28 March 2024

The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU No. 596/2014) which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

The Parkmead Group plc
("Parkmead", "the Company" or "the Group")

Interim Results for the six-month period ended 31 December 2023

Parkmead, the independent energy group focused on growth through gas, oil and renewable energy projects, is pleased to report its interim results for the six-month period ended 31 December 2023.

HIGHLIGHTS

- STRONG OPERATIONAL PERFORMANCE
- INCREASED PRODUCTION
- RETURN TO PROFITABILITY, DESPITE FALL IN GAS PRICES

FINANCIAL SUMMARY

- Revenue for the period was £3.4 million (1H FY23: £11.1 million) reflecting the significant fall in average Dutch TTF gas prices during the period to €38.56/MWh (1H FY23 €151.77/MWh)
- Operating costs reduced to £15.8 per barrel of oil equivalent (1H FY23 £20.1), resulting in robust cashflow from operations of £2.0 million (1H FY23: £11.8 million), equivalent to 1.8 pence per share
- Profit for the period was £0.7m, delivering earnings per share of 0.7p, and providing a stable foundation for future growth (1H FY23: £14.0m loss)
- Total assets of £27.1 million at 31 December 2023, equal to 24.8 pence per share
- Healthy cash balances of £9.2 million at 31 December 2023 (30 June 2023: £11.6 million), equal to 8.4 pence per share
- No remaining offshore decommissioning liabilities as at 31 December 2023 following completion of final UKCS abandonment projects over the last 18 months
- Parkmead's modest gross debt continues to reduce, with £0.8 million outstanding at 31 December 2023 (30 June 2023: £0.9 million)

STRATEGY & PROJECT OUTLOOK

Excellent operating performance from Netherlands onshore gas fields

- Average gross production for the period across the Group's Netherlands assets was 19.9 million cubic feet per day ("MMscfd"), approximately 3,540 barrels of oil equivalent per day ("boepd")
- Parkmead achieved net production of 289boepd during the period, an 8% increase from the same period in 2022
- Following its temporary shut in to allow optimisation work to be carried out, LDS-01 came back onstream during the second half of the period. There has been a strong contribution from this well on the Diever concession which has outperformed the P10 estimate (high case)

Continued development of Parkmead's renewable energy portfolio

- Operational performance at the Kempstone Hill Wind Farm has remained strong, with electricity production uptime averaging 91% across the period
- Environmental studies are ongoing at Pitreadie forming part of a major wind farm plan for up to 100MW across this area
- Discussions are progressing with a major European renewable energy developer regarding a potential joint venture for this project
- The land owned by the Company at Pitreadie also has the potential for Solar PV, with concept studies ongoing regarding the feasibility of a 50MW development
- Parkmead is also conducting a study on a new site in Scotland which has the potential for a further 30MW solar farm
- The Company is evaluating options to increase electricity generating capability at

Kempstone Hill, in order to utilise spare grid capacity to boost cashflow

Well planning activities underway on the exciting Skerryvore exploration targets

- Parkmead has successfully driven forward the Skerryvore project, alongside its strong industry partner group on this licence
- Good progress has been made on well planning, site survey contractor selection, and the identification and sourcing of critical path long lead items
- The crucial offshore surveys are currently scheduled to take place in the second half of 2024, to deliver the planned well in early 2025
- This exploration well will penetrate the Tor and Mey intervals of these stacked prospects, which represent the targets which are the largest and with the highest geological chance of success
- The Company is looking at all options to maximise the commercial benefit by collaborating with other operators to share fixed costs such as rig mobilisation

Major increase in oil and gas resources, following the successful award of new blocks in the UKCS 33rd Offshore Licensing Round

- As previously announced, Parkmead has been provisionally awarded three new offshore blocks by the North Sea Transition Authority ("NSTA")
- The new award contains seven undeveloped discoveries, the largest of which is Fynn Beauly (gross resource estimate 292mmboe)
- This is the first time that the Fynn Beauly accumulation has been licensed to a single partner group, creating an exciting opportunity for Parkmead (50% stake) and its partner, Orcadian Energy (50%) to advance the development of this substantial resource
- Following the licence award, Parkmead's total 2C Resource estimate across its UK and Netherlands portfolios now totals 245.6mmboe

Focused on growth - actively reviewing further acquisitions

- Parkmead is evaluating further acquisition opportunities in each of its core areas of activity - renewables, gas and oil. We are focused on targets which are immediately cashflow accretive or where we can utilise our in-house technical expertise to create significant value

Parkmead's Executive Chairman, Tom Cross, commented:

"I am pleased to report strong operating performance achieved by Parkmead in the six-month period to 31 December 2023, despite lower gas prices. The excellent production rates from our onshore Netherlands gas fields have allowed Parkmead to return to profitability, setting a base for future success.

The stable electricity revenue generated by our Kempstone Hill wind farm, against a back drop of falling international gas prices, demonstrates the importance of our strategy to continue growing our renewable energy income sources. We are continually reviewing both development and operational asset acquisition opportunities to increase the breadth and scale of our portfolio, as we aim to deliver our goal of 50% of Group revenues from renewable assets.

Parkmead is committed to playing its part in the energy transition, through its growing renewable projects. In parallel, we are continuing to maximise the value of our full cycle E&P business. We were delighted by the successful award of the Fynn area Licence in the 33rd round, and are making good progress towards our operated exploration well at Skerryvore. The Parkmead team is working hard to deliver this project over the coming year."

The Parkmead Group plc +44 (0) 1224 622200
Tom Cross (Executive Chairman)
Andrew Smith (Executive Director - Business Development)

Cavendish Capital Markets Limited +44 (0) 20 7220 0500
Marc Milmo / Seamus Fricker - Corporate Finance
Iain MacArthur - Sales

Financial Overview

During the six-month period to 31 December 2023, the Group generated revenue of £3.4 million (1H FY23: £11.1 million) because Dutch TTF gas prices fell significantly from the previous historic highs which were brought about by the war in Ukraine. Average realised gas prices during the period were €38.56/MWh, compared with €151.77/MWh in the comparative period.

The Group's high-quality onshore asset base in the Netherlands has achieved excellent operational results, with production over the six-month period ending 31 December 2023 totalling 289boepd, an 8% increase year on year (1H FY23: 268boepd). Parkmead's 100% owned and operated wind farm, Kempstone Hill, has continued to perform strongly and achieved average operational uptime of over 91% in the period.

Operating costs for the Dutch producing assets were managed carefully, and reduced to £15.8/boe in the period (1H FY23: £20.1/boe). Administrative expenses also reduced to £0.9 million (1H FY23: £2.0 million) which included a credit in respect of a non-cash revaluation of share appreciation rights totalling £0.3 million (1H FY23: expense £0.8 million). These factors drove Cashflow from Operations of £2.0m (1H FY23: £11.8m). Taxation for the period was £0.2 million (1H FY23: £4.8 million), with no additional windfall tax accruing in the period. Based on current information no further Dutch windfall tax is expected to be incurred.

These strong operational results have allowed Parkmead to successfully return to the black, generating £0.7m in profits in the period (1H FY23: £14.0m loss).

Parkmead continues to maintain a healthy balance sheet with total assets at 31 December 2023 of £27.1 million (30 June 2023: £28.6 million). Cash and cash equivalents at 31 December 2023 were £9.2 million (30 June 2023: £11.6 million), equivalent to 8.4 pence per share. This cash balance at period end is after a £2.8 million cash spend on decommissioning activities in the six months to 31 December 2023. The Company has no further exposure to offshore UKCS decommissioning costs. Short term decommissioning provisions at 31 December 2023 were therefore £nil (30 June 2023: £2.8 million). Our modest debt has continued to reduce to £0.8 million (30 June 2023: £0.9 million). This debt was inherited as a result of the acquisition of Kempstone Hill Wind Energy Limited in 2022.

Review of Activities

UK Renewable Energy

The acquisition of the operational Kempstone Hill wind farm in February 2022 was a complementary addition to our organic renewable energy projects at Pitreadie. Since the integration of this asset, we have continued to achieve outstanding turbine uptime, averaging 91% across the six-months to 31 December 2023. Revenue from the wind farm was £301,000 for the six months to 31 December 2023 (1H FY23: £343,000) due to lower wholesale electricity prices in the period.

At Pitreadie, commercial discussions continue to progress with a potential European joint venture partner to develop this area. Following positive results from initial studies, further environmental surveys are scheduled throughout 2024 to support the planning work required to unlock a major 100MW wind farm application on this site. In addition, the land owned by the Company at Pitreadie has the potential for Solar PV, with the Company already undertaking concept studies on the feasibility of a 50MW development.

As part of its renewables strategy, Parkmead is also conducting a study on a new site in Scotland which has the potential for a further 30MW solar farm.

Parkmead will continue its strategy of building its renewable energy portfolio through further acquisitions of producing assets as well as driving forward its existing projects in wind and solar energies. The Board remains focused on its strategic objective of delivering 50% of Group revenues from renewable assets.

Onshore Netherlands Gas

Parkmead's onshore gas portfolio has achieved strong operating results during the first half of FY24. Net to Parkmead, the fields produced at an average rate of 289boepd representing an 8% year-on-year increase in production (1H FY23: 268boepd).

As previously announced, the Diever-02 well was temporarily shut-in in October to allow the successful new discovery well LDS-01 to be brought onstream. The total volume of gas produced from LDS-01 has now significantly exceeded the predicted P10 (high case) gas reserves case.

Following a successful mini-coil clear-out in late 2023 on the Geesbrug concession, production from GSB-01 came back strongly at rates approximately fifty percent greater than previously. Geesbrug continues to be Parkmead's biggest producer outside of the prolific Drenthe VI concession.

Parkmead continues to work alongside its partner Vermillion to progress the Papekop development. The partnership are aiming to make a final investment decision on this opportunity in late 2024.

UK Oil and Gas

Skerryvore

Parkmead (50%) has been approved as Exploration Operator by the NSTA, in what will be the Company's first operated exploration well offshore UK. Parkmead's joint venture partners on the licence are Serica Energy (UK) Limited (20%) and CalEnergy (Gas) Limited (30%).

The Company's detailed technical work programme has confirmed the considerable multi-interval potential of Skerryvore. The planned well will penetrate the main stacked exploration prospects, at Mey and Tor intervals, which studies indicate could contain significant volumes of light oil, with potential recoverable reserves of over 130mmboe gross. The sub-surface team believe there is a high geological chance of success at the Mey of c.43% as this area is surrounded by fields producing from the same target interval. The licence also contains additional prospectivity at the Ekofisk and Jurassic levels. A successful discovery would allow for a tieback to nearby infrastructure in line with the NSTA's MER and Hub Strategy for new developments.

Parkmead has made good progress in several key areas, including well planning, site survey contractor selection, and the successful identification and sourcing of critical path long lead items. The Company prides itself on its ability to work efficiently with both the supply chain and other licence operators to achieve mutually beneficial commercial results. Part of this effort has been to achieve an optimal rig slot as part of a wider, multi-operator drilling campaign, or 'Rig Club'. Parkmead is now planning to drill Skerryvore in early 2025 and is working hard to maximise the commercial benefit from collaborating with other operators to share costs where possible, such as rig mobilisation.

UKCS 33rd Offshore Oil and Gas Licensing Round

As previously announced, Parkmead has been provisionally awarded three new offshore blocks by the North Sea Transition Authority ("NSTA") in Tranche 2 of the UK's 33rd Licensing Round awards.

This important award consists of a licence covering Blocks 14/15a, 14/20d and 15/11a situated in the Central North Sea. Parkmead will be operator and hold a 50% working interest, alongside its partner Orcadian Energy (CNS) Limited. The new licence contains seven undeveloped oil discoveries within Mesozoic and Palaeozoic reservoirs. The most substantial of these is the major Fynn Beauly accumulation.

Fynn Beauly is one of the biggest undeveloped oil fields in the UK, with estimated gross P50 contingent resources of 292 million barrels. This large heavy oil discovery is situated between the prolific Claymore and Piper fields. The field extends across all three awarded blocks and is estimated to contain oil-in-place of between 740 million and 1.3 billion barrels. This is an important award because the acreage which encapsulates this significant oil field has not previously been licensed to a single partner group, creating an exciting opportunity for Parkmead and Orcadian to advance the development of this substantial, previously untapped resource.

The current licence commitment requires no major capital outlay, with the work programme focusing on assessing the feasibility of reducing Fynn Beauly oil viscosity using enhanced oil recovery techniques. This work will include assessing the potential to utilise geothermal energy as part of the recovery mechanism. This could pave the way for the delivery of a successful development of this major field which is in line with the NSTA's Net Zero Strategy.

Outlook

Notwithstanding the sector headwinds, Parkmead has delivered strong operational performance from its diversified energy portfolio in the six-month period to 31 December 2023. The progression of our Skerryvore project in the Central North Sea and the addition of new blocks awarded in the 33rd licencing round, provides multiple opportunities for Parkmead to create additional value. The Company continues to review accretive acquisition targets, particularly those which would add immediate cashflow or where we can create significant value by leveraging our in-house technical expertise. Furthermore, the Group has a valuable asset in the form of its UK Ring Fence tax loss pool, which was in excess of £188m at 30th June 2023. This can be utilised against future UK production. The Board is examining all options to maximise shareholder value from this asset. The Directors are confident that the Parkmead team is well positioned to drive the business forward and to build upon the achievements already made to date.

Tom Cross

Executive Chairman

28 March 2024

1. Tim Coxe, Parkmead Group's Managing Director, North Sea, who holds a First-Class Master's Degree in Engineering and over 30 years of experience in the oil and gas industry, has overseen the review and approval of the technical information contained in this announcement. Tim is accountable for the company's HSE, Subsurface, Drilling, Production Operations and Project functions. Parkmead's evaluation of reserves and resources was prepared in accordance with the 2007 Petroleum Resources Management System prepared by the Oil and Gas Reserves Committee of the Society of Petroleum Engineers and reviewed and jointly sponsored by the World Petroleum Council, the American Association of Petroleum Geologists and the Society of Petroleum Evaluation Engineers.

A glossary of key terms can be found at https://www.nstauthority.co.uk/site-tools/glossary-of-terms/

Condensed Consolidated statement of profit and loss and other comprehensive income

for the six months ended 31 December 2023

	Notes	**Six months to 31 December 2023** (unaudited) **£'000**	**Six months to 31 December 2022** (unaudited) **£'000**	**Twelve months to 30 June 2023** (audited) **£'000**
Continuous operations				
Revenue		**3,426**	11,124	14,769
Cost of sales		**(1,530)**	(1,331)	(2,237)
Gross profit		**1,896**	9,793	12,532
Exploration and evaluation expenses	2	**(88)**	(153)	(33,009)
Impairment of property, plant and equipment: development & production		**-**	(12,733)	(13,030)
Gain / (loss) on sale of assets		**-**	10	36
Administrative expenses	3	**(876)**	(2,049)	(1,753)
Operating profit / (loss)		**932**	(5,132)	(35,224)
Finance income		**85**	81	192
Finance costs		**(106)**	(113)	(267)
Profit / (loss) before taxation		**911**	(5,164)	35,299
Taxation		**(163)**	(4,770)	(4,661)
Windfall taxation		**-**	(4,044)	(2,374)
Profit / (loss) for the period attributable to the equity holders of the Parent		**748**	(13,978)	(42,334)
Profit / (loss) Per share (pence)				
Basic	5	**0.68**	(12.79)	(38.74)
Diluted		**0.62**	(12.79)	(38.74)

Condensed Consolidated statement of financial position

as at 31 December 2023

31 December	**31 December**	**30 June 2023**

	Notes	2023 (unaudited) £'000	2022 (unaudited) £'000	30 June 2023 (audited) £'000
Non-current assets				
Property, plant and equipment: development & production		**4,349**	4,370	4,503
Property, plant and equipment: other		**5,879**	6,200	5,600
Goodwill		**1,084**	1,084	1,084
Exploration and evaluation assets		**2,267**	34,369	1,966
Deferred tax assets		**-**	187	-
Total non-current assets		**13,579**	46,210	13,153
Current assets				
Trade and other receivables		**1,330**	1,973	941
Interest bearing loans	4	**2,937**	2,937	2,936
Inventory		**5**	17	16
Cash and cash equivalents		**9,204**	19,179	11,576
Total current assets		**13,476**	24,106	15,469
Total assets		**27,055**	70,316	28,622
Current liabilities				
Trade and other payables		**(3,568)**	(10,666)	(2,673)
Decommissioning provisions		**-**	(4,562)	(2,773)
Windfall taxes		**(2,398)**	-	-
Current tax liabilities		**(1,809)**	(2,848)	(2,263)
Total current liabilities		**(7,775)**	(18,076)	(7,709)
Non-current liabilities				
Other liabilities		**(893)**	(1,242)	(942)
Loan		**(718)**	(905)	(767)
Deferred tax liabilities		**(641)**	(1,925)	(641)
Windfall taxes		**-**	(4,044)	(2,374)
Decommissioning provisions		**(1,590)**	(1,108)	(1,529)
Total non-current liabilities		**(3,842)**	(9,224)	(6,253)
Total liabilities		**(11,617)**	(27,300)	(13,962)
Net assets		**15,438**	43,016	14,660
Equity attributable to equity holders				
Called up share capital		**19,688**	19,688	19,688
Share premium		**83,625**	83,625	83,625
Merger reserve		**3,376**	3,376	3,376
Retained deficit		**(91,251)**	(63,673)	(92,029)
Total equity		**15,438**	43,016	14,660

Condensed Consolidated statement of changes in equity

for the six months ended31 December 2023

	Share capital £'000	Share premium £'000	Merger reserve £'000	Retained deficit £'000	Total £'000
At 30 June 2022	**19,688**	**83,625**	**3,376**	**(49,695)**	**56,994**
Loss for the period	-	-	-	(13,978)	(13,978)
Total comprehensive loss for the year	-	-	-	(13,978)	(13,978)
Share-based payments	-	-	-	-	-
At 31 December 2022	**19,688**	**83,625**	**3,376**	**(63,673)**	**43,016**
Loss for the period	-	-	-	(28,356)	(28,356)
Total comprehensive loss for the year	-	-	-	(28,356)	(28,356)
Share-based payments	-	-	-	-	-
At 30 June 2023	**19,688**	**83,625**	**3,376**	**(92,029)**	**14,660**
Profit for the period	-	-	-	748	748
Total comprehensive income for the year	-	-	-	748	748
Share-based payments	-	-	-	30	30
At 31 December 2023	**19,688**	**83,625**	**3,376**	**(91,251)**	**15,438**

Condensed Consolidated statement of cashflows

for the six months ended31 December 2023

	Six months to 31 December 2023 (unaudited) £'000	Six months to 31 December 2022 (unaudited) £'000	Twelve months to 30 June 2023 (audited) £'000

Cashflows from operating activities			
Cashflows from operations	**2,044**	11,779	11,414
Taxation paid	**(645)**	(3,203)	(4,881)
Net cash generated from operating activities	**1,399**	8,576	6,533
Cash flow from investing activities			
Interest received	**85**	81	192
Acquisition of exploration and evaluation assets	**(301)**	(253)	(519)
Proceeds from sale of property, plant and equipment	**-**	163	654
Acquisition of property, plant and equipment: development and production	**(122)**	(275)	(950)
Acquisition of property, plant and equipment: other	**(461)**	-	(87)
Decommissioning expenditure	**(2,773)**	(12,754)	(16,983)
Net cash used in investing activities	**(3,572)**	(13,038)	(17,693)
Cash flow from financing activities			
Lease payments	**(88)**	(168)	(229)
Interest paid	**(54)**	(31)	(136)
Repayment of loans and borrowings	**(47)**	(43)	(88)
Net cash used in financing activities	**(189)**	(242)	(453)
Net increase / (decrease) in cash and cash equivalents	**(2,362)**	(4,704)	(11,613)
Cash and cash equivalents at beginning of period	**11,576**	23,263	23,263
Effect of foreign exchange rate differences	**(10)**	620	(74)
Cash and cash equivalents at end of period	**9,204**	19,179	11,576

Notes to the Interim financial statements

1. Accounting policies

General Information

These condensed consolidated interim financial statements of The Parkmead Group plc and its subsidiaries (the "Group") were approved by the Board of Directors on 28 March 2024. The Parkmead Group plc is the parent company of the Group. Its shares are quoted on AIM, part of the London Stock Exchange. The registered office is located at One Angel Court, 13th Floor, London, England, EC2R 7HJ.

The condensed consolidated interim financial statements for the period 1 July 2023 to 31 December 2023 are unaudited. In the opinion of the Directors, the condensed consolidated interim financial statements for the period presents fairly the financial position, and results from operations and cash flows for the period in conformity with the generally accepted accounting principles consistently applied. The condensed consolidated interim financial statements incorporate unaudited comparative figures for the interim period 1 July 2022 to 31 December 2022 and the audited financial year ended 30 June 2023.

The financial information set out in this interim report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The Group's statutory accounts for the year ended 30 June 2023 which were prepared under UK-adopted International Accounting Standards ("IFRS") were filed with the Registrar of Companies. The auditors reported on those accounts and their report was unqualified and did not contain a statement under either Section 498 (2) or Section 498 (3) of the Companies Act 2006 and did not include references to any matters to which the auditor drew attention by way of emphasis.

Basis of preparation

The interim financial information in this report has been prepared under the historical cost convention using accounting policies consistent with UK-adopted International Accounting Standards (IFRS) and IFRS Interpretations Committee (IFRIC) interpretations. IFRS is subject to amendment and interpretation by the International Accounting Standards Board (IASB) and IFRIC and there is an ongoing process of review and endorsement by the UK. The financial information has been prepared on the basis of UK-adopted international accounting standards that the Directors expect to be adopted and applicable as at 30 June 2023.

The Group has chosen not to adopt IAS 34 - Interim Financial Statements, in preparing these financial statements.

The accounting policies applied in this report are the same as those applied in the consolidated financial statements for the year ended 30 June 2023.

Going concern

The Directors have made an assessment of the Group's ability to continue as a going concern. As at 31 December 2023 the Group had £15.4 million of net assets of which £9.2 million is held in cash, of which £0.2 million is held as restricted cash.

The Group's current cash reserves are the principal source of funding and are expected to more than exceed its estimated liabilities. Based on these circumstances, the Directors have considered it appropriate to adopt the going concern basis of accounting in preparing these interim results.

2. Exploration and evaluation expenses

Exploration and evaluation expenses includes impairment charges of £nil recorded in respect of exploration licences relinquished in the period (Six months to 31 December 2022: £18,000, Twelve months to 30 June 2023: £32,834,000).

3. Administrative expenses

Administrative expenses include a credit in respect of a non-cash revaluation of share appreciation rights (SARs) totalling £306,000 (Six months to 31 December 2022: £800,000 charge, Twelve months to 30 June 2023: £961,000 credit). The SARs may be settled by cash or shares and are therefore revalued with the movement in share price.

Administrative expenses also includes a non-cash share based payment charge of £30,000 due to options which have been granted, lapsed or forfeited (Six months to 31 December 2022: £nil, Twelve months to 30 June 2023: £nil).

Administrative expenses also include a foreign exchange expense of £10,000 (Six months to 31 December 2022:
£620,000 gain, Twelve months to 30 June 2023: £74,000 expense).

4. Interest bearing loans

On 27 July 2017, The Parkmead Group plc entered into a credit facility with Energy Management Associates Limited, whereby Parkmead agreed to lend up to £2,900,000 to Energy Management Associates Limited to gain exclusive first rights to a number of renewable energy opportunities. This arrangement has been of major benefit to Parkmead, leading to its ownership of the Pitreadie land and wind farm project and the Kempstone Hill wind farm acquisition. In addition, further new renewable project opportunities, in wind and solar energy, are being opened up through this arrangement.

The loan has a period of one year, with a fixed interest rate of 2.5 per cent. Interest charged by Parkmead during the period amounted to £37,000 (Six months to 31 December 2022: £37,000, Twelve months to 30 June 2023: £73,000). The loan is repayable on 27 July 2024.

5. Profit / (loss) per share

Profit / (loss) per share attributable to equity holders of the Company arise as follows:

	Six months to 31 December 2023 (unaudited)	**Six months to 31 December 2022** (unaudited)	**Twelve months to 30 June 2023** (audited)
Profit / (loss) per 1.5p ordinary share (pence)			
Basic	0.68	(12.79)	(38.74)
Diluted	0.62	(12.79)	(38.74)

The calculations were based on the following information:

	Six months to 31 December 2023 (unaudited) £'000	**Six months to 31 December 2022** (unaudited) £'000	**Twelve months to 30 June 2023** (audited) £'000
Profit /(loss) attributable to ordinary shareholders	748	(13,978)	(42,334)
Weighted average number of shares in issue			
Basic weighted average number of shares	109,266,931	109,266,931	109,266,931
Dilutive potential ordinary shares			
Share options	11,951,345	10,778,154	11,951,345

Basic profit / (loss) per share is calculated by dividing the loss for the period by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated by dividing the profit / (loss) for the period by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

Diluted profit / (loss) per share

Profit / (loss) per share requires presentation of diluted loss per share when a company could be called upon to issue shares that would decrease net profit or net loss per share. When the Group makes a loss the outstanding share options are anti-dilutive and so are not included in dilutive potential ordinary shares.

6. Notes to the statement of cashflows

Reconciliation of operating profit / (loss) to net cash flow from operations

	Six months to 31 December 2023 £'000	**Six months to 31 December 2022** £'000	**Twelve months to 30 June 2023** £'000
Operating profit / (loss)	**932**	(5,132)	(35,224)
Depreciation	**458**	326	722
Amortisation and exploration write-off	**-**	18	32,834
(Gain) / loss on sale of property, plant and equipment	**-**	(10)	(36)
Provision for share based payments	**30**	-	-
Currency translation adjustments	**10**	(620)	74
Impairment of property, plant and equipment: development & production	**-**	12,733	13,030
(Increase) / decreases in receivables	**(389)**	45	1,077
Decrease in stock	**11**	25	26
Increase /(decrease) in payables	**992**	4,394	(1,089)
Net cash flow from operations	**2,044**	11,779	11,414

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