31 October 2023

EGDON RESOURCES LIMITED
(previously EGDON RESOURCES PLC)

("Egdon" or "the Group" or "the Company")

Interim Results for the Six Month Period ended 31 July 2023

Following a change to its accounting reference date to 31 December 2023, Egdon Resources Limited, an established UK focused energy company, today announces its unaudited results for the six month period ended 31 July 2023. The twelve month comparative figures, where stated, are taken from audited accounts whilst all other figures are unaudited.

Overview and Highlights

Corporate

- During May 2023 the Board recommended an all cash acquisition by Petrichor Partners LP (part of the HEYCO Energy Group) of the entire issued and to be issued ordinary share capital at a price of 4.5p per share to be implemented by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act.
- The Scheme Document was sent to shareholders on 8 June 2023 and the acquisition received overwhelming shareholder approval at a General Meeting on 3 July 2023.
- The accounting period was extended by five months from 31 July 2023 to 31 December 2023.

Operational

- Production for the six-month period was up by 2% to 48,722 barrels of oil equivalent ("boe") (H2 2022: 47,675 boe) or 269 boe per day ("boepd") (H2 2022: 263 boepd).
- Over the twelve-month period to 31 July 2023 production was up by 9% to 92,245 boe equating to a rate of 252 boepd (2022: 84,894 boe and 233 boepd).
- The Wressle oil field continued to be the standout asset for Egdon, producing at an average rate of 717 barrels of oil per day ("bopd") during the 12 months to 31 July 2023 (2022: 656 bopd). Total field production from Wressle to 31 July 2023 stood at 492,876 barrels of oil (2022: 225,000 barrels). Minor water production commenced on 26 June 2023.
- Egdon entered into a Farmout Option Agreement with York Energy (UK) Holdings Limited relating to Licence PL081 in North Yorkshire. Egdon was granted a period of six months from 3 February 2023 to elect to farm into the Licence which contains the Weaverthorpe Prospect.
- On 1 March 2023 Egdon completed the acquisition of Aurora Production (UK) Limited which has subsequently been renamed Egdon Resources (Aurora) Limited.
- During Q3-4 2022, the moratorium on hydraulic fracturing for shale gas was lifted (8 September 2022) and then reinstated (27 October 2022).
- During the period Egdon relinquished P2304, P1929, PEDL191, PEDL181, and EXL253 and also transferred operatorship of PEDL343, containing the Cloughton gas discovery, to Europa Oil & Gas (Holdings) plc.

Financial Performance

- Revenues during the six-month period were £2.98 million (H2 2022: £4.36 million). The average realised price per barrel of oil equivalent was 32.4% lower at $61.16/boe (H2 2022: $90.47/boe).

- Revenues during the twelve-month period to 31 July 2023 were £6.70 million (2022: £6.91 million). The average realised price per barrel of oil equivalent was 11% lower at $72.63/boe (2022: $81.40/boe).

- Earnings before interest, tax, depreciation, amortisation, asset impairments, impairment reversals and write-downs for the six-month period to 31 July 2023 were £0.83 million (H2 2022: £3.26 million).

- Earnings before interest, tax, depreciation, amortisation, asset impairments, impairment reversals and write-downs for the twelve-month period to 31 July 2023 were £3.01 million (2022: £4.67 million).

- The post-tax loss for the six-month period was £3.70 million including impairments of £2.15 million relating to licences PEDL191 and PEDL181 which were relinquished, plus one-off costs relating to the Petrichor acquisition of £0.57 million (H2 2022: profit of £2.08 million including £0.89 million of impairment reversals, impairments of £1.80 million), as well as the deferred tax reversal of £0.90 million.

- The post-tax loss for the twelve-month period was £3.26 million including impairments of £2.15 million (2022: profit of £3.30 million including £1.40 million of impairment reversals, impairments of £1.80 million and write-downs and pre-licence costs of £0.15 million), as well as the deferred tax reversal of £1.04 million.

- Cash and cash equivalents as at 31 July 2023 were £6.01 million, which included restricted cash of £1.40 million (2022: £4.80 million, restricted cash nil) and net current assets stood at £5.79 million (2022: £4.90 million).

Subsequent Events

- Following satisfaction or waiver of all conditions the Acquisition Scheme of Arrangement was sanctioned by the High Court of Justice of England & Wales on 12 September 2023 and became effective on 15 September 2023 with cancellation of admission of Egdon's shares occurring at 0700 hours on 18 September 2023.
- Egdon Resources plc has re-registered as a private company and been renamed as Egdon Resources Limited.
- During August 2023 Egdon exercised the option to farm-in to PL081 and in addition, Egdon and York reached agreement with Cuadrilla North Cleveland Limited ("Cuadrilla") the 100% licensee of PEDL347, which would result in a farm-in and equalisation of interests between the two licences.
- On 18 September 2023 George Yates, Chairman and CEO of HEYCO was appointed as a Director of Egdon.
- The installation at Wressle of artificial lift was completed in October 2023 following beginning of water production on 26 June 2023.

Commenting on the results, Philip Stephens, Chairman of Egdon said;

"During the period Egdon has concluded a recommended cash acquisition by Petrichor Partners LP at a material premium to our long-term share price and has transitioned to become a private company under the ownership of the HEYCO Energy Group.

Operationally, Wressle continues to be our standout asset and we are progressing to an active operational period across a number of assets."

For further information please contact:

Egdon Resources Limited

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About Egdon

Egdon Resources Limited is an established UK-based energy company focused on onshore exploration and production in the UK.

Egdon is a subsidiary of the Heyco Energy Group Inc. ("HEYCO"). HEYCO is private US upstream energy portfolio group that delivers strategy, sophisticated technology, and capital to oil and gas exploration projects in the United States and Europe. www.heycoenergy.com

Egdon holds interests in 31 licences in the UK and has an active programme of exploration, appraisal and development within its portfolio of oil and gas assets. Egdon is an approved operator in the UK. Egdon was formed in 1997, listed on AIM in December 2004 and de-listed from AIM in September 2023, becoming a private company.

Evaluation of hydrocarbon volumes has been assessed in accordance with the 2018 Petroleum Resources Management System (PRMS) prepared by the Oil and Gas Reserves Committee of the Society of Petroleum Engineers (SPE) and reviewed and jointly sponsored by the World Petroleum Council (WPC), the American Association of Petroleum Geologists (AAPG), the Society of Petroleum Evaluation Engineers (SPEE), the Society of Exploration Geophysicists (SEG), the Society of Petrophysicists and Well Log Analysts (SPWLA) and the European Association of Geoscientists & Engineers (EAGE).

Chairman's Statement

I am pleased to report on our interim results for the period ended 31 July 2023, following the extension to our reporting year end to 31 December 2023 and the successful completion of the all cash acquisition of Egdon by Petrichor Partners LP.

The Company has continued to generate cash despite reporting a headline loss for the period, with continued strong production and robust oil and gas prices.

Corporate

On 17 May 2023 the Board recommended an all cash acquisition by Petrichor Partners LP ("Petrichor") of the entire issued and to be issued ordinary share capital (other than those shares already owned by or on behalf of Petrichor) at a price of 4.5p per share to be implemented by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act. This represented a 96% premium to the closing share price on 16 May 2023. The Scheme Document was sent to shareholders on 8 June 2023 and the acquisition received overwhelming shareholder approval at a General Meeting on 3 July 2023. Following satisfaction or waiver of all conditions the Scheme of Arrangement was sanctioned by the High Court of Justice of England & Wales on 12 September 2023 and became effective on 15 September 2023 with cancellation of admission of Egdon's shares occurring at 0700 hours on 18 September 2023. Egdon has subsequently re-registered as a private company and been renamed as Egdon Resources Limited.

Petrichor is majority owned by HEYCO Energy Group ("HEYCO"), a US headquartered upstream energy company with subsidiaries active in upstream oil and gas operations in the United States and Europe. HEYCO is privately owned by members of the Yates family of Southeastern New Mexico, who have been active in the oil and natural gas business since the 1920s. HEYCO has invested in and provided technical advice to Egdon for more than two decades. This acquisition adds to HEYCO's expanding European portfolio, following the purchase of a gas field in Northern Spain and the establishment of a Madrid office in 2022. HEYCO is one of the few US independent oil and gas companies with significant investments in Europe's conventional and unconventional plays.

George Yates, President and CEO of HEYCO, became a Director of Egdon on 18 September 2023.

Financial and Statutory Information

Egdon has extended its current accounting period, which would have ended on 31 July 2023, by five months to end on 31 December 2023 to align Egdon with the accounting period of HEYCO.

The figures for the six months ended 31 July 2023, six months ended 31 July 2022 and twelve months ended 31 July 2023 are unaudited, with the comparatives for the twelve months to 31 July 2022 being audited.

Revenues during the six-month period were £2.98 million (2022: £4.36 million).

Revenues during the twelve-month period to 31 July 2023 were £6.70 million (2022: £6.91 million). The average realised price per barrel of oil equivalent was 11% lower at $72.63/boe (2022: $81.40/boe).

Earnings before interest, tax, depreciation, amortisation, asset impairments, impairment reversals and write-downs for the six-month period to 31 July 2023 were £0.83 million (H2 2022: £3.26 million).

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The post-tax loss for the six-month period was £3.70 million including impairments of £2.15 million relating to licences PEDL191 and PEDL181 which were relinquished, plus one-off costs relating to the Petrichor acquisition of £0.57 million (H2 2022: profit of £2.08 million including £0.89 million of impairment reversals, impairments of £1.80 million), as well as the deferred tax reversal of £0.90 million.

The post-tax loss for the twelve-month period was £3.26 million including impairments of £2.15 million (2022: profit of £3.30 million including £1.40 million of impairment reversals, impairments of £1.80 million and write-downs and pre-licence costs of £0.15 million), as well as the deferred tax reversal of £1.04 million.

Cash and cash equivalents as at 31 July 2023 were £6.01 million, which included restricted cash of £1.40 million (2022: £4.80 million, restricted cash nil) and net current assets stood at £5.79 million (2022: £4.90 million).

The Group has no borrowings (2022: £Nil).

There were no fund-raising activities during the twelve months to 31 July 2023 (2022: £Nil). However, a total of 18,991,000 warrants were exercised during the period resulting in cash of £0.47 million being introduced to the Company (2022: £0.21 million). Post year end all outstanding options and warrants not held by Petrichor Partners LP were exercised and prior to delisting on 15 September 2023 a total of 565,367,031 ordinary shares were in issue with 26,524,000 warrants held by Petrichor Partners LP remaining outstanding.

Environment and Social Governance, Climate and Emissions

Egdon aims to build value through developing sustainable long-term relationships with partners and the community and remains committed to the highest standards of health, safety and environmental protection. The Company is committed to its operations being Net Zero by 2050. Egdon has established a Climate Change Policy and the Board is committed to reducing the emissions from our operations and to monitoring and reporting performance in this area.

Acquisition of Aurora Production (UK) Limited

During the period, Egdon reached agreement to acquire Aurora Production (UK) Limited ("Aurora") from Aurora Petroleum Limited (the "Vendor"). Aurora holds an 18.75% interest in PL090 which contains the Waddock Cross oil field and an 8.33% interest in PEDL070 which contains the Avington oil field. Egdon estimates that the transaction covering both licences will add approximately 0.614 million barrels of Best Estimate Contingent and Prospective Resources of oil to its resource inventory.

The consideration was the grant of a Net Profit Interest to the Vendor of 10% on each of the licence interests which will result in the Vendor being reimbursed a sum of up to £0.288 million from future production. At completion cash balances of £0.288 million were retained in Aurora, reflecting the current estimate of Aurora's abandonment liabilities. The acquisition which had an effective date of 30 September 2022, completed on 1 March 2023 and the company has since been renamed Egdon Resources (Aurora) Limited.

Oil and Gas

Egdon holds interests in 31 licences in the UK (2022: 36 licences) with exposure to the full cycle of opportunities from exploration through to development and production. Egdon's website (www.egdon-resources.com) provides further details of the Company's assets and operations.

Highlighted below are key changes to our licence portfolio during the period and post-period end.

Licence	Changes
P2304	Relinquished in November 2022
P1929	Relinquished in April 2023
PEDL191	Relinquished in June 2023
PEDL181	Relinquished in May 2023
EXL253	Relinquished in April 2023
PL081	Egdon to be assigned a 52.5% interest and operatorship from York (subject to NSTA approvals)
PEDL347	Egdon to be assigned a 52.5% interest and operatorship from Cuadrilla (subject to NSTA approvals)

Production

Production for the six months to 31 July 2023 was 269 boepd (H2 2022: 263 boepd) and for the twelve months to 31 July 2023 was 252 boepd (2022: 233 boepd), primarily from Wressle and Ceres as well as a contribution from Keddington.

The standout asset for Egdon continues to be Wressle (Egdon 30%). Cumulative oil production to 31 July 2023 was 492,876 barrels (2022: 225,000 barrels) with average daily rates for the twelve months to 31 July 2023 of 717 bopd (2022: 656 bopd). In late June 2023, low volumes of formation water began to be produced (significantly later than originally expected) and this brought forward the installation of a jet pump system to September/October to enable optimal production to continue from the Ashover Grit reservoir. A planning application is being finalised for the further development of the Wressle field and will include plans for additional wells to target the Ashover Grit and Penistone Flags and the treatment and export of gas to the local gas grid with operations commencing during 2024 subject to receipt of the necessary consents.

The Wressle Community Fund has been operating since early 2022. In August 2022, operation of the fund was transferred to Broughton Community and Sports Association which runs the fund to meet the needs of local charities and community groups. The Wressle JV is making £100,000 available this year to the fund and a number of local charities and other groups have benefitted from the fund to date. More details can be found on Egdon's community web site www.egdon-community.co.uk.

The Ceres gas field (Egdon 10%) continues to contribute revenues and cash flow. We currently expect production to continue through to at least the end of 2024 with the gas price eventually dictating the end of production.

Keddington (Egdon 45%) continued to contribute tangible revenues. A viable drilling location in the east of the field has been identified targeting around 180,000 barrels of incremental production. Planning is in place for this and the well is anticipated to be drilled early in 2024.

Other key near-term projects identified to increase production and revenue include Waddock Cross (Egdon 73.75%), Avington (Egdon 36.33%), Kirkleatham (Egdon 68%).

Exploration/Appraisal

Biscathorpe (Egdon 35.8%) and North Kelsey (Egdon 50%) are volumetrically significant prospects with each having gross Mean Prospective Resources of around 6.5 million barrels.

A planning hearing was held for Biscathorpe on 11 October 2022 and frustratingly we still await the decision from the planning inspectorate. The appeal for North Kelsey was withdrawn due to technical legal reasons and a new planning application will be submitted.

Egdon entered into a farm-in Option Agreement with York Energy (UK) Holdings Limited ("York") relating to Licence PL081 in North Yorkshire. Egdon was granted a period of six months from 3 February 2023 to elect to farm into the Licence which contains the Weaverthorpe Prospect. Weaverthorpe is a shallow Sherwood Sandstone (Triassic) prospect located immediately up-dip of interpreted gas pay in the Fordon-2 well (drilled by BP in 1974). During the six-month option period with York, Egdon has completed the reprocessing and interpretation of 214 kilometres of 2D seismic data and further technical and operational studies which have de-risked the opportunity and confirmed a material, commercially viable prospect. Egdon's evaluation indicates an estimated Mean prospective gas resource of 63 billion cubic feet ("bcf").

During August 2023 Egdon exercised the option to farm-in to PL081 and in addition, Egdon and York reached agreement with Cuadrilla North Cleveland Limited ("Cuadrilla") the 100% licensee of PEDL347, which would result in a farm-in and equalisation of interests between the two licences. The interests would be Egdon 52.5%, Cuadrilla 25% and York 22.5% and Egdon would be appointed as the operator of the Licences. Following recovery of Egdon's costs of the farm-in it will assign a further 2.5% interest in both the Licences to York.

As consideration Egdon will pay 100% of the costs associated with the planning, drilling, logging, and either short term testing and completion or plugging and abandonment of a well to optimally test the Weaverthorpe Prospect within the Licences (the "Work Programme"). The assignment of the Licence interests to Egdon, York and Cuadrilla and the transfer of operatorship to Egdon is subject to the usual NSTA approvals.

Egdon has transferred operatorship of PEDL343 to Europa Oil & Gas (Holdings) plc. PEDL343 contains the Cloughton gas discovery, made in 1986, which Europa have assessed as having mean Gas in place of 192 bcf. This transfer of operatorship allows Egdon to maintain a clear focus on our near-term priority projects whilst also enabling Europa to apply its resources in progressing the Cloughton prospect to potential appraisal drilling operations as quickly as possible.

Shale-gas

The Group's unconventional resources acreage holding in Northern England is 151,742 net acres (614km^2 net), which is a significant strategic position with estimated Mean volumes of undiscovered gas in place of 37.6 trillion cubic feet of gas net to Egdon, independently assessed by ERCE (2019). Egdon's core area is the Gainsborough Trough of Nottinghamshire, Lincolnshire and Yorkshire where the Group holds interests in 71,361 net acres (289km^2 net) and where results from the 2019 Springs Road-1 well (Egdon 14.5%), compare favourably with some of the best US commercial shale-gas operations and highlight a potentially world class resource in the Gainsborough Shale. Activity remains paused following the lifting and then reintroduction of the moratorium on hydraulic fracturing for shale-gas. We will continue to make the political, scientific, environmental and commercial case that shale-gas should be part of the long-term solution to the UK's energy needs and that this can be done in a safe and environmentally sustainable manner.

Energy Storage, Hydrogen and Renewables including Geothermal

In relation to geothermal energy, a programme to plug and abandon the existing Dukes Wood-1 oil well and recomplete it for geothermal testing has been approved by the NSTA and will be undertaken in Q4 2023 or Q1 2024.

The UK is committed by law to reaching Net Zero carbon emissions by 2050 and whilst oil and gas are the Company's core focus, we are always looking to the future and are making good progress on a potentially material renewable energy, green hydrogen and energy storage project.

Outlook

A key focus for the coming period is the integration of Egdon into the wider HEYCO business. The key operational focus for the coming period will include;

- Drilling at Keddington.
- P&A of Dukes Wood and geothermal test. P&A of Kirklington.
- Wressle planning plus drilling in 2024 subject to receipt of all necessary approvals.
- Resumption of production at Avington.
- Progressing plans for restarting production at Waddock Cross, Kirkleatham.
- Planning for an exploration well at Weaverthorpe possibly as early as 2024 subject to receipt all necessary consents including NSTA approval of certain licence extensions.

Philip Stephens
Chairman
31 October 2023

EGDON RESOURCES PLC
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the period ended 31 July 2023

	Notes	**Unaudited Six months ended 31-Jul-23 £'000**	Unaudited Year ended 31-Jul-23 £'000	Unaudited Six months ended 31-Jul-22 £'000	Audited Year ended 31-July-22 £'000
Revenue		**2,978**	6,703	4,357	6,908
Cost of sales – exploration costs written-off and pre licence costs		**(143)**	(232)	(133)	(152)
Cost of sales – impairments of intangible fixed assets		**(2,148)**	(2,148)	(1,802)	(1,802)
Cost of sales – impairment reversals of property, plant and equipment		**-**	-	890	1,397
Cost of sales – depreciation, excluding impairments		**(897)**	(1,703)	(955)	(1,521)
Cost of sales – direct production costs		**(689)**	(1,331)	(644)	(1,257)
Cost of sales – other, including shut-in fields		**(200)**	(426)	(111)	(205)
Total cost of sales		**(4,077)**	(5,840)	(2,755)	(3,540)
Gross (loss)/profit		**(1,099)**	863	1,602	3,368
Administrative expenses		**(1,345)**	(2,132)	(438)	(915)
Other operating income		**83**	196	91	143
		(2,361)	(1,073)	1,255	2,596
Finance income – net investment in sub-lease		**79**	100	23	46
Finance costs		**-**	-	(37)	(92)
Finance costs – unwinding of decommissioning discount		**(89)**	(174)	(4)	(37)
Finance costs – lease liability charge		**(46)**	(94)	(52)	(106)
(Loss)/profit before taxation		**(2,417)**	(1,241)	1,185	2,407
Taxation	4	**(1,280)**	(2,021)	890	890
(Loss)/profit for the period		**(3,697)**	(3,262)	2,075	3,297
Other comprehensive income for the period		**-**	-	-	-
Total comprehensive (loss)/income for the period attributable to equity holders of the parent		**(3,697)**	(3,262)	2,075	3,297
(Loss)/earnings per share – note 3					
Basic earnings per share		**(0.68)p**	(0.60)p	0.40p	0.64p
Diluted earnings per share		**(0.68)p**	(0.60)p	0.35p	0.57p

EGDON RESOURCES PLC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 July 2023

	Notes	**Unaudited 31-Jul-23 £'000**	Audited 31-Jul-22 £'000
Non-current assets			
Intangible assets	2	**17,837**	19,562
Property, plant and equipment	2	**8,778**	9,824
Right-of-use asset		**369**	488
Net investment in sub-lease		**358**	393
Deferred tax asset		**-**	268
Total non-current assets		**27,342**	30,535
Current assets			
Inventory		**14**	17
Trade and other receivables		**1,437**	2,685
Cash and cash equivalents	5	**6,014**	4,800
Total current assets		**7,465**	7,502
Current liabilities			
Trade and other payables		**(1,588)**	(2,494)
Lease liability within one year		**(90)**	(112)
Total current liabilities		**(1,678)**	(2,606)
Net current assets		**5,787**	4,896
Total assets less current liabilities		**33,129**	35,431
Non-current liabilities			
Lease liability after one year		**(767)**	(900)
Provisions		**(3,861)**	(3,459)
Total non-current liabilities		**(4,628)**	(4,359)
Net assets		**28,501**	31,072
Equity			
Share capital	7	**17,393**	17,203
Share premium		**27,924**	27,640
Share-based payment reserve		**361**	144
Retained earnings		**(17,177)**	(13,915)
		28,501	31,072

EGDON RESOURCES PLC
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 July 2023

	Unaudited Year ended 31-Jul-23 £'000	Audited Year ended 31-Jul-22 £'000
Cash flows from operating activities		
(Loss)/profit before tax	(1,241)	2,407
Adjustments for:		
Depreciation and impairments of non-current assets	3,871	3,346
Impairment reversal of non-current assets	-	(1,397)
Increase in decommissioning provision written off to cost of sales	18	49
Foreign exchange gain	(30)	(218)
Decrease/(increase) in inventory	3	(17)
Decrease/(increase) in trade and other receivables	413	(832)
Increase/(decrease) in trade and other payables	(1,701)	564
Finance costs	268	235
Finance income	(100)	(46)
Share based payment expense	217	144
Gain on disposal of right of use asset and lease liability	(7)	-
Cash generated from operations	1,711	4,235
Tax paid	(120)	-
Net cash generated from operating activities	1,591	4,235
Investing activities		
Payments for exploration and evaluation assets	(420)	(216)
Purchase of property, plant and equipment	(438)	(350)
Net Profit Interest repayment	(244)	-
Cash acquired with subsidiary undertaking	288	-
Net cash flow used in capital expenditure and financial investment	(814)	(566)
Financing activities		
Issue of shares	475	212
Interest paid on loan	-	(100)
Bank interest received	59	-
Principal paid on lease liabilities	(70)	(103)
Interest paid on lease liabilities	(53)	(60)
Loan repayment	-	(1,000)
Net cash flow generated from/(used in) financing	411	(1,051)
Net increase in cash and cash equivalents	1,188	2,618
Cash and cash equivalents at the start of the period	4,796	1,960
Effects of exchange rate changes on the balance of cash held in foreign currencies	30	218
Cash and cash equivalents at the end of the period	6,014	4,796
Cash and cash equivalents comprise:		
Cash at bank and in band	6,014	4,800
Bank overdrafts	-	(4)
Cash and cash equivalents at the end of the period	6,014	4,796

In the year to 31 July 2023, significant non-cash transactions included the share-based payment charge of £217k and the reversal of the deferred tax asset of £1,044k. In the year to 31 July 2022 significant non-cash transactions included the recognition of the NPI provision of £608k which is included in other provisions, the share-based payment charge of £144k and the recognition of the deferred tax asset of £1,044k.

EGDON RESOURCES PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the period ended 31 July 2023

	Share capital	Share premium	Share based payment reserve	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000
Balance as at 31 July 2021	17,118	27,513	123	(17,335)	27,419
Total comprehensive income for the period	-	-	-	1,222	1,222
Balance as at 31 January 2022	**17,118**	**27,513**	**123**	**(16,113)**	**28,641**
Total comprehensive income for the period	-	-	-	2,075	2,075
Issue of shares – exercise of warrants	85	127	-	-	212
Cancellation of share options	-	-	(123)	123	-
Issue of new share options – share option charge	-	-	144	-	144
Balance as at 31 July 2022	**17,203**	**27,640**	**144**	**(13,915)**	**31,072**
Total comprehensive income for the period	-	-	-	435	435
Issue of shares – exercise of warrants	185	276	-	-	461
Share option charge	-	-	182	-	182
Balance as at 31 January 2023	**17,388**	**27,916**	**326**	**(13,480)**	**32,150**
Total comprehensive loss for the period	-	-	-	(3,697)	(3,697)
Issue of shares – exercise of warrants	5	8	-	-	13
Share option charge	-	-	35	-	35
Balance as at 31 July 2023	**17,393**	**27,924**	**361**	**(17,177)**	**28,501**

1. General information

Egdon Resources Limited (previously Egdon Resources plc) ('the Company' and ultimate parent of the Egdon Group) became a private limited company on 18 October 2023. Egdon was previously a public company listed on the AIM market of the London Stock Exchange plc (AIM) until 18 September 2023 and incorporated in England. The registered office is Blackstable House, Longridge, Sheepscombe, Stroud, Gloucestershire, England, GL6 7QX.

This interim report was authorised for issue by the Directors on 31 October 2023.

Basis of preparation

The financial information set out in this interim report has been prepared in accordance with UK adopted international accounting standards.

Change of accounting reference date

The Company has extended its current accounting period, which would have ended on 31 July 2023, by five months to end on 31 December 2023 to align Egdon with the accounting period of HEYCO Energy Group Inc.

Adoption of new and revised standards

New standards, interpretations and amendments

New standards impacting the Group that have been adopted in the interim financial statements for the twelve months ended 31 July 2023, but have not had a significant effect on the Group are as follows:

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37);
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16);
- Annual Improvements to IFRS Standards 2018-2000 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41); and
- References to Conceptual Framework (Amendments to IFRS 3).

New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Group has decided not to adopt early.

The following amendments are effective for the reporting period beginning 1 January 2024:

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2);
- Definition of Accounting Estimates (Amendments to IAS 8);
- Deferred Tax Related Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12);
- Lease Liability in a Sale and Leaseback (Amendment to IFRS16);
- IAS 1 Presentation of Financial Statements (Amendment – Classification of Liabilities as Current or Non-Current);
- IAS 1 Presentation of Financial Statements (Amendment – Non-current Liabilities with Covenants; and
- IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures (Amendment – Supplier Finance Arrangements).

Non-statutory accounts

The financial information set out in this interim report does not constitute the Group's statutory financial statements for that period within the meaning of Section 434 of the Companies Act 2006. The statutory financial statements for the year ended 31 July 2022 have been delivered to the Registrar of Companies. The auditors reported on those financial statements; their report was unqualified and did not contain a statement under either Section 498 (2) or Section 498 (3) of the Companies Act 2006. However, in their report on the statutory financial statements for the year ended 31 July 2022, the auditors drew attention, by way of emphasis of matter paragraph, to material uncertainties related to the carrying value of the unconventional assets and the impact of the moratorium on hydraulic fracturing for shale-gas in England.

The financial information for the six months ended 31 July 2023, twelve months ended 31 July 2023 and six months ended 31 July 2022 is unaudited.

Accounting policies

The condensed financial statements have been prepared under the historical cost convention, except for the inclusion of certain financial instruments at fair value.

The same accounting policies, presentation and methods of computation are followed in these condensed financial statements as were applied in preparation of the Group's financial statements for the year ended 31 July 2022.

Going concern

The Directors have prepared the financial statements on the going concern basis, which assumes that the Group will continue in operational existence without significant curtailment of its activities for the foreseeable future, being 12 months from the approval of the interim financial statements.

Forward cash flows necessarily make assumptions as to the timing and value of cash flows from production at the Group's producing sites. Whilst there is currently no evidence that the timing or value of these revenues is unrealistic, the Directors acknowledge that volatility in both oil and gas prices, well performance uncertainties and realising of amounts invoiced to joint venture partners, give some level of uncertainty in respect of the timing of future cash flows.

The Group (within the wider HEYCO Energy Group) has flexibility in relation to the timing and quantum of future expenditures. The Group also retains options to access additional sources of funding via debt and through the Parent Company, HEYCO Energy Inc. who have put in place Parent Company Guarantees, to fund future activities. After having made enquiries, there is a high expectation on the part of the Directors that such debt and/or Parent Company funding continue to be available.

2. Impairments

Current period

An impairment charge of £574,883 was recognised in relation to licence PEDL181 and £1,572,845 in relation to licence PEDL191 both of which were relinquished during the period. Both assets have now been fully impaired.

Period ended 31 July 2022 and year ended 31 July 2022

An impairment charge of £1,801,790 was recognised in relation to the licences P1929 and P2304 due to Shell advising Egdon of its intention to withdraw from the licenses.

An impairment credit of £127,000 was recognised in relation to the Keddington Oil Field as it is assumed that there will be increased production in late 2023.

An impairment credit of £133,000 was recognised in relation to Avington Oil Field as restoration of production is anticipated during 2023.

An impairment credit of £300,000 was recognised in relation to Waddock Cross Oil Field as production reinstatement is anticipated.

An impairment credit of £330,000 was recognised in relation to Kirkleatham Gas Field as drilling is expected in 2024.

Year ended 31 July 2022

In the six month period to 31 January 2022, an impairment credit of £506,903 was recognised in relation to the Ceres Gas Field as the current gas price assumptions render Ceres economic until 2025. This impairment credit is included in the full year figures to 31 July 2022 in addition to the impairments shown above for the year ended 31 July 2022.

3. (Loss)/earnings per share

	Unaudited Six months ended 31-Jul-23 p	Unaudited Year ended 31-Jul-23 p	Unaudited Six months ended 31-Jul-22 p	Audited Year ended 31-Jul-22 p
Basic	**(0.68)**	(0.60)	0.40	0.64
Diluted	**(0.68)**	(0.60)	0.35	0.57

The basic earnings per share has been calculated on the loss on ordinary activities after taxation of £3.697m (year to 31 July 2023: loss of £3.262m; six months to 31 July 2022: profit of £2.075m; year to 31 July 2022: profit of £3.297m) divided by the weighted average number of ordinary shares in issue of 544,057,064 (six months to 31 July 2022: 521,162,832; year to 31 July 2023: 541,713,915; year to 31 July 2022: 518,951,908). The diluted earnings per share has been calculated on the loss on ordinary activities after taxation of £3.697m (year to 31 July 2023: loss of £3.262m; six months to 31 July 2022: profit of £2.075m; year to 31 July 2022: profit of £3.297m) divided by the diluted weighted average number of ordinary shares in issue of 544,057,064 (six months to 31 July 2022: 588,410,368; year to 31 July 2023: 541,713,915; year to 31 July 2022: 581,343,086).

The share options and warrants have been excluded as their inclusion would have been anti-dilutive for the current period and the twelve months ended 31 July 2023.

Changes to tax policy have had an impact on the result after tax. An alternative earnings per share calculation is presented below using the same denominators as in the table above and the result before taxation for each period. For the period to 31 July 2023 there was a loss before taxation of £2.417m (year to 31 July 2023: loss of £1.241m; six months to 31 July 2022: profit of £1.185m; year to 31 July 2022: profit of £2.407m).

	Unaudited Six months ended 31-July-23 p	Unaudited Year ended 31-Jul-23 p	Unaudited Six months ended 31-July-22 p	Audited Year ended 31-Jul-22 p
Basic	**(0.44)**	(0.23)	0.23	0.46
Diluted	**(0.44)**	(0.23)	0.20	0.41

4. Taxation

	Unaudited Six months ended 31-Jul-23 £'000	Unaudited Year ended 31-July-23 £'000	Unaudited Six months ended 31-Jul-22 £'000	Audited Year ended 31-Jul-22 £'000
Current tax expense				
Ring fence profits	**54**	192	51	51
Energy profit levy	**327**	785	103	103
Total current tax	**381**	977	154	154
Deferred tax expense				
Reversal of temporary difference – utilisation of losses	**-**	145	-	-
Origination and reversal of temporary differences	**899**	899	(1,044)	(1,044)
Total deferred tax	**899**	1,044	(1,044)	(1,044)
Total tax charge/(credit) for the period	**1,280**	2,021	(890)	(890)

5. Cash and cash equivalents

	Unaudited	Audited
	31-Jul-23	31-Jul-22
	£'000	£'000
Cash at bank at floating interest rates	**215**	2,230
Interest bearing cash at bank	**1,948**	-
Non-interest bearing cash at bank	**2,455**	2,570
Restricted cash (interest bearing)	**1,395**	-
	6,014	4,800

Cash at bank at floating interest rates consisted of money market deposits which earn interest at rates set in advance for periods up to three months.

Interest bearing cash at bank bears interest at 5%.

The restricted cash relates the Ceres abandonment provision which is being held in a third-party Escrow account as a security for future abandonment liabilities.

6. Dividend

The Directors do not recommend payment of a dividend.

7. Share capital

In the six-month period to 31 July 2023 a total of 550,000 warrants to subscribe for new Ordinary 1p shares were exercised for total cash consideration of £13,750 at an issue price of 2.5p. The nominal value of the shares was £5,500 and the additional share premium created was £8,250.

In the six-month period to 31 January 2023 a total of 18,441,000 warrants to subscribe for new Ordinary 1p shares were exercised for total cash consideration of £461,025 at an issue price of 2.5p. The nominal value of the shares was £184,410 and the additional share premium created was £276,615.

In the six-month period to 31 July 2022 a total of 8,465,000 warrants to subscribe for new Ordinary 1p shares were exercised for total cash consideration of £211,626 at an issue price of 2.5p. The nominal value of the shares was £84,650 and the additional share premium created was £126,976.

8. Business combination

The Company has completed the acquisition of Aurora Production (UK) Limited ("Aurora") from Aurora Petroleum Limited. The acquisition which had an effective date of 30 September 2022, completed on 1 March 2023 and the company has since been renamed Egdon Resources (Aurora) Limited. Aurora is a private company, which holds an 18.75% interest in the Egdon operated licence PL090 which contains the Waddock Cross oil field and an 8.33% interest in the IGas operated licence PEDL070 which contains the Avington oil field.

A review of the fair value of Aurora's assets and liabilities at the acquisition date is ongoing at the date of this report and will be dealt with in the audited results for the seventeen months 31 December 2023. Therefore, the assets and liabilities at acquisition have been recognised at book value and any difference between the consideration and the fair value of net assets acquired which may lead to goodwill or bargain gain has not been recognised in these interim financial statements.

The results of Aurora for the period 1 October 2022 to 31 July 2023 have been consolidated into the Consolidated Statement of Comprehensive Income.

9. Post-Period Events

The Board recommended an all cash acquisition by Petrichor Partner LP (part of the HEYCO Energy Group) of the entire issued and to be issued Ordinary share capital of the Company at a price of 4.5p per share to be implemented by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act. This was sanctioned by the High Court of Justice of England & Wales on 12 September 2023 and became effective on 15 September 2023 with cancellation of admission of Egdon's shares occurring at 0700 hours on 18 September 2023.

On 18 October 2023 Egdon Resources plc re-registered as a private company and has been renamed as Egdon Resources Limited.

On 18 September 2023 George Yates, Chairman and CEO of HEYCO, was appointed as a Director of Egdon.

During August 2023 Egdon exercised the option to farm-in PL081 and in addition, Egdon and York reached agreement with Cuadrilla North Cleveland Limited ("Cuadrilla"), the 100% licensee of PEDL347, which would result in a farm-in and equalisation of interests between the two licences. The transfer of interest and appointment of Egdon as operator remains subject to NSTA approval.

The installation at Wressle of an artificial lift system was completed in October 2023.

10. Publication of the Interim Report

This interim report is available on the Company's website www.egdon-resources.com.