Interim Financial Statements

Six months ended 30 June 2023

Company Number 05239285

Chairman and CEO's Statement

The first half of the year (the "Period" or "H1 2023") has seen the Company continue to take strides as it defends its investment and working interests in Slovenia. The Company has successfully resolved a long-standing dispute, which commenced in 2019, with its joint venture ("JV") service provider, Petrol Geo, at a circa 30% discount to the amounts claimed to be owed. As well as successfully restructuring the costs of the continuing service provider contract at a discount of approximately 55% to the prior amounts being charged. The Company successfully resolved part of its disputes with its JV partner, Geoenergo, relating to hydrocarbon production proceeds owed to the Company pursuant to the JV contract (the "RJOA"), resulting in the Group successfully recognising €1,724,689 in hydrocarbon proceeds from the PG-10 and PG-11A wells produced in the period January 2022 through to February 2023. The Company continues to pursue its arbitration claim against Geoenergo in relation to the parties' different interpretations of the RJOA relating to the distribution of hydrocarbon proceeds produced above the contractual baseline production profile whilst Ascent is in a preferential recovery position. The arbitration hearing took place in June 2023 the Company is awaiting its outcome.

During the Period, the Tribunal was constituted for the Company's Energy Charter Treaty ("ECT") damages claim against the Republic of Slovenia. Accordingly, the Company has been working with its legal representatives, Enyo Law LLP, to prepare its ECT memorial, which was submitted post the Period under review. As part of the work to finalise the memorial, independent technical oil & gas as well as financial damage quantum experts were commissioned to provide their analysis on the Company's claim and estimated an updated claim damages number of €656.5 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.

Gas production at the Petisovci project in Slovenia has continued through the Period with 645,140 scm produced by the PG-10 and PG-11A wells. However, the European gas market has softened through the Period. The JV Partner (who is also the concession holder) submitted a concession extension application ahead of the deadline, which was then superseded by law changes in Slovenia which give mining right owners with concessions expiring in the next 18 months an automatic 30-month extension to their current concession expiry date (as a result of the administrative backlog resulting from the COVID-19 pandemic), subject to the concession holders filing a request within 30 days. The JV Partner filed the necessary application to receive the 30-month extension ahead of the deadline. Accordingly, the Company expects the concession expiry date to be in May 2026.

The Company is seeking to execute on its first ESG Metals deal in the second half of the year. Our vision remains, by the end of 2023, to have finalised this transformation of Ascent such that the Company has both sustainable cash flow generation from its operations and compelling upside exposure to both near term €3+ million partner arbitration claim as well as medium term €656.5 million ECT damages claim against the Republic of Slovenia (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 than the amount sought), underpinned by a new ESG compatible metals 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 Energy Charter Treaty Arbitration Claim

In September 2022 Ascent Resources Plc and its wholly owned subsidiary, Ascent Slovenia Limited, (together the "Claimants") registered an Energy Charter Treaty ("ECT") damages claim against the Republic of Slovenia relating to a number of certain actions taken by Slovenia and its administrative functions, against the Claimants, which culminated in the expropriation of the Claimant's investments in Slovenia by sudden changes to the country's mining legislation, implemented in May 2022, which prohibit the use of stimulation as a method to explore for or produce hydrocarbons. Given that the Petišovci project is a tight gas development which requires the use of stimulation to produce the tight gas, these actions have expropriated the full investment value of the Claimants investments in country, which are in breach of the duties owned by Slovenia to the Claimants as protected investors.

During the Period the Claimants and Enyo Law LLP (the Company's appointed specialist litigation and arbitration lawyers) have been working alongside independent experts in the fields of geology and oil and gas developments, as well as specialist independent quantum analysis experts to prepare the memorial which sets out the Claimants position, merits and jurisdiction for the claim. This lengthy document was successfully completed and filed in July 2023, post the Period-end, and estimated a revised claim damages amount of €656.5 million.

The Claimants arbitration dispute with the Republic of Slovenia is 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. The Request for Arbitration ("Request") was submitted pursuant to Article 26 of the ECT and was successfully registered with ICSID under the ECT on 1 September 2022. The Company appointed Mr Klaus Reichert (German/Irish) as its arbitrator in November 2022. In December 2022, Slovenia appointed Ms Brigitte Stern, a French professor. During the Period, Dr Raed Fathallah (Canadian, French, Lebanese) was appointed as president arbitrator and, accordingly, on 7 March 2023, the Tribunal was constituted in accordance with Article 37(2)(a) of the ICSID Convention. Following a first procedural session in April 2023, the case continued to progress through the arbitration process. 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 than the amount sought.

The Company remains amenable to discussing settlement with the Republic of Slovenia following its review of the matter or otherwise pursuing its significant damages claim through to a binding result for the Claimants and their stakeholders.

Slovenia Operations Update

The PG-10 and PG-11A wells continue to produce gas with a 1H monthly average production of 107,000 SCM/month which is currently being sold to local industrial buyers via the low-pressure pipeline. Through the Period, the Company achieved success in its dispute mediation process with the JV service provider, Petrol Geo, in regards to their claim for payment of €2,083,491 (plus interest and costs) relating to costs and invoices which Ascent has been rejecting on the basis of a significant change in circumstances. The Company successfully agreed to resolve the dispute by agreeing a full and final payment of €1,436,000 to settle all claimed amounts, representing a discount of approximately 30% to the amount being claimed. Additionally, the Company successfully renegotiated the continuing service provider contract to reduce the fixed service charge down from €44,000 per month to the higher of i) €20,000 a month (a discount of circa 55% to the amounts previously agreed); or ii) 35% of Ascent's entitlement to proceeds from the PG-10 and PG-11A wells. This structure seeks to mitigate the losses made by the project. In tandem with this resolution to the claim against the JV, the Company was also successful in achieving a partial resolution to its Slovenia domestic arbitration dispute process against Geoenergo which was instigated in December 2022, with an agreement during the period under review that saw Ascent recognise payment of €1,724,689 for hydrocarbons sales from the PG-10 and PG-11A wells for the period January 2022 through to February 2023. Following settlement of the amounts agreed to be paid to Petrol Geo, the Company successfully received net proceeds of €288,689 in cash. However, the arbitration process continues with the Company seeking an answer to the JV partners different interpretations of the RJOA relating to the distribution of the economics of hydrocarbon production proceeds generated above the RJOA contractual baseline production profile from all the wells on the concession area (as opposed to just PG-10 and PG-11A). The Company is seeking entitlement to 90% of the proceeds from this delta whilst it is in a preferential cost recovery position (i.e. until it has earned/received its investment of €50+ million back). The hearing was held in June 2023 and the result is expected in due course. The Company currently estimates the amount it is entitled to, limited by the three-year statutory deadline, could be in excess of €3 million.

During the Period, the JV partner and concession holder, Geoenergo, filed an application to extend the term of the concession which was due to expire in November 2023. This application was then superseded by law changes implemented in Slovenia which have afforded mineral right owners with concessions due to expire in the next 18 months with the option of an automatic 30-month extension, designed to ease the administrative backlog in the ministry as a result of COVID-19 pandemic. The Company was notified by Geoenergo that the requisite request for the 30-month extension was submitted ahead of the deadline. The Company now expects the concession expiry date will be 28 May 2026.

ESG Metals Strategy

The Company remains very focused on executing on its new ESG Metals growth strategy with an initial focus on Latin America, where the Company has selected Peru and Chile as ideal candidates to execute our growth strategy. 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, Silver and Zinc 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. Similarly, a lot of these traits are shared by neighbouring Chile, which is the world's largest Copper producer and has a long history or mining and mineral processing giving rise to large accumulations of surface stockpiled materials consistent with the Company's ESG Metals strategy.

The Company sees significant opportunity for attractive entry points in mining following the global pandemic which has triggered international capital flight and significant capital constraints for small-scale miners. 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 and commercial scale and which have multiple local operating and permitting benefits. The Company is actively developing a number of potential transactions in the gold tailing re-processing and artisanal gold ore processing theme, however given the political disruption in Peru towards the end of 2022 and beginning of 2023, the Company expects its first transaction in ESG Metals may be in a neighbouring territory, with the expectation that a new country entry to Peru focused on precious metals would still materialise in the Company's near future

Corporate

In February 2023, the Company signed strategic collaboration agreements with Beryl International Pty, a South African based diversified investment Company, who were seeking to make a strategic investment of £1 million in the Company at a premium to the prevailing market share price, alongside appointing a new non-executive director to the Board. However, after the announcement of the proposed transaction, South Africa was added to the Financial Action Task Force grey list which resulted in significant delays for Beryl to complete the capitalisation of their new international subsidiary set up for the purpose of the proposed investment. Accordingly, after extending the long stop date and Beryl's second failure to complete settlement of its obligations, the Company terminated the proposed transaction. In April 2023 the Company successfully raised £0.4 million in new equity proceeds at a price of 3 pence per new share, being the spot price at the close on the preceding day ahead of announcement. Each new share was also issued with one new warrant exercisable at 5 pence per new share at any time in the next two years.

In June 2023 the Company announced an intention to bid for Amur Minerals Plc, having been in discussions with the Amur board around a concept of merging their cash resource post payment of their special dividend with Ascent's business development inventory in Latin America, to combine and execute on a joint strategy focused on metals processing and reprocessing businesses which expose shareholders to precious and battery metals and have a pathway toward cashflows within 6 months to three years. However, post the Period-end, discussion were terminated.

Outlook

The Company remains focused on preserving value and defending its investments and working interests in Slovenia. Shareholders are exposed to a near term domestic arbitration result relating to the Company's claims to an estimated €3+ million in additional revenue from all the wells in the concession area, in addition to the PG-10 and PG-11A revenues received as a result of the partial resolution of the partner dispute. During the Period, the Tribunal was constituted for the Company's ECT damages claim against Slovenia and post the Period-end the Company filed its ECT claim memorial for an upgraded €656.5 million, independently estimated, damages claim. 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 than the amount sought. Following clarity on the near-term live items the Company expects to be well positioned to execute on its maiden ESG Metals deal in Latin America.

James Parsons	**Andrew Dennan**
Executive Chairman	Chief Executive Officer
27 September 2023	27 September 2023

CEO's report

Financial performance

Revenue for H1 2023 was £1.36m (H1 2022: nil and FY22: £581,000). In April 2023 the Company successfully resolved part of its disputes with its JV partner, Geoenergo, relating to hydrocarbon production proceeds owed to the Company from the PG-10 and PG-11A wells for the period January 2022 through to February 2023. Furthermore, at the same time the Company fully resolved all outstanding claims with the JV service provider, Petrol Geo, over all disputed and rejected invoices claimed since 2019 to February 2023 resulting in cost of sales for H1 2023 of £456,000 (H1 2022: nil and FY22 £504,000).

The closing cash balance at 30 June 2023 was £242,000 (H1 2022: £174,000 and FY22: £325,000). During the Period the Company agreed invoices and received payment for historic revenues from the PG-10 and PG-11A wells for the period of January 2022 through to February 2023. 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 also began receiving monthly revenues from continuing production from the PG-10 and PG-11A wells as well as paying monthly production costs.

During the Period the Company raised £400,000 before costs in an equity placing in April 2023. There was a cash outflow from operations of £455,000 and an inflow of £371,000 from financing, resulting in net cash outflow of £83,000.

Operational performance

Production KPI's	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023
Total gas (k scm)	116.42	99.39	124.26	105.43	105.15	94.49
Total gas (MMcf)	4.11	3.51	4.39	3.72	3.71	3.34
Average daily gas (k scm)	3.76	3.55	4.01	3.51	3.39	3.15
Average daily gas (Mcf)	132.61	125.34	141.54	124.09	119.77	111.21
Total condensate (liters)	4,300	4,300	3,900	2,800	2,400	4,500
CGR (liters per 1000 scm gas)	36.94	43.26	31.39	26.56	22.82	47.62
BOE – gas	794.82	678.55	848.34	719.79	717.87	645.10
BOE – condensate	27.04	27.04	24.53	17.61	15.09	28.30
Total BOE	821.86	705.59	872.87	737.40	732.97	673.40

Total production for the Period was 645.10 thousand cubic metres of gas and 22,200 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. In April 2023, the Company agreed invoices and began receiving payment for historic revenues from the PG-10 and PG-11A wells for the period of January 2022 through to February 2023 and as such, the Company has recognised historic and 2023 production revenues as well as associated production costs.

Consolidated Income Statement
for the Period ended 30 June 2023

	Notes	Period ended 30 June 2023 £'000s	Period ended 30 June 2022 £'000s
Revenue		**1,360**	-
Cost of sales		**(456)**	-
Depreciation of oil & gas assets		**(1)**	(122)
Gross Profit		**903**	(122)
Administrative expenses		**(723)**	(539)
Profit (Loss) from operating activities		**180**	(661)
Finance income		**-**	-
Finance cost		**(38)**	(1)
Net finance costs		**(38)**	(1)
Profit (Loss) before taxation	**2**	**142**	(662)
Income tax expense		**-**	-
Profit (Loss) for the period after tax		**142**	(662)
Profit (Loss) for the period attributable to equity shareholders		**142**	(662)
Earnings per share			
Basic & fully diluted profit / (loss) per share (£)	**3**	**0.09**	(0.005)

Consolidated Statement of Comprehensive Income
for the Period ended 30 June 2023

	Notes	Period ended 30 June 2023 £'000s	Period ended 30 June 2022 £'000s
Proft / (loss) for the period		**142**	(662)
Other comprehensive income			
Foreign currency translation differences for foreign operations		**16**	599
Total comprehensive gain / (loss) for the period		**158**	(63)

Consolidated Statement of Financial Position

As at 30 June 2023

	Notes	30 June 2023 £'000s	31 December 2022 £'000s
Assets			
Non-current assets			
Property, plant and equipment	4	3	4
Exploration and evaluation costs	4	-	-
Goodwill		-	-
Prepaid abandonment fund		292	300
Total non-current assets		295	304
Current assets			
Inventory		-	-
Trade and other receivables	5	113	11
Cash and cash equivalents		242	325
Total current assets		355	336
Total assets		650	640
Equity and liabilities			
Attributable to the equity holders of the Parent Company			
Share capital	9	8,280	8,214
Share premium account		76,603	76,298
Merger reserve		570	570
Share-based payment reserve		2,133	2,131
Translation reserves		(260)	(276)
Retained earnings		(88,315)	(88,457)
Total equity attributable to the shareholders		(989)	(1,520)
Total equity		(989)	(1,520)
Non-current liabilities			
Borrowings	7	553	516
Provisions		646	663
Total non-current liabilities		1,199	1,179
Current liabilities			
Borrowings	7	5	5
Contingent consideration due on acquisitions	8	-	-
Trade and other payables	6	435	976
Total current liabilities		440	981
Total liabilities		1,639	2,160
Total equity and liabilities		650	640

Consolidated Statement of Changes in Equity
for the period ended 30 June 2023

	Share capital	Share premium	Merger reserve	Share based payment reserve	Translation reserve	Retained earnings	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
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**
Balance at 1 January 2022	**7,998**	**75,021**	**570**	**2,129**	**(594)**	**(46,566)**	**38,558**
Comprehensive income							
Loss for the period	-	-	-	-	-	(41,891)	(41,891)
Other comprehensive income							
Currency translation differences	-	-	-	-	318	-	318
Total comprehensive income	**-**	**-**	**-**	**-**	**318**	**(41,891)**	**(41,573)**
Transactions with owners							
Issue of ordinary shares	216	1,366	-	-	-	-	1,582
Costs related to share issues	-	(89)	-	-	-	-	(89)
Share-based payments	-	-	-	2	-	-	2
Balance at 31 December 2022	**8,214**	**76,298**	**570**	**2,131**	**(276)**	**(88,457)**	**(1,520)**
Balance at 1 January 2023	**8,214**	**76,298**	**570**	**2,131**	**(276)**	**(88,457)**	**(1,520)**
Comprehensive income							
Profit for the period	-	-	-	-	-	142	142
Other comprehensive income							
Currency translation differences	-	-	-	-	16	-	16
Total comprehensive income	-	-	-	-	16	142	158
Transactions with owners							
Issue of shares during the year net of costs	66	334	-	-	-	-	400
Costs related to share issues	-	(29)	-	-	-	-	(29)
Share-based payments	-	-	-	2	-	-	2
Balance at 30 June 2023	**8,280**	**76,603**	**570**	**2,133**	**(260)**	**(88,315)**	**(989)**

Consolidated Statement of Cash Flows
for the six months ended 30 June 2023

	Period ended 30 June 2023 £'000s	Period ended 30 June 2022 £'000s
Cash flows from operations		
Profit / (loss) after tax for the period	**142**	(662)
Depreciation	**(1)**	122
Change in receivables	**(102)**	(35)
Change in payables	**(542)**	(179)
Increase in share-based payments	**2**	35
Exchange differences	**9**	-
Finance cost	**-**	-
Net cash used in operating activities	**(492)**	(719)
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	**38**	-
Loans repaid	**-**	-
Proceeds from borrowings	**-**	-
Proceeds from issue of shares	**400**	842
Share issue costs	**(29)**	(45)
Net cash generated from financing activities	**409**	797
Net increase in cash and cash equivalents for the year	**(83)**	77
Effect of foreign exchange differences	**-**	-
Cash and cash equivalents at beginning of the year	**325**	97
Cash and cash equivalents at the end of the year	**242**	174

Notes to the Interim Financial Statements
for the six months ended 30 June 2023

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 2023 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 2022.

New Standards adopted as at 1 January 2023

Accounting pronouncements which have become effective from 1 January 2023 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 2023 and 30 June 2022 is unaudited and does not constitute statutory financial information. The comparatives for the full year ended 31 December 2022 are not the Group's full statutory accounts for that year. The information given for the year ended 31 December 2022 does not constitute statutory financial statements as defined by Section 435 of the Companies Act. The statutory accounts for the year ended 31 December 2022 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.

On 4 April 2023, the Company completed a £0.4 million subscription. These funds were used for working capital and project costs during the reporting period. In April 2023, the Company received a payment of €289,000 being €1,724,689 of hydrocarbon revenues for the period January 2022 to February 2023 less associated historic costs since 2019 through to February 2023 of €1,436,000. However, the Company may require further funding over the next twelve months to cover Slovenian operations and discretionary spend incurred with executing on the ESG Metals Strategy.

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 Profit / loss is stated after charging

	Period ended 30 June 2023 £'000s	Period ended 30 June 2022 £'000s
Employee costs	**441**	363
Share based payment charge	**2**	-
Included within Administrative Expenses		
Audit fees	**-**	9
Fees payable to the Company's auditor for other services	**-**	-
	-	9

3. Earnings per share

	Period ended 30 June 2023 £'000s	Period ended 30 June 2022 £'000s
Result for the period		
Total profit / (loss) for the period attributable to equity shareholders	**142**	(662)
Weighted average number of ordinary shares	**Number**	Number
For basic earnings per share	**157,084,682**	128,149,204
Earnings per share (£)	**0.09**	(0.005)

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 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**
At 1 January 2022	**11**	**22,963**	**22,974**	**18,463**
Additions	1	-	1	-
Effect of exchange rate movements	-	1,203	1,203	357
At 31 December 2022	**12**	**24,166**	**24,178**	**18,820**
At 1 January 2023	**12**	**24,166**	**24,178**	**18,820**
Additions	-	-	-	-
Effect of exchange rate movements	-	-	-	-
At 30 June 2023	**12**	**24,166**	**23,178**	**18,820**
Depreciation				
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)**	**-**
At 1 January 2022	**(6)**	**(1,857)**	**(1,863)**	**-**
Charge for the year	(2)	(212)	(214)	-
Impairment	-	(21,193)	(21,193)	18,820)
Effect of exchange rate movements	-	(904)	(904)	-
At 31 December 2022	**(8)**	**(24,166)**	**(24,178)**	**(18,820)**
At 1 January 2023	**(8)**	**(24,166)**	**(24,178)**	**(18,820)**
Charge for the year	(1)	-	(1)	-
Effect of exchange rate movements	-	-	-	-
At 30 June 2023	**(9)**	**(24,166)**	**(24,178)**	**(18,820)**
Carrying Value				
At 30 June 2023	**3**	**-**	**3**	**-**
At 31 December 2022	4	-	4	-
At 30 June 2022	3	21,509	21,512	18,576

In April 2022, the Republic of Slovenia approved amendments to its Mining Law which include a total ban on hydraulic stimulation. Consequently, the operational and development review conducted by the Company determined that further field development was not economically viable and that the current producing wells had a remaining production life of approximately 5.5 years. As such in 2022 the Company fully impaired all Developed Oil and Gas Assets as well all Exploration and Evaluation assets. Details of the impairment judgments and estimates in the fair value less cost to develop assessment is set out in Note 1 of the statutory accounts for the year ended 31 December 2022 and is available on the Company's website www.ascentresources.co.uk. The auditors' report on those accounts was unqualified.

5. Trade & other receivables

	30 June 2023 £'000s	31 December 2022 £'000s
Trade receivables	**-**	-
VAT recoverable	**17**	73
Prepaid abandonment liability	**292**	300
Prepayments & accrued income	**96**	(30)
	405	343
Less non-current portion	**(292)**	(300)
Current portion	**113**	43

6. Trade & other payables

	30 June 2023 £'000s	31 December 2022 £'000s
Trade payables	**387**	525
Tax and social security payable	**46**	47
Other payables	**2**	-
Accruals and deferred income	**-**	20
	435	592

7. Borrowings

	30 June 2023 £'000s	31 December 2022 £'000s
Group		
Non-current		
Convertible loan notes	**553**	536
	553	536

	30 June 2023 £'000s	31 December 2022 £'000s
Group		
Current		
Convertible loan notes	**5**	5
Borrowings	**-**	-
Liability at the end of the period	**5**	5

In December 2022, the Company reprofiled its outstanding debt with Riverfort Global Opportunities repaying £50,000 of the total outstanding obligations of £561,620, with £25,000 in cash plus £25,000 satisfied with the issue of 625,000 new shares. The remaining balance of £511,620 was re-profiled such that it will incur a coupon of 8 per cent and now be redeemable in six equal cash instalments of £92,091.60 as of 14 September 2023 and monthly thereafter with final payment on 14 February 2024.

8. Contingent consideration due on acquisitions

	30 June 2023 **£'000s**	31 December 2022 £'000s
Group		
Non-current		
Ascent Hispanic Resources UK Limited	-	450
	-	450

The contingent consideration is based on the defined contingent consideration in the acquisition of Ascent Hispanic Limited (Formerly Energetical Limited), comprising £100,000 in cash and a further £350,000 in shares. The Company has not discounted the contingent consideration since the impact would not be material. The Company took to decision to cease evaluating assets in Cuba on 15 August 2022 and as such write down the value of the contingent consideration in full.

9. Share capital

	30 June 2023 **£'000s**	31 December 2022 £'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
165,751,348 ordinary shares of 0.5p each (2022: 135,560,515 ordinary shares of 0.5p each)	**829**	547
	8,280	8,129

Reconciliation of share capital movement	Ordinary shares No.	Ordinary shares No.
Opening	152,418,051	109,376,804
Issue of shares during the year	13,333,333	43,041,211
Closing	**165,751,348**	**152,418,051**

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 4 April 2023, the Company raised total gross new equity proceeds of £0.4 million from the issue of 13,333,333 new ordinary shares at a placing price of 3 pence per 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 2022	7,348,142	253.72
Outstanding at 31 December 2022	7,848,142	253.72
Exercisable at 31 December 2022	**1,450,763**	**248.72**
Outstanding at 1 January 2023	7,348,142	253.72
Granted during the year	-	
Outstanding at 30 June 2023	7,348,142	253.72
Exercisable at 30 June 2023	**7,348,142**	**248.72**

Options outstanding at 30 June 2023 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**
4 April 2023	Anytime until	3 April 2025	13,333,333	5.00p

Details of total warrants outstanding at the end of the period are as follows:

	Warrants	**Weighted Average price (pence)**
Outstanding at 1 January 2023	58,121,262	5.00
Granted during the period	13,333,333	5.00
Exercised during the period	-	-
Expired during the period	-	-
Outstanding at 30 June 2023	71,454,595	5.00
Exercisable at 30 June 2023	**71,454,595**	**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 21 July 2023 Enyo Law LLP filed on behalf of the Claimants, the arbitration memorial. This memorial is a lengthy document, which includes the narrative and legal reasoning underpinning its claim, as well as witness statements from key individuals and independent third party technical and quantum expert reports.

On 22 September 2023 the Company secured an after the event ("ATE") insurance policy in relation to the Company's €656.5 million Energy Charter Treaty damages claim against the Republic of Slovenia.