26 September 2024

REABOLD RESOURCES PLC

("Reabold" or the "Company")

Unaudited Interim Results for the Six Months Ended 30 June 2024

Reabold Resources plc (AIM: RBD), the investing company focussed on developing strategic gas projects for European energy security, announces its unaudited interim results for the six months ended 30 June 2024. The results are included below and are also available at www.reabold.com.

Highlights

- Cash and cash equivalents up 41% at £7.6 million as at 30 June 2024, compared with £5.4 million as at 31 December 2023.

- Final tranche cash proceeds of £4.4 million for the sale of Corallian, received from Shell in January 2024.

- In August 2024, agreed to further increase interest in LNEnergy Limited ("LNEnergy") taking Reabold's total shareholding to approximately 27.1% of LNEnergy's enlarged share capital. LNEnergy is the manager of LNEnergy S.R.L., the Italian company which has applied for the Colle Santo gas field concession, a highly material gas resource with an estimated 65Bcf of 2P reserves[1].

- Execution of a non-binding Heads of Agreement between Gunvor International B.V. ("Gunvor") and LNEnergy for the purchase of Liquified Natural Gas ("LNG") by Gunvor from LNEnergy from the Colle Santo gas field.
    - HoA provides for a potential prepayment for a portion of the first five years of deliveries to help fund the development.

- At West Newton, a Gas Export Feasibility study completed by independent energy consultants, CNG Services Limited, concluded that as a precursor to the intended West Newton full field development, an initial single well development and gas export plan can accelerate production and cash flow whilst requiring limited capital expenditure, giving the joint venture ("JV") partnership the ability to drill future wells out of cash flow. See Review of Operations section below for further details.
    - The single well development plan benefits from early cash generation with the ability to drill future wells out of cash flow. Following drilling and testing of this horizontal well, first gas is expected after 18 months with an associated development capex estimated to be c.£12 million.

- The North Sea Transition Authority ("NSTA") approved a revised work programme for PEDL 183 onshore UK, which contains the West Newton field. The JV partnership for PEDL 183 is expected to approve a forward plan, which will initially consist of the re-entry and recompletion of an existing West Newton well in order to establish sustained gas flow. The JV partnership believes this is a low risk and low cost approach to derisk the project.

[1] RPS estimate, September 2022

Sachin Oza and Stephen Williams, Co-CEOs of Reabold, commented:

"*Reabold enters the second half of the year with a strong balance sheet and a number of exciting catalysts on the horizon.*

The Company is excited by the potential of the Colle Santo gas project, which holds significant gas reserves, and the regulatory process continues to be encouraging. We are pleased LNEnergy has established a strong relationship with Gunvor in the context of a gas offtake partner.

"*The revised work programme for PEDL 183 confirms that significant value can be unlocked at West Newton through the early production plan, which is technically robust and economically attractive due to a low capex requirement, and the JV remains focused on delivering this strategic UK gas project.*

"*We look forward to replicating the success of the Corallian sale elsewhere in the portfolio as we carry out the Reabold strategy to create value for shareholders."*

Enquiries:

Reabold Resources plc	c/o Camarco
Sachin Oza	+44 (0) 20 3757 4980
Stephen Williams	
Strand Hanson Limited – Nominated & Financial Adviser	+44 (0) 20 7409 3494
James Spinney	
James Dance	
Rob Patrick	
Cavendish - Broker	+44 (0) 20 7220 0500
Neil McDonald	
Pearl Kellie	
Camarco	
Billy Clegg	+44 (0) 20 3757 4980
Rebecca Waterworth	reaboldenquiries@camarco.co.uk
Sam Morris	

Forward looking statements

This disclosure contains certain forward-looking statements with respect to the business of Reabold and certain of the plans and objectives of Reabold that involve substantial known and unknown risks and uncertainties. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will or may occur in the future and are outside the control of Reabold. Actual results or outcomes, may differ materially from those expressed in such statements, depending on a variety of factors, including: the impact of general economic conditions where Reabold operates, industry conditions, changes in consumer preferences and societal expectations, the pace of development and adoption of alternative energy solutions, changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced, increased competition, the timing of bringing new fields onstream, fluctuations in foreign exchange or interest rates, stock market volatility, the success or otherwise of partnering, Reabold's access to future credit resources, and other risk factors discussed in Reabold's 2023 Annual Report. Accordingly, no assurances can be given that any of the events anticipated by the forward looking statements will transpire or occur, or if any of them do so, what benefits, including the amount of proceeds, that Reabold will derive therefrom.

Review of Operations

LNEnergy – Colle Santo gas field, Italy

Following the Company's further purchase of shares in LNEnergy announced on 20 August 2024, Reabold holds a 27.1% stake in LNEnergy (26.1% as at 30 June 2024). LNEnergy's primary asset is an exclusive option over a 90% interest in the onshore Colle Santo gas field in Abruzzo, Italy. LNEnergy may exercise the option at any time until 1 February 2025. The exercise price is US$11 million. With 65bcf of 2P reserves, as estimated by RPS as of 30 September 2022, this is a highly material undeveloped onshore gas resource. Reabold believes this is the largest onshore proven undeveloped gas field in mainland Western Europe. The field is development ready subject to permits and approvals. Two wells have already been drilled and are available for production, with no additional drilling being required. The development will consist of a small-scale LNG facility to produce initially at 10mmcf/d from the existing two wells with over 20 years of ultimate production. LNEnergy believes that the field has the potential to generate an estimated €11-12 million of gross post-tax free cash flow per annum.

Demand for LNG is expected to continue to grow. LNG is critical to the energy transition and plays an important role in enabling countries to replace higher carbon-intensive forms of energy. The Italian government approved a decree, which was converted into law in February 2024, to boost the country's renewable energy production and energy security. The decree provides incentives to build renewable power plants and prioritise onshore LNG projects which are deemed strategically essential; the release of new licences for the exploitation of gas fields aimed at providing gas to industries with high gas consumption, at competitive prices; and incentives for carbon dioxide storage programmes.

The Company also notes that LNEnergy's application for concession has been recognised by the Italian Ministry of Environment and Energy Security ("MASE") as a project that meets the requirements of the Italian government's National Integrated Plan for Energy and Climate and National Plan for Economic Recovery, for which €12 billion in grants and economic incentives have been made available by executive decree.

On 2 May 2024, Reabold announced the execution of a non-binding Heads of Agreement ("HoA") between Gunvor and LNEnergy for the purchase of LNG by Gunvor from LNEnergy from the Colle Santo gas field. The HoA provides the terms on which Gunvor would purchase LNG from LNEnergy at its planned small-scale LNG production facility at the Colle Santo gas field and envisages Gunvor purchasing approximately 44,000 tonnes of LNG per annum. The point of sale would be the truck loading flange at the small-scale LNG plant, and the LNG would then be delivered by truck in Italy. The price for the LNG would be aligned with the Italian PSV price and the contract term would be for an indefinite period with a minimum term of five years.

The HoA also provides for a potential prepayment by Gunvor for a portion of the first five years of deliveries, with such amounts subject to prepayment being a total of approximately 66,000 tonnes of LNG, or 999,000 MWh. The average forward Italian PSV gas price for the years 2025-2030, at the time of executing the HoA, was approximately €30 / MWh. The prepayment is conditional on agreeing definitive transaction documentation and LNEnergy obtaining the required permits to construct and operate the LNG production facility and will help fund the development.

On the basis of the HoA, LNEnergy and Gunvor intend to negotiate a fully-termed LNG sale and purchase agreement over the next three months. During such time, LNEnergy will exclusively discuss the sale and purchase of LNG from Colle Santo with Gunvor, whilst concurrently focusing its efforts on obtaining the required permits to construct and operate the LNG production facility.

In August 2024, Reabold announced it had increased its interest in LNEnergy by a further 1.0% through the subscription of 17 new LNEnergy ordinary shares for a cash consideration of approximately £205,000, at a price of £12,047 per share. This takes Reabold's total shareholding to approximately 27.1% of LNEnergy's enlarged share capital. LNEnergy also agreed to grant Reabold a warrant (the "Warrant") to subscribe in cash, at the Company's sole discretion, for a further approximately £747,000 worth of new LNEnergy ordinary shares at a price of £12,047 per share. The Warrant has an exercise period of six months and, if exercised, would take Reabold's shareholding in LNEnergy to approximately 30.6% of its enlarged share capital.

UK Onshore

Rathlin Energy (UK) Limited and West Newton – PEDL 183

West Newton is an onshore hydrocarbon discovery located north of Hull, England. To date, three wells have been drilled at West Newton (A-1, A-2 and B-1Z) confirming a major discovery – potentially one of the largest hydrocarbon fields discovered onshore UK. Rathlin Energy (UK) Limited ("Rathlin") is the operator of the licence and holds a 66.67% interest. Reabold holds a 59.5% shareholding in Rathlin and holds a direct 16.67% in the licence giving the Company an aggregate c. 56% economic interest in West Newton. The other co-venturer on the licence is Union Jack Oil (AIM: UJO) with a 16.67% direct interest.

A Gas Export Feasibility study completed by CNG Services Limited in the first half of 2024, concluded that, as a precursor to the intended West Newton full field development, an initial single well development and gas export plan is economically and technically feasible, allowing for accelerated production and cash flow whilst requiring limited capital expenditure. With the industry currently suffering from a lack of available development capital, the ability to achieve early production with limited capex is strategically extremely valuable. Initial gas production is planned to be from a single horizontal well, processed through a modular plant, tied in from the West Newton A site to the National Transmission System at an existing above ground installation via a pipeline. The single well development plan benefits from early cash generation with the ability to drill future wells out of cash flow. Following drilling and testing of this horizontal well, first gas is expected 18 months later with an associated gross development capex estimated to be c.£12 million. Although early production from the single well development demonstrates highly attractive standalone economics and would support future wells being drilled from cashflow, it is envisaged that it will be a precursor to the full field conceptual development plan.

In addition, the North Sea Transition Authority ("NSTA") has approved a revised work programme for PEDL 183 onshore UK, which contains the West Newton field. With the necessary approval from the NSTA for the revised work programme for PEDL 183 secured, Reabold can continue to progress this important UK gas project in the most optimal manner. The revised minimum work programme for PEDL 183 is as follows:

- Re-enter and recomplete or sidetrack one of the currently suspended wells on or before 30 June 2026;
- Re-enter and recomplete or sidetrack one of the remaining suspended wells or drill and complete a new deviated or horizontal well on or before 30 June 2027; and
- Submit a field development plan on or before 30 June 2027.

The JV partnership for PEDL 183 is expected to approve a forward plan, which will initially consist of the re-entry and recompletion of the West Newton A-2 well in order to establish sustained gas flow. The JV partnership believes this is a low risk and low cost approach to derisk the project.

Rathlin, has been informed by the Environment Agency that its application on behalf of the JV for the recompletion of the West Newton A-2 well has been 'Duly Made'. For the recompletion of the West Newton A-2 well to proceed, Rathlin is required to obtain the NSTA's consent and receive a permit from the Environment Agency. The JV is fully funded for re-entry and recompletion which is expected to commence in 1H 2025. Further updates will be provided in due course.

Alongside our strategy to unlock significant near-term value from West Newton, we have also considered the carbon intensity of the project. In May 2024, Reabold commissioned GaffneyCline & Associates Limited ("GaffneyCline") to perform a carbon intensity study for the West Newton field which highlighted the following:

- The West Newton project has an AA rating for Carbon Intensity for its potential upstream gas and condensate production, the lowest possible carbon intensity rating category on GaffneyCline's scale;

- The West Newton field has a Carbon Intensity significantly lower than the UK average and onshore and offshore analogues. It is also significantly lower than the average imported LNG, based on the NSTA Natural Carbon Footprint Analysis published in July 2023;
- Based on the study, GaffneyCline estimates that West Newton could produce the equivalent of just 2.87 grams of CO_2 per megajoule of energy developed (gCO_2e/MJ); and
- As the development proceeds and project knowledge increases, there is potential to improve the Carbon Intensity by further reducing fugitive, flaring and venting emissions and by gas-to-grid development, reducing on site gas and condensate processing, and using the shortest possible route to the National Grid.

The AA rating demonstrates the low carbon credentials of the West Newton project and is an example of the opportunities available in the UK to power the country through lower carbon, home grown energy, rather than relying on expensive and more carbon intensive imports.

We believe West Newton is an important strategic asset to the UK as the country looks to secure domestic energy supply for secure and affordable energy, at a time when the country is exposed to potentially significant gas supply disruptions. The study proves that the operator, Rathlin, is a responsible hydrocarbon producer complying with best environmental practice to produce much needed UK hydrocarbons in the most efficient and environmentally friendly way possible.

Reabold is committed to the highest standards of environmental processes, and we incorporate these responsibilities into our operational decision-making and investments.

UK Offshore

Victory contingent consideration receivable

In January 2024, Reabold received the final tranche payment of £4.4 million, following Shell's receipt of development and production consent for the Victory gas field from the North Sea Transition Authority. This follows the £8.3 million already received by the Company in previous periods, taking the total proceeds for the sale of Reabold's 49.99% interest in Corallian, to £12.7 million.

North Sea licences

At the beginning of 2024, Reabold had interests in four North Sea licences: P2605, P2504 (both 100%), P2478 (36%) and P2486 (10%). Reabold relinquished its 36% interest in licence P2478 in March 2024, following unavoidable and significant delays to the acquisition of 3D seismic data, as had been stipulated in the deed of variation concerning the extension to phase A of the Licence. The delays were largely a result of continuous wind farm construction activities in the area. All commitments have been fulfilled and there remain no further obligations.

Licence P2486 was relinquished in July 2024. Reabold have retained licences P2605 and P2504, however there is a drill or drop deadline of 30 November 2024 on both of these licences. Despite the Company's best efforts, we have been unable to farm down these assets. The ability of potential counterparties to commit to investment in the North Sea has been negatively affected by the Labour party's pledge to increase the Energy Profits Levy ("EPL") and remove investment allowances attached to the EPL, in the lead up to the UK General Election held in July 2024. Therefore, the Company expects to relinquish these licences in November 2024.

On 29 July 2024, the Chancellor's statement to Parliament outlined plans to increase the EPL by 3% to 78% from November 2024, to remove the main investment allowance attached to the EPL and extend the policy until March 2030. The announced changes continue to leave material uncertainty, particularly around capital allowances, and we hope to have more clarity following the October budget.

Award of UKCS Licence – P2659 (10%)

In July 2024, Reabold was awarded a 10% interest in Licence P2659 in the Southern North Sea, as part of the UK's 33rd Offshore Licensing Round. The other partners on the licence are Horizon Energy Acquisition Limited (45%) and Horizon Energy Partners Limited (45%). The licence covers blocks 37/26 and 37/27 and the initial four year Phase A work programme commitments for the licence are focused on completing an advanced geophysical processing study using 475 sq km of existing 3D seismic data.

Daybreak Oil and Gas Inc – USA

Reabold has a 42% shareholding in Daybreak Oil and Gas Inc ("Daybreak"). Daybreak is an OTC traded oil and gas company engaged in the exploration, development and production of onshore crude oil and natural gas, primarily in California. Further details on Daybreak can be found on its website at www.daybreakoilandgas.com/.

Danube Petroleum Limited – Parta and Iecea Mare licences, Romania

Reabold has a 50.8% equity position in Danube Petroleum Limited ("Danube"), with ASX listed ADX Energy Ltd ("ADX") holding the remaining 49.2%. Danube has a 100% interest in the Parta exploration licence and a 100% interest in the Iecea Mare production licence.

ADX is engaged in ongoing discussions with the authorities in relation to options for the Parta exploration licence extension. ADX has delivered a number of requested reports in support of the extension discussions. The Iecea Mare production licence, which has a term of 20 years, is not affected. Options to exploit the geothermal potential of the Romanian part of the Pannonian Basin are under investigation with the authorities in combination with a subsurface review of the likely prospectivity.

Other Business and corporate

- In January 2024, the Board successfully defended a second attempt, from a group of beneficial shareholders, to remove the entire Board of directors of Reabold and replace them with four new directors. All resolutions proposed by the requisitioning shareholders were rejected at a general meeting. The resolutions were broadly unchanged from the 2022 requisitioned general meeting which was also rejected by shareholders and the requisitioning shareholders received support from approximately 21% of shareholders who voted.

- 78 million Ordinary Shares were repurchased in the first half of the year, for a total cost of £75,000.

- On 9 May 2024, Reabold announced that Cavendish Capital Markets Limited would act as the Company's sole broker.

Financial Review

Group Income Statement

The Group's loss for the first half of 2024 was £2.0 million (1H 2023: loss of £3.7 million).

Exploration expenses of £0.3 million were incurred in the first half of 2024 (1H 2023: 1.3 million), reflecting lower exploration write-offs in the North Sea. See Note 4 for further details.

Reabold's share of loss of associates was £0.5 million (1H 2023: £0.3 million). The increase was due to pre-development expenditure at LNEnergy. See Note 8 for a breakdown per associate.

The Group's administrative expenses for the period were in line with the first half of 2023 at £1.0 million (1H 2023: £1.1 million).

In the first half of 2024, Reabold incurred £80,000 in legal and professional fees, which Reabold has classified as non-underlying items. See Note 11 for further details.

Group Balance Sheet

Reabold retains a strong balance sheet. At the end of first half of 2024, cash balances were £7.6 million compared with £5.4 million at the end of 2023.

Exploration and evaluation assets decreased from £7.0 million at 31 December 2023 to £6.9 million at 30 June 2024. Additions of £0.2 million at West Newton were offset by write-offs of £0.3 million within the North Sea portfolio. See Note 6 for further details.

Other current investments decreased from £4.4 million at year end to £nil at 30 June 2024 following the receipt of £4.4 million of contingent consideration for the sale of Corallian to Shell, as announced on 1 November 2022.

At the end of the first half of 2024, investments in associates was £26.1 million (1H 2023: £26.1 million). A £0.5 million investment in LNEnergy was offset by £0.5 million of losses from associates.

Group cash flow

Net cash used in operating activities for the first half of 2024 was £1.5 million compared with £1.3 million in the same period in 2023, driven by an increase in working capital outflows.

Cash flow from investing activities was an inflow of £3.7 million compared to an outflow of £1.5 million in the same period in 2023. The inflow included divestment proceeds of £4.4 million received as part of the deferred consideration from the sale of Corallian to Shell in 2022, offset by the purchase of £0.5 million of loan notes from LNEnergy Limited, as well as £0.2 million of expenditure at West Newton.

Cash flow from financing activities in the first half of 2024 was an outflow of £0.1 million. The cash flows related to the repurchase of shares and office lease liability payments.

Future commitments

The Group has obligations to carry out defined work programmes on its licences under the terms of the award of rights to these licences.

<u>Onshore PEDL 183 – West Newton</u>
Reabold's minimum work programme for PEDL 183 is as follows:

- Re-enter and recomplete or sidetrack one of the currently suspended wells on or before 30 June 2026
- Re-enter and recomplete or sidetrack one of the remaining suspended wells or drill and complete a new deviated or horizontal well on or before 30 June 2027, and
- Submit a field development plan on or before 30 June 2027

Reabold anticipates re-entering and recompleting an existing West Newton well in 2025 in order to establish sustained gas flow The gross cost to re-enter and re-complete is expected to be c.£1.4 million (c.£0.2 million net cost for Reabold).

<u>Southern North Sea – P2659</u>

The initial four year Phase A work programme commitments for the licence are focused on completing an advanced geophysical processing study using 475 sq km of existing 3D seismic data.

Approved on behalf of the Board
Sachin Oza and Stephen Williams
Co-Chief Executive Officers

25 September 2024

Reabold Resources plc
Group Income Statement
For the period ended 30 June 2024

	Notes	**Six months ended 30 June 2024 £000 (Unaudited)**	Six months ended 30 June 2023 £000 (Unaudited)
Revenue		-	-
Cost of sales		-	-
Gross profit		-	-
Net gain (loss) in financial assets measured at fair value through profit or loss	10	26	(895)
Other income		24	24
Share of losses of associates	8	(540)	(263)
Exploration expense	4	(325)	(1,292)
Administration expenses		(1,030)	(1,111)
Non-underlying items	11	(80)	-
Share based payments expense	9	(110)	(15)
Foreign exchange (loss) gain		-	(107)
Loss on ordinary activities		(2,035)	(3,659)
Finance costs – unwinding of discount on decommissioning provisions		(9)	(7)
Finance income		87	16
Loss before tax for the period		(1,957)	(3,650)
Taxation		-	-
Loss for the period		**(1,957)**	**(3,650)**
Attributable to:			
Reabold shareholders		(1,957)	(3,650)
		(1,957)	**(3,650)**
Earnings per share			
Basic and fully diluted loss per share (pence)	5	(0.02)	(0.04)

Group statement of comprehensive income
For the period ended 30 June 2024

There is no comprehensive income attributable to the shareholders of the company other than the loss for the period.

Reabold Resources plc
Group balance sheet
As at 30 June 2024

	Notes	30 June 2024 £000 (Unaudited)	31 Dec 2023 £000 (Audited)
Non-current assets			
Exploration & evaluation assets	6	6,940	7,023
Right-of-use assets		66	-
Investments in associates	8	26,060	26,083
Other investments	10	53	27
Trade and other receivables		8	-
		33,127	33,133
Current assets			
Prepayments		20	95
Trade and other receivables		105	126
Other investments	10	-	4,365
Restricted cash		53	25
Cash and cash equivalents		7,583	5,413
		7,761	10.024
Total assets		40,888	43,157
Current liabilities			
Trade and other payables		166	330
Accruals		5	271
		171	601
Non-current liabilities			
Lease liabilities		66	-
Provision for decommissioning		389	382
		455	382
Total liabilities		626	983
Net assets		40,262	42,174
EQUITY			
Share capital	7	10,589	10,589
Share premium account		1,103	1,103
Capital redemption reserve		200	200
Treasury shares		(338)	(263)
Share based payment reserve		2,087	1,977
Retained earnings		26,621	28,568
Total Equity		40,262	42,174

Reabold Resources plc
Group statement of changes in equity
For the period ended 30 June 2024

	Share Capital[1] £'000	Share premium account £'000	Capital Redemp-tion reserve £'000	Treasury Shares £'000	Share based payments reserve £'000	Retained earnings £'000	Total £'000
At 1 January 2023 (audited)	**9,044**	**29,033**	**200**	**-**	**1,920**	**6,263**	**46,460**
Loss for the period	-	-	-	-	-	(3,650)	(3,650)
Total comprehensive loss for the period	-	-	-	-	-	(3,650)	(3,650)
Issue of ordinary share capital	1,058	1,110	-	-	-	-	2,168
Repurchase of ordinary share capital	-	-	-	(122)	-	-	(122)
Reduction of share premium account	-	(29,454)	-	-	-	29,454	-
Share based payment	-	-	-	-	15	-	15
At 30 June 2023 (unaudited)	**10,102**	**689**	**200**	**(122)**	**1,935**	**32,067**	**44,871**
Loss for the period	-	-	-	-	-	(3,544)	(3,544)
Total comprehensive loss for the period	-	-	-		-	(3,544)	(3,544)
Issue of ordinary share capital	487	414	-	-	-	-	901
Repurchase of ordinary share capital	-	-	-	(141)	-	-	(141)
Share based payment	-	-	-	-	42	-	42
Share of equity-accounted entities' changes in equity	-	-	-	-	-	45	45
At 31 December 2023 (audited)	**10,589**	**1,103**	**200**	**(263)**	**1,977**	**28,568**	**42,174**
Loss for the period	**-**	**-**	**-**	**-**	**-**	**(1,957)**	**(1,957)**
Total comprehensive loss for the period	**-**	**-**	**-**	**-**	**-**	**(1,957)**	**(1,957)**
Repurchase of ordinary share capital	**-**	**-**	**-**	**(75)**	**-**	**-**	**(75)**
Share based payment	**-**	**-**	**-**	**-**	**110**	**-**	**110**
Share of equity-accounted entities' changes in equity	**-**	**-**	**-**	**-**	**-**	**10**	**10**
Balance 30 June 2024 (unaudited)	**10,589**	**1,103**	**200**	**(338)**	**2,087**	**26,621**	**40,262**

[1] See Note 7 "Called-up Share Capital"

Reabold Resources plc
Group cash flow statement
For the period ended 30 June 2024

	Notes	**Six months ended 30 June 2024 £000 (Unaudited)**	Six months ended 30 June 2023 £000 (Unaudited)
Operating activities			
Loss for the period		(1,957)	(3,650)
Adjustments to reconcile loss for the period to net cash used in operating activities			
Exploration expenditure written off	4	294	1,154
Depreciation		13	-
Net (gain) loss on financial assts at fair value through profit or loss	10	(26)	895
Share of losses from associates	8	540	263
Net finance (income)		(78)	(9)
Share-based payments	9	110	15
Unrealised currency translation losses		-	107
Decrease in receivables		86	78
(Decrease) in payables		(430)	(164)
Net cash used in operating activities		**(1,448)**	**(1,311)**
Investing activities			
Expenditure on exploration & evaluation assets	6	(211)	(229)
Acquisitions		-	(1,241)
Investments in associates		(500)	-
Total cash capital expenditure		(711)	(1,470)
Proceeds from disposal of associate		4,365	-
Interest received		81	16
Movements in restricted cash		(28)	-
Net cash generated by (used in) investment activities		**3,707**	**(1,454)**
Financing activities			
Repurchase of shares	7	(75)	(122)
Lease liability payments		(14)	-
Net cash used in financing activities		**(89)**	**(122)**
Currency translation differences relating to cash and cash equivalents		-	(4)
Increase (decrease) in cash and cash equivalents		**2,170**	**(2,891)**
Cash and cash equivalents at the beginning of the period		**5,413**	**5,511**
Cash and cash equivalents at the end of the period		**7,583**	**2,620**

1. Corporate information

The unaudited interim condensed consolidated financial statements of Reabold Resources plc and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2024 were authorised for issue in accordance with a resolution of the directors on 25 September 2024. Reabold Resources plc is a public limited company, incorporated and domiciled in England & Wales, whose shares are traded on AIM in London. The registered office is located at 20 Primrose Street, London, EC2A 2EW. The Group is principally engaged in the investment in pre-cash flow upstream gas projects.

2. Basis of preparation

These unaudited condensed consolidated interim financial statements for the six months ended 30 June 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB") and adopted by the UK, and on the basis of the same accounting principles as those used in the Company's Annual Report and Accounts for the year ended December 31, 2023, as filed with the Registrar of Companies for England and Wales.

The financial information presented in the unaudited condensed consolidated interim financial statements does not constitute statutory accounts within the meaning of section 434(3) of the Companies Act 2006 ("the Act"). Statutory accounts for the year ended December 31, 2023, were published in Reabold's Annual Report and Accounts, a copy of which was delivered to the Registrar of Companies for England and Wales. The auditor's report on those accounts was unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying the report and did not contain a statement under sections 498(2) or 498(3) of the Act.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. The directors consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2023.

There are no new or amended standards or interpretations adopted from 1 January 2024 onwards that have a significant impact on the financial information.

The financial information presented herein has been prepared in accordance with the accounting policies used in preparing Reabold's annual consolidated financial statements for the year ended 31 December 2023, with the exception of the changes described in the 'Updates to significant accounting policies' section below.

Significant accounting judgements and estimates
Reabold's significant accounting judgements and estimates were disclosed in Reabold's Annual Report 2023. These have been subsequently considered at the end of the period to determine if any changes were required to those judgements and estimates. No significant changes were identified.

Updates to significant accounting policies
The equity method of accounting

Loans advanced to equity-accounted entities that have the characteristics of equity financing are also included in the investment on the Group balance sheet.

3. Segmental information

The directors consider the Group to have three segments, being onshore UK, offshore UK and international. Other business and corporate comprises the Group's treasury functions and corporate activities. The following tables present revenue and profit/(loss) information for the Group's operating segments for the six months ended 30 June 2024 and 2023, respectively.

Period ended 30 June 2024	**UK onshore £000**	**UK offshore £000**	**International £000**	**Other business & corporate £000**	**Total £000**
Revenue	**-**	**-**	**-**	**-**	**-**
Segment loss	**(239)**	**(316)**	**(286)**	**(1,116)**	**(1,957)**

Period ended 30 June 2023	UK onshore £000	UK offshore £000	International £000	Other business & corporate £000	Total £000
Revenue	-	-	-	-	-
Segment loss	(278)	(1,133)	(1,207)	(1,032)	(3,650)

The following table presents assets and liabilities information for the Group's operating segments as at 30 June 2024 and 31 December 2023, respectively:

	UK onshore £000	UK offshore £000	International £000	Other business & corporate £000	Total £000
Assets					
30 June 2024	**23,940**	**14**	**9,181**	**7,753**	**40,888**
31 December 2023	23,959	4,651	8,957	5,590	43,157

	UK onshore £000	UK offshore £000	International £000	Other business & corporate £000	Total £000
Liabilities					
30 June 2024	**422**	**-**	**-**	**204**	**626**
31 December 2023	404	21	-	558	983

4. Exploration expense

The following table represents amounts included within the Group income statement relating to activity associated with the exploration for and evaluation of oil and natural gas resources.

	£000	£000
	Six months ended 30 June 2024	Six months ended 30 June 2023
Exploration expenditure written off	**294**	1,154
Other exploration costs	**31**	138
Total exploration expense	**325**	1,292

Exploration expenditure written off relates to the following North Sea Licences: P2605 - £177,000, P2504 - £117,000 (1H 2023: P2332 - £633,000, P2329 - £382,000, P2427 - £42,000, P2464 - £94,000, P2493 – £3,000).

5. Loss per share

Basic loss per Ordinary Share is calculated by dividing the loss for the period attributable to ordinary shareholders by the weighted average number of Ordinary Shares outstanding during the period. As the Group is reporting a loss in each period, in accordance with IAS 33, outstanding share options are not considered to be dilutive because the exercise of the share options would have the effect of reducing the loss per share.

	Six months ended 30 June 2024	Six months ended 30 June 2023
Results for the period (£000)		
Loss for the period attributable to Reabold shareholders	(1,957)	(3,650)
Number of shares (thousand) (a)		
Basic weighted average number of shares outstanding	10,196,548	9,191,540
Basic loss per share (pence)	(0.02)	(0.04)
Diluted loss per share (pence)	(0.02)	(0.04)

(a) Excludes treasury shares

6. Exploration and Evaluation Assets

	Total £000
Cost:	
At 1 January 2023	6,815
Acquisitions	1,210
Additions	398
Exploration expenditure written off	(1,400)
At 31 December 2023	7,023
Additions	211
Exploration expenditure written off	(294)
At 30 June 2024	**6,940**

Exploration expenditure written off relates to the following North Sea Licences: P2605 - £177,000, P2504 - £117,000 (1H 2023: P2332 - £633,000, P2329 - £382,000, P2427 - £42,000, P2464 - £94,000, P2493 – £3,000).
Acquisitions in 2023 relate to the acquisition of Simwell Resources.

7. Called-up Share Capital

Allotted, called-up and fully paid share capital at 30 June was as follows:

	Number	£000
Ordinary Shares of 0.1p each		
At 1 January 2023	8,929,612,550	8,930
Issue of new shares	1,545,072,657	1,545
At 31 December 2023	10,474,685,207	10,475
At 30 June 2024	**10,474,685,207**	**10,475**
"A" Deferred shares	**6,915,896**	**114**
		10,589

During the first half of 2024 the Company repurchased 78,159,978 Ordinary Shares for a total consideration of £75,000, including transaction costs of £1,000. The number of shares in issue is reduced when shares are repurchased. All shares purchased were retained in treasury. At 30 June 2024, 280,271,717 Ordinary Shares of nominal value £280,272 were held in treasury. These treasury shares are not taken into consideration in relation to the payment of dividends and voting at shareholder meetings.

At 30 June 2024, the issued share capital of the Company comprised 10,194,413,490 Ordinary Shares (excluding treasury shares) par value 0.1p per share, each with one vote; and 6,915,896 "A" Deferred shares of 1.65p. The "A" deferred shares do not carry voting rights. The total number of voting rights in the Company is therefore 10,194,413,490.

8. Investments in associates

The following tables provide aggregated summarised financial information for the Group's associates as it relates to the amounts recognised in the Group income statement and on the Group balance sheet.

	£000 Income Statement Losses from associates	
	30 June 2024	30 June 2023
Rathlin	**222**	223
LNEnergy	**294**	-
Danube	**24**	40
	540	263

	£000 Balance Sheet Investments in associates	
	30 June 2024	31 Dec 2023
Rathlin	**16,921**	17,143
LNEnergy	**4,561**	4,359
Danube	**4,578**	4,591
	26,060	26,083

Details of the Company's associates as at 30 June 2024 are shown below

Associates	**%**	**Country of incorporation**	**Principal activities**
Rathlin Energy (UK) Limited	59.5	England & Wales	Exploration and Evaluation
LNEnergy Limited	26.1	England & Wales	Exploration and Evaluation
Danube Petroleum Limited	50.8	England & Wales	Exploration and Evaluation

9. Share-Based payments

The Company operates two incentive share option plans: the Reabold Resources plc Deferred Annual Bonus Plan ("DABP") and the Reabold Resources plc 2023 Long Term Incentive Plan ("LTIP").

Deferred Annual Bonus Plan

On 6 June 2024 (the "Grant Date"), 96,016,810 share option awards (the "Awards") were granted to certain Directors and Persons Discharging Managerial Responsibilities under the DABP. The Awards were made in accordance with the rules of the DABP and as provided for in the 2023 Directors' Remuneration Report, which can be found in the Company's 2023 Annual Report. The Awards represent 50% of the total 2023 annual bonus value, which is required to be deferred into nil-cost options over Ordinary Shares, pursuant to the terms of the DABP. In calculating the number of Ordinary Shares over which the Awards have been made, the Remuneration Committee applied the closing price per Ordinary Share on the day prior to the Grant Date. The nil-cost options will become exercisable from the third anniversary of the Grant Date, subject to the terms and conditions of the DABP. The fair value of the options granted was 0.07p.

Long term Incentive Plan

At 30 June 2024, 390,000,000 options granted by the Company under the 2023 LTIP were outstanding. No options were granted in the first half of 2024, and none are exercisable as at 30 June 2024.

For the six months ended 30 June 2024, the Group recognised £110,000 of share-based payment expense in the income statement (30 June 2023: £15,000)

10. Other investments

	30 June 2024 £000		31 Dec 2023 £000	
	Current	**Non-Current**	Current	Non-Current
Investment in Connaught Oil & Gas Ltd	**-**	**15**	-	15
Contingent consideration	**-**	**-**	4,365	-
Investment in Daybreak	**-**	**38**		12
	-	**53**	4,365	27

The contingent consideration relates to amounts arising on the 2022 disposal of Corallian. The final tranche payment of £4.4 million was received in January 2024 following the NSTA's grant of development and production consent for the Victory gas field. This follows the £8.3 million already received by the Company in previous periods, taking Reabold's final proceeds for the sale of its 49.99% interest in Corallian to £12.7 million

The table below summarises the change in fair value of other investments as reported in the income statement.

	Change in fair value	
	Six months ended 30 June 2024 £000	Six months ended 30 June 2023 £000
Contingent consideration	**-**	173
Investment in Daybreak	**26**	(1,068)
	26	(895)

11. Non-underlying items

Non-underlying items are charges or credits included in the financial statements that Reabold has decided to disclose separately because it considers such disclosure to be meaningful and relevant to investors. They are items that management considers not to be part of underlying business operations and are disclosed in order to enable investors to understand better and evaluate the Group's financial performance. In the first half of 2024, Reabold incurred £80,000 (1H 2023: £Nil) in legal and professional fees in relation to the successful defence from a second attempt, from a group of beneficial shareholders, to remove the entire Board of Directors of Reabold and replace them with four new directors by way of a requisitioned general meeting. All resolutions proposed by the requisitioning shareholders were rejected at a general meeting held in January 2024.

12. Events after the reporting period

In July 2024 Rathlin made an application to the Environment Agency to conduct a reservoir stimulation within the conventional Kirkham Abbey gas reservoir in the existing West Newton A-2 well. On 24 September 2024 Reabold announced that Rathlin had been informed by the Environment Agency, that its application on behalf of the Joint Venture partnership for the recompletion of the West Newton A-2 well has been 'Duly Made'. For further details please see Review of Operations – UK Onshore and Rathlin's website at https://www.rathlin-energy.co.uk/latest-update/

In August 2024, Reabold announced it had increased its interest in LNEnergy by a further 1.0% through the subscription of 17 new ordinary shares for a cash consideration of approximately £205,000, at a price of £12,047 per share. This takes Reabold's total shareholding to approximately 27.1% of LNEnergy's enlarged share capital. LNEnergy also agreed to grant Reabold a warrant (the "Warrant") to subscribe in cash, at the Company's sole discretion, for a further approximately £747,000 worth of new ordinary shares at a price of £12,047 per share. The Warrant has an exercise period of six months and, if exercised, would take Reabold's shareholding in LNEnergy to approximately 30.6% of its enlarged share capital.

GLOSSARY

bcf
Billion standard cubic feet.

Capital expenditure
Total cash capital expenditure as stated in the Group cash flow statement.

CPR
Competent Persons Report.

gCO2e/MJ
Grams of carbon dioxide equivalent per megajoule of energy

IFRS
International Financial Reporting Standards.

LNG
Liquified natural gas

Megajoule
A unit of energy equivalent to one million joules

mmcf/d
Million cubic feet per day.

MWh
Megawatt hour.

NPV10
Net Present Value using a 10% discount factor.

NSTA
North Sea Transition Authority.

OTC
Over-the-counter.

Prospective Resources
Quantities of hydrocarbons which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects