COMPANY REGISTRATION NUMBER 127571
WENTWORTH RESOURCES PLC
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2020

WENTWORTH RESOURCES PLC
SIX MONTHS ENDED 30 JUNE 2020
GROUP ACCOUNTS

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

		Six months ended 30 June	
		2020	2019
		(unaudited)	(unaudited)
	Note	**$000**	$000
Total revenue		**8,313**	8,018
Production and operating costs		**(1,734)**	(1,772)
Depletion	8	**(2,616)**	(2,843)
Total cost of sales		**(4,350)**	(4,615)
Gross profit		**3,963**	3,403
Recurring administrative costs	4	**(2,527)**	(2,963)
New venture and pre–licence costs		**(94)**	(498)
Share-based payment charges	15	**(137)**	(243)
Depreciation	8	**(2)**	(8)
Total costs		**(2,760)**	(3,712)
Profit/(loss) from operations		**1,203**	(309)
Finance income	5	**91**	134
Finance costs	5	**(78)**	(559)
Profit/(loss) before tax		**1,216**	(734)
Current tax expense		**(15)**	(11)
Deferred tax expense		**(187)**	587
		(202)	576
Net and comprehensive profit/(loss) after tax		**1,014**	(158)
Net profit per ordinary share			
Basic and diluted (US$/share)	17	**0.005**	-

WENTWORTH RESOURCES PLC
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CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	**30 June 2020 (unaudited) $000**	31 December 2019 (audited) $000
ASSETS			
Current assets			
Cash and cash equivalents		**14,182**	13,487
Trade and other receivables	**6**	**4,483**	6,075
		18,665	19,562
Non-current assets			
Exploration and evaluation assets	**7**	**8,129**	8,129
Property, plant and equipment	**8**	**74,970**	77,559
Deferred tax asset		**5,361**	5,548
		88,460	91,236
Total assets		**107,125**	110,798
LIABILITIES			
Current liabilities			
Trade and other payables	**10**	**1,069**	2,125
Current portion of term loans	**12**	**-**	1,714
		1,069	3,839
Non-current liabilities			
Decommissioning provision	**13**	**1,150**	1,085
		1,150	1,085
EQUITY			
Share capital	**16**	**416,426**	416,426
Equity reserve		**26,788**	26,651
Accumulated deficit		**(338,308)**	(337,203)
		104,906	105,874
Total liabilities and equity		**107,125**	110,798

The condensed consolidated financial statements of Wentworth Resources plc, registered number 127571 were approved by the Board of Directors and authorised for issue on 2 September 2020.

Signed on behalf of the Board of Directors

Katherine Roe

Chief Executive Officer

WENTWORTH RESOURCES PLC
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CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

	Note	Number of shares	Share capital $000	Equity reserve $000	Accumulated deficit $000	Total equity $000
Balance at 31 December 2018 (audited)		186,488,465	416,426	26,588	(338,536)	104,478
Dividends	18	-	-	-	(1,033)	(1,033)
Net profit and comprehensive profit		-	-	-	2,366	2,366
Share based compensation	15	-	-	63	-	63
Balance at 31 December 2019 (audited)		186,488,465	416,426	26,651	(337,203)	105,874
Dividends	18	**-**	**-**	**-**	**(2,119)**	**(2,119)**
Net profit and comprehensive profit		**-**	**-**	**-**	**1,014**	**1,014**
Share based compensation	15	**-**	**-**	**137**	**-**	**137**
Balance at 30 June 2020 (unaudited)		**186,488,465**	**416,426**	**26,788**	**(338,308)**	**104,906**

WENTWORTH RESOURCES PLC
SIX MONTHS ENDED 30 JUNE 2020
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CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

	Note	Six months ended 30 June 2020 (unaudited) $000	2019 (unaudited) $000
Operating activities			
Net profit/(loss) for the year		**1,014**	(158)
Adjustments for:			
Depreciation and depletion	8	**2,618**	2,851
Net finance (income)/costs	5	**(13)**	425
Deferred tax		**187**	(587)
Share based compensation	15	**137**	243
		3,943	2,774
Change in non-cash working capital:			
Trade and other receivables		**1,593**	(5,038)
Trade and other payables		**(1,056)**	(125)
Net cash generated from/(utilised in) operating activities		**4,480**	(2,389)
Investing activities			
Interest received		**65**	-
Additions to property, plant and equipment	8	**(29)**	(21)
Reduction of long-term receivable		**-**	4,737
		36	4,716
Change in non-cash working capital		**-**	311
Net cash from investing activities		**36**	5,027
Financing activities			
Principal term loan repayments	12	**(1,663)**	(3,330)
Interest on term loan	12	**(39)**	(387)
Interest/renewal fee on overdraft facility	11	**-**	(18)
Payment of contingent PTTEP liability		**-**	(848)
Dividends paid	18	**(2,119)**	-
Net cash used in financing activities		**(3,821)**	(4,583)
Net change in cash and cash equivalents		**695**	(1,945)
Cash and cash equivalents, beginning of the period		**13,487**	11,903
Cash and cash equivalents, end of the period		**14,182**	9,958

1. Incorporation and basis of preparation

Wentworth Resources PLC ("Wentworth" or the "Company") is an East Africa-focused upstream oil and natural gas company. These unaudited condensed consolidated interim financial statements include the accounts of the Company and its subsidiaries (collectively referred to as "Wentworth Group of Companies" or the "Group"). The Company is actively involved in oil and gas exploration, development and production operations. Wentworth is incorporated in Jersey and shares of the Company as at 30 June 2020 were listed on the AIM Market of the London Stock Exchange (ticker: WEN).

The Company's principal place of business is located at 4th Floor, St Paul's Gate, 22-24 New Street, Jersey JE1 4TR.

The Company maintains offices in Dar es Salaam, United Republic of Tanzania and London, United Kingdom.

2. Summary of significant accounting policies

Use of judgements and estimates

In preparing these interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the 2019 annual report and financial statements.

Going concern

With the world currently struggling to come to terms with the unprecedented events of the Covid-19 pandemic and the risk presented to the continued health and well-being of our workforce alongside the disruption that preventative measures have had on the global supply chain in placing restrictions on the transportation of goods, services and personnel set to continue for some time to come, considerable time and resource have been allocated by Directors and senior management in ensuring that Wentworth is best placed to be able to continue to safely produce gas from Mnazi Bay alongside the Operator, Maurel et Prom. Given the essential nature of services provided and the forecasted impact of the virus in the country, the Group notes that an interruption of production and unavailability of key workforce is remote. The Directors however are mindful of the speed with which circumstances may change, both for the better or for the worse, and all modelling is based on information that we currently have available to us.

The Group has a long established and collaborative relationship with the Government of the United Republic of Tanzania, having operated in-country for many years, however the Directors do recognise that the Group is dependent upon the continued collection of gas sales invoices and ongoing operational support of the Government as its sole gas sales customer through its operating agencies TPDC and TANESCO.

The Directors have, therefore, judged that on a risk-weighted basis which takes into consideration both the probability of occurrence and an estimate of the financial impact, the continued timely settlement of gas-sales invoices by the Government of the United Republic of Tanzania continues to be the most significant risk currently faced by the Group. To this end, should no settlement of future gas sales invoices be received from the date of approval of these financial statements, we have assessed that the Group would be able to continue to operate for a period of up to 12-months without the need for a further injection of working capital.

Further to this, based on the application of reasonable and foreseeable sensitivities, which include potential changes in demand, capital spend, operating costs, the Directors believe that the Group is well placed to manage its financial exposures. The Directors have judged that owing to a combination of the stability of this relationship which has seen payment terms continue to improve during H1 2020 and its much improved financial position having fully repaid all of its fixed-term debt in January 2020, the Group has sufficient cash resources for its working capital needs, committed capital and operational expenditure programmes for at least the next 12-months based on the Directors' worst case scenario of no settlement of future gas sales as noted above.

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and therefore continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Basis of presentation and statement of compliance

These unaudited condensed consolidated interim financial statements have been prepared by management in accordance with International Accounting Standard 34, "Interim Financial Reporting". The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

These unaudited condensed consolidated interim financial statements have been prepared following the same accounting policies as the annual audited consolidated financial statements for the year ended 31 December 2019 and should be read in conjunction with the annual audited consolidated financial statements and the notes thereto. These unaudited condensed consolidated interim financial statements were approved by the Board of Directors on 2 September 2020. The disclosures provided below are incremental to those included in the 2019 annual consolidated financial statements.

The information for the year ended 31 December 2019 included in the report was derived from the statutory accounts for that year which were prepared in accordance with International Financial Reporting Standards ('IFRSs') issued by the International Accounting Standards Board and interpretations issued by the International Financial Reporting Interpretations committee ('IFRIC') of the IASB as adopted by the EU up to 31 December 2019, a copy of which has been delivered to the Registrar of Companies. The auditor's opinion in relation to those accounts was unqualified, did not draw attention to any matters by way of emphasis and also did not contain a statement under section 498 (2) or 498 (3) if the Companies Act 2006.

Functional and presentation currency

These consolidated financial statements are presented in US dollars which is the functional currency the majority of the Group.

Basis of consolidation

These unaudited condensed consolidated interim financial statements include the accounts of the Company and its subsidiaries. Subsidiaries are entities that the Company controls. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and can affect those returns through its authority over the investee. The existence and effect of potential voting rights are considered when assessing whether a company controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

The following legal entities are within the Wentworth Group of Companies:

Legal entity	**Registered**	**Holdings at 30 June 2020**	**Functional currency**
Wentworth Resources plc	Jersey	Ultimate Parent	US dollar
Wentworth Resources (UK) Limited	United Kingdom	100%	GBP
Wentworth Holdings (Jersey) Limited	Jersey	100%	US dollar
Wentworth Tanzania (Jersey) Limited	Jersey	100%	US dollar
Wentworth Gas (Jersey) Limited	Jersey	100%	US dollar
Wentworth Gas Limited	Tanzania	100%	US dollar
Cyprus Mnazi Bay Limited	Cyprus	39.925%	US dollar
Wentworth Mozambique (Mauritius) Limited	Mauritius	100%	US dollar
Wentworth Moçambique Petroleos, Limitada[(1)]	Mozambique	100%	US dollar

[(1)] The Wentworth Moçambique Petroleos, Limitada is in the process of voluntary liquidation after relinquishment of the Tembo Block Appraisal Licence.

All inter-company transactions, balances and unrealized gains on transactions between the parent and subsidiary companies are eliminated on consolidation.

Changes in accounting policies

The following accounting standards, amendments and interpretations, which had no significant impact on these financial statements, became effective in the current reporting period on adoption by the EU through the European Financial Reporting Advisory Group ('EFRAG'):

IFRS 3 (amendments) 'Definition of a Business': The IASB effective date is 1 January 2020 and the amendment is yet to be endorsed by the EU. The amendment provides clearer application guidance to help companies distinguish between a business and a group of assets when applying IFRS 3 'Business Combinations'. The amendment also clarifies that applying the classification of a business would not be appropriate if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. This amendment is not expected to have an impact on the Group's consolidated financial statements.

IAS 1 and IAS 8 (amendments) 'Definition of Material': The IASB effective date is 1 January 2020 and the amendment has been endorsed by the EU. The amendment revises the definition of material stating that 'information is material if omitting, misstating or obscuring it could reasonably be expected to influence the decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity'. This amendment is not expected to have an impact on the Group's consolidated financial statements.

IFRS 9, IAS 39 and IFRS 7 (amendments) 'Interest Rate Benchmark Reform': The IASB effective date is 1 January 2020 and the amendment has been endorsed by the EU. The amendment requires that for interest rate hedges affected by Interbank Offered Rate ('IBOR') reform, the interest rate benchmark is not altered when considering whether a forecast transaction is highly probable, or whether there is an economic relationship between the hedged cash flow and the hedging instrument. This would apply for a limited period until there is no longer uncertainty relating to IBOR reform. This amendment is not expected to have an impact on the Group's consolidated financial statements.

Future accounting pronouncements

At the date of these financial statements the standards and interpretations listed below were issued but not yet effective. The adoption of these standards may result in future changes to existing accounting policies and disclosures. The Company is currently evaluating the impact that these standards will have on results of operations and financial position:

IFRS 17 'Insurance Contracts': The IASB effective date is 1 January 2021 and the standard is yet to be endorsed by the EU. IFRS 17 will replace IFRS 4 'Insurance Contracts' and applies to all types of insurance contracts as well as to certain guarantees and financial instruments with discretionary participation features. This standard is not expected to have an impact on the Group's consolidated financial statements.

3. Segment information

Net income/(loss) for the six months ended 30 June 2020

	Tanzania Operations (unaudited) $000	Corporate (unaudited) $000	Consolidated (unaudited) $000
Total revenue	**8,313**	**-**	**8,313**
Production and operating costs	**(1,734)**	**-**	**(1,734)**
Depletion	**(2,616)**	**-**	**(2,616)**
Total cost of sales	**(4,350)**	**-**	**(4,350)**
Gross profit	**3,963**	**-**	**3,963**
Recurring administrative costs	**(1,033)**	**(1,494)**	**(2,527)**
New venture and pre – licence costs	**-**	**(94)**	**(94)**
Share-based payment charges	**(36)**	**(101)**	**(137)**
Depreciation	**(2)**	**-**	**(2)**
Total costs	**(1,071)**	**(1,689)**	**(2,760)**
Profit/(loss) from operations	**2,892**	**(1,689)**	**1,203**
Finance (costs)/income	**(55)**	**68**	**13**
Profit/(loss) before tax	**2,837**	**(1,621)**	**1,216**
Current tax expense	**(15)**	**-**	**(15)**
Deferred tax expense	**(187)**	**-**	**(187)**
Net and comprehensive Profit/(loss) from continued operations	**2,635**	**(1,621)**	**1,014**

Net income/(loss) for the six months ended 30 June 2019

	Tanzania Operations (unaudited) $000	Corporate (unaudited) $000	Consolidated (unaudited) $000
Total revenue	8,018	-	8,018
Production and operating costs	(1,772)	-	(1,772)
Depletion	(2,843)	-	(2,843)
Total cost of sales	(4,615)	-	(4,615)
Gross profit	3,403	-	3,403
Recurring administrative costs	(980)	(1,983)	(2,963)
New venture and pre – licence costs	-	(498)	(498)
Share-based payment charges	(4)	(239)	(243)
Depreciation	(7)	(1)	(8)
Total costs	(991)	(2,721)	(3,712)
Profit/(loss) from operations	2,412	(2,721)	(309)
Finance costs	(271)	(154)	(425)
Profit/(loss) before tax	2,141	(2,875)	(734)
Current tax expense	-	(11)	(11)
Deferred tax expense	587	-	587
	-	(11)	576
Net and comprehensive Profit/(loss) from continued operations	2,728	(2,886)	(158)

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

Selected balances at 30 June 2020

	Tanzania Operations (unaudited) $000	Mozambique Operations (Discontinued) (unaudited) $000	Corporate (unaudited) $000	Consolidated (unaudited) $000
Current assets	**6,613**	**118**	**11,934**	**18,665**
Exploration and evaluation assets	**8,129**	**-**	**-**	**8,129**
Property, plant and equipment	**74,968**	**-**	**2**	**74,970**
Deferred tax asset	**5,361**	**-**	**-**	**5,361**
Total assets	**95,071**	**118**	**11,936**	**107,125**
Current liabilities	**462**	**-**	**607**	**1,069**
Non-current liabilities	**1,150**	**-**	**-**	**1,150**
Total Liabilities	**1,612**	**-**	**607**	**2,219**

Capital additions for the six months ended 30 June 2019

Additions to property, plant and equipment	**29**	**-**	**-**	**29**

Selected balances at 30 June 2019

	Tanzania Operations (unaudited) $000	Mozambique Operations (Discontinued) (unaudited) $000	Corporate (unaudited) $000	Consolidated (unaudited) $000
Current assets	18,315	233	4,192	22,740
Exploration and evaluation assets	8,129	-	-	8,129
Property, plant and equipment	80,943	-	4	80,947
Deferred tax asset	4,623	-	-	4,623
Total assets	112,010	233	4,196	116,439
Current liabilities	10,173	211	465	10,849
Non-current liabilities	1,027	-	-	1,027
Total Liabilities	11,200	211	465	11,876

Capital additions for the six months ended 30 June 2019

Additions to property, plant and equipment	19	-	2	21

4. General and administrative costs

	Six months ended 30 June	
	2020 (unaudited) $000	**2019 (unaudited) $000**
Employee salaries and benefits	**903**	986
Contractors and consultants	**524**	535
Travel and accommodation	**71**	123
Professional, legal and advisory	**232**	530
Office and administration	**255**	323
Corporate and public company costs	**542**	466
Total general and administrative costs	**2,527**	2,963

5. Finance income and finance costs

	Six months ended 30 June	
	2020 (unaudited) $000	**2019 (unaudited) $000**
Finance income		
Interest received	**66**	-
Finance costs amortization	**25**	134
	91	134
Finance costs		
Accretion – decommissioning provision	**(65)**	(58)
Interest expense	**(13)**	(343)
Foreign exchange loss	**-**	(158)
	(78)	(559)
Net finance income/(costs)	**13**	(425)

6. Trade and other receivables

	Balance at 30 June 2020 (unaudited)	**Balance at 31 December 2019 (audited)**
Trade receivable from TPDC	**2,347**	4,014
Other receivable from TPDC	**73**	513
Trade receivable from TANESCO	**922**	789
Dissenting Shareholders	**282**	-
Other receivables	**859**	759
	4,483	6,075

The other receivable from TPDC represents income tax $73k (2019: $513k) paid by Wentworth Gas Limited, a wholly owned subsidiary of the Company. The income tax will be recovered from TPDC profit gas (security revenue) through future gas sales.

Subsequent to 30 June 2020, the Group has received total payments of $3.85 million from TPDC and $147k from TANESCO, significantly reducing the receivables balance at 2 September 2020.

Other receivables include $360k of VAT receivable and $437k of prepayments and accrued income.

Amounts receivable with respect to dissenting shareholder rights represent the agreed buy-back of shares from certain Norwegian shareholders on the 2018 corporate transition to UK and Oslo Børs delisting, further details of which are disclosed in notes 10 and 16.

7. Exploration and evaluation assets

	$000
Balance at 31 December 2019 (audited) and 30 June 2020 (unaudited)	**8,129**

Exploration costs comprise the acquisition and interpretation of 3D Seismic 225 Km^2 and 2D High Resolution Seismic 281 Km^2 at Mnazi Bay.

There have been no indicators of impairment during the period and as such no full impairment review has been undertaken.

8. Property, plant and equipment

	Natural gas properties $000	Office and other equipment $000	Total $000
Cost			
Balance at 31 December 2019 (audited)	104,046	608	104,654
Additions	**29**	**-**	**29**
Balance at 30 June 2020 (unaudited)	**104,075**	**608**	**104,683**
Accumulated depreciation and depletion			
Balance at 31 December 2019 (audited)	(26,490)	(605)	(27,095)
Depletion	**(2,616)**	**-**	**(2,616)**
Depreciation	**(2)**	**-**	**(2)**
Balance at 30 June 2020 (unaudited)	**(29,108)**	**(605)**	**(29,713)**
Carrying amounts			
31 December 2019 (audited)	77,556	3	77,559
30 June 2020 (unaudited)	**74,967**	**3**	**74,970**

There have been no indicators of impairment during the period and as such no full impairment review has been undertaken

9. Subsidiary undertakings

The principal subsidiary undertakings at 30 June 2020 are:

Name of Company	Country of incorporation	Class of shares held	Types of ownership	Percentage holding	Nature of business
Wentworth Resources (UK) Limited	United Kingdom	Ordinary	Direct	100%	Investment holding company
Wentworth Holdings (Jersey) Limited	Jersey	Ordinary	Direct	100%	Investment holding company
Wentworth Tanzania (Jersey) Limited	Jersey	Ordinary	Indirect	100%	Investment holding company
Wentworth Gas (Jersey) Limited	Jersey	Ordinary	Indirect	100%	Investment holding company
Wentworth Gas Limited	Tanzania	Ordinary	Indirect	100%	Exploration production company
Cyprus Mnazi Bay Limited	Cyprus	Ordinary	Indirect	39.925%	Exploration production company
Wentworth Mozambique (Mauritius) Limited	Mauritius	Ordinary	Indirect	100%	Investment holding company
Wentworth Moçambique Petroleos, Limitada [1]	Mozambique	Ordinary	Indirect	100%	Exploration company

[1] The Wentworth Moçambique Petroleos, Limitada is in the process of liquidation after relinquishment of the Tembo Block Appraisal Licence.

10. Trade and other payables

	Balance at 30 June 2020 (unaudited) $000	**Balance at 31 December 2019 (audited) $000**
Payable to Mnazi Bay Operator	**291**	1,303
Trade payables	**186**	150
Provision for Dissenting Shareholders	**282**	-
Other payables and accrued expenses	**310**	672
	1,069	2,125

The payable to Mnazi Bay Operator represents the accrued Q2 2020 joint-venture cash-call for field costs between 1 April and 30 June 2020 totalling $791k of which $500k was paid to the Operator in advance and $291k was settled on its due date of 24 July 2020.

Following the completion of the corporate transition to UK and Oslo Børs delisting, three shareholders exercised certain Dissent Rights under Canadian law which may require the Company to buy back their equity holdings at fair value. The Company received Dissent Rights notices over a total of 2,329,326 shares with an anticipated fair value of $696,519 after adjusting for dividends that had been paid to those shareholders. $281,666 of the $696,519 has been agreed and will be settled. This amount has been provided for in full within these financial statements. The further $414,853 remains under dispute and subject to further negotiation and has therefore been classified as a contingent liability per note 14.

11. Overdraft credit facility

The Company has a rolling one-year, $2.5 million overdraft credit facility with a United Republic of Tanzania Government owned bank which is in the process of being renewed for a further 12 months to 5 April 2021 subject to the mutual agreement of the bank and the Company. The overdraft facility has an interest rate of the lender's base lending rate, minus 1% per annum to be paid monthly.

The credit facility, which was fully repaid on 9 July 2018, was not drawn-down at the period ended 30 June 2020.

Security provided to the lender includes a debenture over the fixed and floating assets of the Company's United Republic of Tanzania assets and a deed of assignment of 20% of the revenue and cash flow from sales of natural gas from the United Republic of Tanzania assets.

12. Long term loan

Credit facility from United Republic of Tanzania based banks

On 8 December 2014, Wentworth Gas Limited, a wholly owned subsidiary of the Company, entered into a $20.0 million loan to finance field infrastructure development within the Mnazi Bay Concession in the United Republic of Tanzania.

The term of the loan was initially forty-eight months in duration commencing on the first draw-down date with the loan bearing interest at six-month LIBOR rate plus 750 basis points, subject to a minimum (floor) of 8% p.a. and a maximum (ceiling) of 9.5% p.a. Security was in the form of a debenture creating first ranking charge over all the assets of WGL (assets of WGL include a 25.4% participation interest in the Mnazi Bay Concession), assignment over any TPDC long-term receivable and assignment of revenues generated from the Mnazi Bay Concession.

During 2017, the Company executed amendments to the credit facility agreement, which included the restructuring of principal loan repayments and added provisions. The new provisions contain a requirement for the Company to maintain two financial covenants, the Debt Service Coverage Ratio and Loan Life Coverage Ratio, both calculated semi-annually beginning on 30 June and 31 December. The interest rate was amended to the interest rate of six-month LIBOR rate plus 750 basis points subject to a minimum (floor) of 8.5% p.a. and no maximum (ceiling).

On 30 January 2020 the final principal repayment of $1,663k was made.

	$000
Balance as at 31 December 2019 (audited)	1,714
Proceeds from loan	-
Loan repayment	(1,663)
Total changes from financing cash flows	(1,663)
Interest expense	13
Interest paid	(39)
Finance cost accretion	(25)
Total other charges	(51)
Balance as at 30 June 2020 (unaudited)	-

During the six months period ended 30 June 2020, the Company incurred interest expense on long-term loan, inclusive of accretion of financing costs, of $(12k) (2019: $209k). A total of $39k was settled in cash (2019: $387k).

13. Decommissioning and Abandonment provision

A reconciliation of the decommissioning obligations is provided below:

	Balance at 30 June 2020 (unaudited) $000	**Balance at 31 December 2019 (audited) $000**
Balance at 1 January	**1,085**	969
Accretion	**65**	116
Balance at 30 June and 31 December	**1,150**	1,085

14. Contingent liabilities

Following the completion of the corporate transition to UK and Oslo Børs delisting, three shareholders exercised certain Dissent Rights under Canadian law which may require the Company to buy back their equity holdings at fair value. The Company received Dissent Rights notices over a total of 2,329,326 shares with an anticipated fair value of $696,519 after adjusting for dividends that had been paid to those shareholders. $281,666 of the $696,519 has been agreed and will be settled. This amount has been provided for in full within these financial statements. The further $414,853 remains under dispute and subject to further negotiation and has therefore been classified as a contingent liability.

15. Share-based payments

	Six months ended 30 June	
	2020 (unaudited) $000	**2019 (unaudited) $000**
Share based compensation recognized in the statement of Comprehensive income	**137**	243

Movement in the total number of share options outstanding and their related weighted average exercise prices are summarized as follows:

	Number of options	Weighted average exercise price (US$))
Outstanding at 1 January 2020	**6,385,497**	**0.57**
Granted	**2,485,621**	**-**
Outstanding at 30 June 2020	**8,871,118**	**0.41**

The following table summarizes share options outstanding and exercisable at 30 June 2020:

		Outstanding		Exercisable
Exercise price (NOK)	Exercise price (US$)[1]	Number of options	Weighted average remaining life (years)	Number of options
3.60	0.37	1,600,00	0.3	1,600,000
3.85	0.40	750,000	5.5	750,000
4.08	0.42	250,000	2.8	250,000
5.18	0.53	1,900,000	3.9	1,900,000
5.57	0.57	500,000	0.8	500,000
-	-	3,871,118	9.5	-
		8,871,118		**5,000,000**

[1] The US Dollar to Norwegian Kroner exchange rate used for determining the exercise price at 30 June 2020 is 0.102621.

16. Share capital

	2020 (unaudited) $000	2019 (audited) $000
Authorised, called up, allotted and fully paid		
186,488,465 (2019 - 186,488,465) ordinary shares	**416,426**	416,426

17. Earnings per share

Basic and diluted EPS

	2020 (unaudited) $000	2019 (unaudited) $000
Net profit/(loss) for the period	**1,014**	**(158)**
Weighted average number of ordinary shares outstanding	**186,488,465**	186,488,465
Dilutive weighted average number of ordinary shares outstanding	**186,488,465**	186,488,465
Net profit per ordinary share	**0.005**	**-**

18. Dividends

The following dividends were declared and paid by the Company during the year.

	2020 (unaudited) $000	2019 (unaudited) $000
0.9 pence (US$ 0.0114; NOK 0.10872) per ordinary share (2019: 0.45 pence (US$ 0.00583; NOK 0.0514) per ordinary share)	**2,119**	1,033

On 24 April 2020, the Company declared a dividend of GBP 0.9 pence per share, being a total dividend distribution of $2.0 million. This second dividend with respect to the audited results to 31 December 2019 follows the Company's maiden interim dividend of $1.0 million, which was declared in September 2019, bringing a total distribution in respect of 2019 to $3.0 million, which delivers an annual yield of approximately 7.2%, based on the closing share price at 20 April 2020, in line with previous guidance.