Interim Financial Statements

Six months ended 30 June 2022

Company Number 05239285

Chairman and CEO's Statement

We are delighted to report a strong six month period ended 30 June 2022 (the "Period" or "H1 2022"), with the Company completing its 'no win-no fee' style funding agreement for its claims against the Republic of Slovenia which was rapidly followed by the formal launch of the associated arbitration process. Post the Period end, the Company confirmed a monetary damages claim in excess of €500 million and we believe this makes Ascent Resources plc a unique and compelling proposition for shareholders.

Whilst gas production at the Petisovci project in Slovenia is buoyed by the strong European gas market backdrop, the Company also continues to pursue an industrial growth strategy across both onshore gas and ESG Metals where it has, for some time now, been preparing for its maiden growth transaction.

Our vision remains, by the end of 2022, to have finalised this transformation of Ascent such that the Company has both sustainable cash flow generation from its operations and compelling upside exposure from a funded claim, all supported by an "on the money" ESG compatible strategy in an exciting, growth focused, part of the world.

We thank our shareholders for their support and look forward to achieving success together.

Slovenia Arbitration

The future success of the Company's 75% interest in the Petisovci tight gas project joint venture in Slovenia was hit with a significant blow in April 2022 when the Republic of Slovenia voted to approve amendments to the mining law which now includes a complete ban on hydraulic stimulation for the purpose of producing hydrocarbons. Consequently, the Company does now not expect to be able to re-stimulate the PG-10 and PG-11A wells and any future development plans can not include the use of mechanical stimulation. The Company responded quickly serving the Republic of Slovenia ('Slovenia' or 'the State') with a new notice of dispute of further breaches under the UK-Slovenia bilateral investment treaty ('BIT') and the Energy Charter Treaty ('ECT') on 5 May 2022. The Company then entered into a binding damages agreement, essentially a 'no win – no fee' style arrangement, to appoint Enyo Law LLP, as announced on 30 May 2022. Enyo Law LLP is a specialist arbitration and litigation legal firm who filed both of the Notice of Disputes on behalf of the Company and represented the Company in last year's pre-arbitration negotiations with the Republic of Slovenia. Post the Period end, the Company formally initiated arbitration proceedings against the Republic of Slovenia with a revised monetary damages claim in excess of €500 million on 15 August 2022. It should be cautioned that in the event the Company is successful in its claim any amount actually received by the Company may be significantly lower.

The claim is based on what the Board believe to be a populist campaign carried out by Slovenia against the Company and our investment, which has prevented the development of the Petišovci oil and gas field. In particular, Slovenia has prevented the restimulation of two wells (PG-10 and PG-11A) in 2017, which was necessary to maintain the levels of gas produced from the tight rock reservoir (as has been done multiple times over the last fifty years). This frustration of the ability to develop the field was initiated via a decision of the State's regulator, the Slovenian Environment Agency ("ARSO"), which determined that an Environmental Impact Assessment ("EIA") would be required to be approved in order to conduct the low-volume hydraulic stimulation, even though such an EIA was not required and never had been previously under Slovenian law, and ARSO's conclusion was contrary to the conclusion of Slovenia's own expert bodies. This decision significantly slowed down the development of the field by the Company. Pending such low-volume hydraulic stimulation, the amount of gas produced by the field was very significantly reduced, resulting in a significant loss of the Company's revenues. At the same time, the Minister of the Environment and Spatial Planning of Slovenia repeatedly made public statements portraying the Investors, as well as the Petišovci project, in a negative light, and the Company believes that leaks were made by ARSO to the press. This further demonstrates that ARSO was biased against the Investors and that the ARSO's decision was politically motivated. Slovenia's campaign against the Investors culminated in a complete ban on low-volume hydraulic stimulation, which came in effect on 5 May 2022. The Board believes that statements made during the parliamentary debate on the ban leave no doubt that the Investors were being specifically targeted by it.

Accordingly, the Company has submitted its dispute with the Republic of Slovenia to arbitration administered by the International Centre for Settlement of Investment Disputes ("ICSID"). The request for arbitration follows the Notices of Dispute filed by Ascent Resources Plc and Ascent Slovenia Ltd on 23 July 2020 and 5 May 2022 respectively in which Slovenia was formally notified of the existence of a dispute under the ECT and the BIT. The Request for Arbitration ("Request") is submitted pursuant to Article 26 of the ECT and Article 8 of the 1996 Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Republic of Slovenia for the Promotion and Protection of Investments.

Ascent brings this claim in relation to Slovenia's measures that have destroyed the value of Ascent's investments in the Slovenian energy sector, and which have de facto deprived Ascent of its right to produce gas in Slovenia. Ascent's rights have been unlawfully expropriated by Slovenia, in breach of the country's obligations under international law and both the ECT and the BIT. The Company has therefore sustained losses for which it is seeking compensation. According to preliminary estimates, the losses sustained are in excess of €500 million. It should be cautioned that in the event the Company is successful in its claim any amount actually received by the Company may be significantly lower. The Company remains amenable to discussing settlement with the Republic of Slovenia following its review of the matter or otherwise pursuing this significant damages claim through to a binding result for the Company.

Slovenia Operational Update

The PG-10 and PG-11A wells continue to produce gas with 11,934 SCM/month being sold to local industrial buyers via the low-pressure pipeline. Through the Period, the Company remained in dispute with both its JV partner Geoenergo, in relation to agreeing the invoice amounts for hydrocarbons produced from the wells, and also in dispute with its JV operating service provider Petrol Geo (which is a related party of Geoenergo) in relation to their service agreement and a significant change in circumstances. Post the Period end, the Company agreed recognition of revenues for the period 2020 through to June 2022 which will be reflected in the next annual report. The Company has agreed total gross revenues of €1.68 million for the period of April 2020 through to June 2022. Furthermore, the Company is scheduled to have mediation with its JV partner in September 2022 in relation to different interpretations of the joint venture contract, which Ascent understands could result in the recognition of further hydrocarbon revenues.

ESG Metals Strategy

As announced in January 2022, the Company continues to evaluate a number of ESG Metal transactions across Latin and Hispanic America and it has now identified Peru as its primary target geography for this strategy, which focuses on ore processing and secondary mining recovery opportunities consistent with global Environmental, Social and Governance (“ESG”) principles. The Company expects that these opportunities will typically involve the reclassification, through highly efficient recovery techniques, of surface stockpiled mining waste (previously viewed as a liability for mining companies) as a valuable asset for processing/reprocessing ahead of commercial sale to off-takers/other third-party buyers and/or participating in the enfranchising of local artisanal peasant gold mining communities with access to new tolling operations to process and commercialise their ore.

Peru is widely recognised as one of the largest and most diversified mineral producers with some of the most extensive reserves in the world with mining the most important sector in the Peruvian economy (some 10% of national GDP). Peru is currently the world's second largest Copper and Silver producer and Latin America's largest Gold, Zinc, Tin and Lead producer. Peru's Long-Term Credit Rating is rated as BBB by most agencies, which is amongst the strongest in the region. The country also benefits from a long history of mining, a robust mining legal framework and a significant pool of local expertise. The Company sees significant opportunity for attractive entry points in natural resources with a focus on onshore oil and gas developments and mining following the global pandemic which has triggered international capital flight and significant capital constraints for small-scale operators. The Company therefore initially expects to focus its attention on small-scale operations (up to 350 tpd), which the Company considers affordable, of an efficient operational scale and which have multiple local tax and permitting benefits.

Corporate

At the beginning of the year, in support of the Company focusing its ESG Metal strategy on Peru, the Company successfully raised new gross equity proceeds of £0.6 million to fund working capital requirements and wider business development activity at a price of 3.3 pence per new share, which represented a nil discount to the closing bid price on the prior day. The subscribers received one new equity warrant per new share subscribed for, with the warrant being exercisable at pence per warrant share at any time in the next two years.

During the Period, the Company agreed with the holders of the remaining 4 pence equity warrants that were issued on 6 August 2020 to an immediate warrant exercise whereby all 4 pence warrants were exercised, realising new equity proceeds of £242,500 for the Company, whilst the Company awarded one and half new warrants for each warrant exercised, with each new warrant being exercisable at 5p per new warrant at any time over the next three years.

In February 2022, Mr Ewen Ainsworth stepped down from his position as Non-Executive Director following his acceptance of a full-time executive position elsewhere.

Post the Period end, the Company has agreed invoices and began receiving payment for historic revenues from the PG-10 and PG-11A wells for the period of April 2020 through to June 2022. Accordingly, the Company expects to recognise historic production revenues as well as associated production costs in its next annual accounts.

Outlook

The team continue to work diligently across our key corporate priorities which include championing redress from Slovenia pursuant to our $0.5+ billion ECT and BIT funded monetary damages claim and delivering a complimenting maiden new business transaction focused on development and near term production and revenue generation. We look forward to delivering success for our shareholders at Ascent Resources plc and engaging with them throughout our continuing journey.

James Parsons
Executive Chairman
12 September 2022

Andrew Dennan
Chief Executive Officer
12 September 2022

CEO's report

Financial performance

Revenue for H1 2022 was £nil, as per the prior period. The closing cash balance at 30 June 2022 was £174,000 (H1 2021: £766,000 and FY21: £97,000). Post Period end the Company agreed invoices and began receiving payment for historic revenues from the PG-10 and PG-11A wells for the period of April 2020 through to June 2022. Accordingly, the Company expects to recognise historic production revenues as well as associated production costs in its next annual accounts.

During the Period the Company raised £600,000 before costs in an equity placing in January 2022 and a further £242,500 from a warrant exercise in April 2022. There was a cash outflow from operations of £720,000 and an inflow of £797,000 from financing, resulting in net cash flow of £77,000.

Operational performance

Production KPI's	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022
Total gas (k scm)	123.1	98.29	144.57	108.05	108.11	89.98
Total gas (MMcf)	4.35	3.47	5.11	3.82	3.82	3.18
Average daily gas (k scm)	3.97	3.51	4.66	3.6	3.49	3.00
Average daily gas (Mcf)	140.23	123.96	164.69	127.20	123.16	105.92
Total condensate (liters)	1,728	3,764	2,445	5,468	4,250	4,230
CGR (liters per 1000 scm gas)	14.04	38.30	16.91	50.60	39.31	47.01
BOE – gas	749.31	598.28	880.00	657.72	658.07	547.71
BOE – condensate	10.85	23.64	15.35	34.34	26.69	26.56
Total BOE	760.16	621.92	895.35	692.62	684.76	574.27

Total production for the Period was 672.10 thousand cubic metres of gas and 21,885 litres of condensate.

Gas sales to INA remain suspended as wellhead pressure is below the export pipeline pressure, which is not expected to be remedied following the Slovenian ban which includes the prohibition of low volume hydraulic stimulation. The Company produced gas in the year to date which was sold locally to an industrial buyer through a low-pressure pipeline. Post Period end, the Company agreed invoices and began receiving payment for historic revenues from the PG-10 and PG-11A wells for the period of April 2020 through to June 2022. Accordingly, the Company expects to recognise historic production revenues as well as associated production costs in its next annual accounts.

Consolidated Income Statement
for the Period ended 30 June 2022

	Notes	**Period ended 30 June 2022 £'000s**	Period ended 30 June 2021 £'000s
Revenue		**-**	-
Cost of sales		**-**	(25)
Depreciation of oil & gas assets		**(122)**	(194)
Gross Profit		**(122)**	(219)
Administrative expenses		**(539)**	(826)
Loss from operating activities		**(661)**	(1,045)
Finance income		**-**	-
Finance cost		**(1)**	(10)
Net finance costs		**(1)**	(10)
Loss before taxation	**2**	**(622)**	(1,055)
Income tax expense		**-**	-
Loss for the period after tax		**(622)**	(1,055)
Loss for the period attributable to equity shareholders		**(622)**	(1,055)
Earnings per share			
Basic & fully diluted loss per share (£)	**4**	**(0.005)**	(0.01)

Consolidated Statement of Comprehensive Income
for the Period ended 30 June 2022

	Notes	**Period ended 30 June 2022 £'000s**	Period ended 30 June 2021 £'000s
Loss for the period		**(622)**	(1,055)
Other comprehensive income			
Foreign currency translation differences for foreign operations		**599**	(776)
Total comprehensive gain / (loss) for the period		**(63)**	(1,831)

Consolidated Statement of Financial Position

As at 30 June 2022

	Notes	30 June 2022 £'000s	31 December 2021 £'000s
Assets			
Non-current assets			
Property, plant and equipment	5	**21,512**	21,111
Exploration and evaluation costs	5	**18,576**	18,463
Goodwill		**653**	653
Prepaid abandonment fund		**300**	300
Total non-current assets		**41,041**	40,527
Current assets			
Inventory		**-**	-
Trade and other receivables	6	**43**	8
Cash and cash equivalents		**174**	97
Restricted cash		**-**	-
Total current assets		**217**	105
Total assets		**41,258**	40,632
Equity and liabilities			
Attributable to the equity holders of the Parent Company			
Share capital	10	**8,129**	7,998
Share premium account		**75,752**	75,021
Merger reserve		**570**	570
Equity reserve		**-**	-
Share-based payment reserve		**2,129**	2,129
Translation reserves		**5**	(594)
Retained earnings		**(47,228)**	(46,566)
Total equity attributable to the shareholders		**39,357**	38,588
Total equity		**39,357**	38,588
Non-current liabilities			
Borrowings	8	**536**	536
Provisions		**318**	312
Total non-current liabilities		**854**	848
Current liabilities			
Borrowings	8	**5**	5
Contingent consideration due on acquisitions	9	**450**	450
Trade and other payables	7	**592**	771
Total current liabilities		**1,047**	1,226
Total liabilities		**1,901**	2,074
Total equity and liabilities		**41,258**	40,632

Consolidated Statement of Changes in Equity

for the period ended 30 June 2022

	Share capital	Share premium	Merger reserve	Equity reserve	Share based payment reserve	Translation reserve	Retained earnings	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Balance at 1 January 2021	**7,928**	**73,863**	**570**	**73**	**2,129**	**1,027**	**(44,595)**	**40,995**
Comprehensive income								
Loss for the period	-	-	-	-	-	-	(1,055)	(1,055)
Other comprehensive income								
Currency translation differences	-	-	-	-	-	(776)	-	(776)
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**(776)**	**(1,055)**	**(1,831)**
Transactions with owners								
Issue of shares during the year net of costs	70	1,176	-	-	-	-	-	1,246
Share-based payments	-	-	-	-	16	-	-	16
Balance at 30 June 2021	**7,998**	**75,039**	**570**	**73**	**2,145**	**251**	**(45,650)**	**40,424**
Balance at 1 January 2021	**7,928**	**73,863**	**570**	**73**	**2,129**	**1,027**	**(44,595)**	**40,995**
Comprehensive income								
Loss for the period	-	-	-	-	-	-	(1,971)	(1,971)
Other comprehensive income								
Currency translation differences	-	-	-	-	-	(1,621)	-	(1,621)
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**(1,621)**	**(1,971)**	**(3,592)**
Transactions with owners								
Issue of ordinary shares	70	1,176	-	-	-	-	-	1,246
Costs related to share issues	-	(18)	-	-	-	-	-	(18)
Equity value of convertible loan note	-	-	-	(73)	-	-	-	(73)
Balance at 31 December 2021	**7,998**	**75,021**	**570**	**-**	**2,129**	**(594)**	**(46,566)**	**38,558**
Balance at 1 January 2022	**7,998**	**75,021**	**570**	**-**	**2,129**	**(594)**	**(46,566)**	**38,558**
Comprehensive income								
Loss for the period	-	-	-	-	-	-	(662)	(662)
Other comprehensive income								
Currency translation differences	-	-	-	-	-	599	-	599
Total comprehensive income	-	-	-	-	-	599	(662)	(63)
Transactions with owners								
Issue of shares during the year net of costs	131	731	-	-	-	-	-	862
Share-based payments	-	-	-	-	-	-	-	-
Balance at 30 June 2022	**8,129**	**75,752**	**570**	**-**	**2,129**	**5**	**47,228**	**39,357**

Consolidated Statement of Cash Flows
for the six months ended 30 June 2022

	Period ended 30 June 2022 £'000s	Period ended 30 June 2021 £'000s
Cash flows from operations		
Loss after tax for the period	**(622)**	(1,055)
Depreciation	**122**	194
Change in receivables	**(35)**	53
Change in payables	**(179)**	(89)
Increase in share-based payments	**35**	38
Exchange differences		25
Finance cost		10
Net cash used in operating activities	**(719)**	(824)
Cash flows from investing activities		
Payments for fixed assets	**-**	-
Payments for investing in exploration	**(1)**	-
Net cash used in investing activities	**(1)**	-
Cash flows from financing activities		
Interest paid and other finance fees	**-**	-
Loans repaid	**-**	(125)
Proceeds from borrowings	**-**	375
Proceeds from issue of shares	**842**	1,265
Share issue costs	**(45)**	(40)
Net cash generated from financing activities	**797**	1,475
Net increase in cash and cash equivalents for the year	**77**	651
Effect of foreign exchange differences	**-**	-
Cash and cash equivalents at beginning of the year	**97**	115
Cash and cash equivalents at the end of the year	**174**	766

Notes to the Interim Financial Statements
for the six months ended 30 June 2022

1. Accounting Policies

Reporting entity

Ascent Resources plc ('the Company') is a company domiciled in England. The address of the Company's registered office is 5 New Street Square, London EC4A 3TW. The unaudited consolidated interim financial statements of the Company as at 30 June 2022 comprise the Company and its subsidiaries (together referred to as the 'Group').

Basis of preparation

The interim financial statements have been prepared using measurement and recognition criteria based on International Financial Reporting Standards (IFRS and IFRIC interpretations) issued by the International Accounting Standards Board (IASB) as adopted for use in the EU. The interim financial information has been prepared using the accounting policies which were applied in the Group's statutory financial statements for the year ended 31 December 2020.

New Standards adopted as at 1 January 2022

Accounting pronouncements which have become effective from 1 January 2022 are:

- IFRS 3 – Business Combinations
- IAS 16 – Property, Plant and Equipment
- IAS 37 – Provisions, Contingent Liabilities and Contingent Assets

These accounting pronouncements do not have a significant impact on the Group's financial results or position.

All amounts have been prepared in British pounds, this being the Group's presentational currency.

The interim financial information for the six months to 30 June 2022 and 30 June 2021 is unaudited and does not constitute statutory financial information. The comparatives for the full year ended 31 December 2021 are not the Group's full statutory accounts for that year. The information given for the year ended 31 December 2021 does not constitute statutory financial statements as defined by Section 435 of the Companies Act. The statutory accounts for the year ended 31 December 2021 have been filed with the Registrar and are available on the Company's web site www.ascentresources.co.uk. The auditors' report on those accounts was unqualified. It did not contain a statement under Section 498(2)-(3) of the Companies Act 2006.

Going Concern

The Financial Statements of the Group are prepared on a going concern basis.

COVID-19 has had limited direct impact on Ascent's assets in Slovenia but there may be delays in obtaining the necessary governmental approvals and processes. Production operations in Slovenia have been unaffected to date.

On 18 January 2022, the Company completed a £0.6 million subscription and raised a further £242,000 on 14 April 2022 from a warrant conversion. These funds were used for working capital and project costs during the reporting period. Furthermore, on 12 August 2022 and post period end, the Company received the first net payment of €650,000 for hydrocarbon revenues for the period April 2020 to December 2021. A further €857,000 of hydrocarbon revenues for the period January 2022 to June 2022 is expected in the near term. Following receipt of these production revenues, the Company expects to recognise historic costs relating to a historic liability owed to the field operator of approximately €230,000 and potentially other costs. However, the Company may require further funding over the next twelve months to cover further development in Slovenia and discretionary spend incurred with executing on the ESG Metals Strategy through acquisition.

Based on historical and recent support from new and existing investors the Board believes that such funding, if and when required, could be obtained through new debt or equity issuances.

However, there can be no guarantee over the outcome of these options and as a consequence there is a material uncertainty of the Group's ability to raise the necessary finance, which may cast doubt on the Group's ability to operate as a going concern. Further, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

Principal Risks and Uncertainties:

The principal risks and uncertainties affecting the business activities of the Group remain those detailed on pages 11-12 of the Annual Review 2020, a copy of which is available on the Company's website at www.ascentresources.co.uk.

2. Operating loss is stated after charging

	Period ended 30 June 2022 £'000s	Period ended 30 June 2021 £'000s
Employee costs	**363**	475
Share based payment charge	**-**	16
Included within Administrative Expenses		
Audit fees	**9**	40
Fees payable to the Company's auditor for other services	**-**	-
	9	40

3. Earnings per share

	Period ended 30 June 2022 £'000s	Period ended 30 June 2021 £'000s
Result for the period		
Total loss for the period attributable to equity shareholders	**(622)**	(1,055)
Weighted average number of ordinary shares	**Number**	Number
For basic earnings per share	**128,149,204**	106,483,897
Earnings per share (£)	**(0.005)**	(0.01)

4. Property, plant & equipment and Exploration and Evaluation assets

	Computer Equipment £'000s	Developed Oil & Gas Assets £'000s	Total Property Plant & Equipment £'000s	Exploration & Evaluation £'000s
Cost				
At 1 January 2021	6	24,494	24,600	18,753
Additions	-	-	-	-
Effect of exchange rate movements	-	(624)	(624)	(149)
At 30 June 2021	**6**	**23,870**	**23,876**	**18,604**
At 1 January 2021	**6**	**24,494**	**24,600**	**18,753**
Additions	5	-	5	-
Effect of exchange rate movements	-	(1,631)	(1,631)	(290)
At 31 December 2021	**11**	**22,963**	**22,974**	**18,463**
At 1 January 2022	**11**	**22,963**	**22,974**	**18,463**
Additions	1	-	1	-
Effect of exchange rate movements	-	573	573	113
At 30 June 2022	**12**	**23,536**	**23,548**	**18,576**
Depreciation				
At 1 January 2021	(6)	(1,811)	(1,817)	-
Charge for the year	-	(194)	(194)	-
Effect of exchange rate movements	-	-	-	-
At 30 June 2021	**(6)**	**(2,005)**	**(2,011)**	**-**
At 1 January 2021	**(6)**	**(1,811)**	**(1,817)**	**-**
Charge for the year	-	(328)	(328)	-
Effect of exchange rate movements	-	282	282	-
At 31 December 2021	**(6)**	**(1,857)**	**(1,863)**	**-**
At 1 January 2022	**(6)**	**(1,857)**	**(1,863)**	**-**
Charge for the year	(3)	(121)	(124)	-
Effect of exchange rate movements	-	(49)	(49)	-
At 30 June 2022	**(9)**	**(2,027)**	**(2,036)**	**-**
Carrying Value				
At 30 June 2022	**3**	**21,509**	**21,512**	**18,576**
At 31 December 2021	5	21,106	21,111	18,463
At 30 June 2021	-	21,865	21,865	18,604

5. Trade & other receivables

	30 June 2022 **£'000s**	31 December 2021 £'000s
Trade receivables	**-**	-
VAT recoverable	**73**	42
Prepaid abandonment liability	**300**	300
Prepayments & accrued income	**(30)**	(34)
	343	308
Less non-current portion	**(300)**	(300)
Current portion	**43**	8

6. Trade & other payables

	30 June 2022 **£'000s**	31 December 2021 £'000s
Trade payables	**525**	581
Tax and social security payable	**47**	16
Other payables	**-**	-
Accruals and deferred income	**20**	174
	592	771

7. Borrowings

	30 June 2022 **£'000s**	31 December 2021 £'000s
Group		
Non-current		
Convertible loan notes	**536**	536
	536	536

	30 June 2022 **£'000s**	31 December 2021 £'000s
Group		
Current		
Convertible loan notes	**5**	5
Borrowings	**-**	-
Liability at the end of the period	**5**	5

The non-current borrowings relate to the loan arrangement with Riverfort Global Opportunities with a loan note balance as at 30 June 2022 of £270,000. In December 2020 the Company signed a loan agreement provided equally by Align Research Limited and Riverfort Global Opportunities and under this loan agreement, the Company drew down a total of £375,000 in 2021, representing £125,000 from Align and £250,000 from Riverfort. During 2021 the Company repaid £125,000 resulting in a loan balance of £250,000 as of the end of 2021.

In December 2021, the Company extended the maturity of the outstanding loan amount so that it is payable in six equal instalments commencing February 2023.

8. Contingent consideration due on acquisitions

	30 June 2022 **£'000s**	31 December 2021 £'000s
Group		
Non-current		
Ascent Hispanic Resources UK Limited	**450**	450
	450	450

9. Share capital

	30 June 2022 £'000s	31 December 2021 £'000s
Authorised		
2,000,000,000 ordinary shares of 0.5p each	**10,000**	10,000
Allotted, called up and fully paid		
3,019,648,452 deferred shares of 0.195p each	**5,888**	5,888
1,737,110,763 deferred shares of 0.09p each	**1,563**	1,563
135,560,515 ordinary shares of 0.5p each (2021: 109,376,804 ordinary shares of 0.5p each)	**678**	547
	8,129	7,998

Reconciliation of share capital movement	Ordinary shares No.	Ordinary shares No.
Opening	109,376,804	95,283,281
Issue of shares during the year	26,183,711	14,093,523
Closing	**135,560,515**	**109,376,804**

The deferred shares have no voting rights and are not eligible for dividends.

Shares issued during the year

Issuance of equity throughout the year:

- On 18 January 2022, the Company raised gross proceeds of £0.6 million by way of issue of 18,181,818 new ordinary shares at 3.3 pence per share to new and existing shareholders. Additionally, the Company issued a further 303,030 new ordinary shares to satisfy a £10,000 consultant invoices on the same terms as the placing.
- On 3 February 2022, the Company issued a total of 1,636,363 new ordinary shares of 0.5 pence each at an issue price of 3.3 pence per share. 303,030 of these shares where issued to a consultant in lieu of cash for services provided, 242,424 shares where issued to staff and 1,909,909 shares where issued Align Research Limited. This transaction constitutes a related party transaction pursuant to AIM Rules for Companies. The independent directors having consulted with WH Ireland Limited, consider the transaction to be fair and reasonable insofar as the Company's shareholders are concerned.
- On 14 April 2022, the Company raised gross proceeds of £242,500 from the exercise of 6,062,500 warrants at an exercisable price of 4.4 pence per new ordinary share.

10. Share based payments

The Company has provided the Directors, certain employees and institutional investors with share options and warrants ('options'). Options are exercisable at a price equal to the closing market price of the Company's shares on the date of grant. The exercisable period varies and can be up to seven years once fully vested after which time the option lapses.

Details of the share options outstanding during the year are as follows:

	Shares	**Weighted Average price (pence)**
Outstanding at 1 January 2021	7,348,142	253.72
Outstanding at 31 December 2021	7,348,142	253.72
Exercisable at 31 December 2021	**1,450,763**	**248.72**
Outstanding at 1 January 2022	7,348,142	253.72
Granted during the year	-	
Outstanding at 30 June 2022	7,348,142	253.72
Exercisable at 30 June 2022	**1,450,763**	**248.72**

Options outstanding at 30 June 2022 have an exercise price in the range of 2.9p and 778p and a weighted average contractual life of 4 years.

Details of the warrants issued in the period are as follows:

Issued	Exercisable from	Expiry date	Number outstanding	Exercise price
27 January 2022	Anytime until	26 January 2024	20,303,030	5.00p
27 January 2022	Anytime until	26 January 2024	1,000,000	5.00p
14 April 2022	Anytime until	14 April 2025	9,093,750	4.00p

	Warrants	Weighted Average price (pence)
Outstanding at 1 January 2022	21,914,254	6.80
Granted during the period	30,396,780	4.70
Exercised during the period	(6,062,500)	5.10
Expired during the period	(7,727,272)	5.50
Outstanding at 30 June 2022	38,521,262	5.00
Exercisable at 30 June 2022	**38,521,262**	**5.00**

The warrants outstanding at the period end have a weighted average remaining contractual life of 2.1 years. The exercise prices of the warrants are between 4.00 – 7.50p per share.

11. Events after the reporting period

On 2 August 2022, the Company announced that it had come to agreement with the JV partner on the PG-10 and PG-11A hydrocarbon revenue to recognise €1.68 million for the period April 2020 to June 2022.

On 12 August 2022, the Company announced that it had received the first net payment of €650,560 for hydrocarbon revenues for the period April 2020 to December 2021 as announced on 2 August 2022.