recently received the first shipment of long lead items, including tubulars, required for the spudding of the CH-1 well.

- The two-week well-testing programme on the Ntorya-2 well ("NT-2"), designed to provide additional information required for the design of in-field processing facilities, and originally scheduled for late March 2023, is now expected to run in the coming months.

Ruvuma Transaction Update – Tax Clearance Received

On 3 August 2023, The Company announced that it had received confirmation from the Tanzania Revenue Authority ("TRA") of the assessed tax liability of c. £150k, which was in line with the Company's expectations, and which has now been paid by the Company. The TRA issued a Tax Clearance Certificate to Scirocco on 3rd August 2023 representing a major milestone towards final completion.

Scirocco then wrote to the Tanzanian Minister for Energy to obtain the final approval of the transfer of the licence interest to APT. On receipt of this approval, all conditions precedent to the transaction will be satisfied and Scirocco and its counterparty ARA Petroleum Tanzania can proceed to complete the transaction by the amended long stop date.

Ruvuma Transaction Update – longstop date extension

On 29 August 2023, the Company announced that whilst significant progress had been made delivering the necessary approvals from the relevant Tanzanian government authorities it had agreed with its counterparty APT to extend the longstop for the Ruvuma transaction to 30 September 2023 to allow sufficient time to achieve the final approval from the Minister of Energy.

Helium One Shares Recovered and Sold

During August 2023, the Company successfully recovered 1 million Helium One shares which had been “trapped” after Pello Capital entered administration in October 2022. These shares were sold during August 2023 delivering net proceeds of c. £75k.

Ruvuma Transaction Update – longstop date extension

On 28 September 2023, the Company announced that whilst significant progress had been made delivering the necessary approvals from the relevant Tanzanian government authorities it had agreed with its counterparty APT to extend the longstop for the Ruvuma transaction to 20 October 2023 to allow sufficient time to achieve the final approval from the Minister of Energy.

27 A COPY OF THIS INTERIM STATEMENT IS AVAILABLE ON THE COMPANY’S WEBSITE: www.sciroccoenergy.com.