



Annual Report and Financial Statements 2021



COMPANY DETAILS

TOMCO ENERGY PLC

Company Numbers

Isle of Man 6969V
England & Wales FC022829

Country of Incorporation

Isle of Man

Board of Directors

Malcolm Groat	<i>Non-Executive Chairman</i>
John Potter	<i>Chief Executive Officer</i>
Zac Phillips	<i>Non-Executive Director</i>
Louis Castro	<i>Non-Executive Director</i>

Registered Office

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CHAIRMAN'S STATEMENT

I am pleased to be delivering my second Chairman's statement to the shareholders of TomCo Energy plc ("TomCo" or the "Company" or, with its subsidiaries, the "Group"), together with the Annual Report and Financial Statements for the year ended 30 September 2021.

Operational Review

Greenfield Energy LLC

The primary focus for the Company during the year was on Greenfield Energy LLC ("Greenfield") and its plans to pursue the construction of an initial 5,000 barrels of oil per day ("bopd") production facility at the earliest opportunity, as well as exploiting other opportunities available to it.

Whilst the shadow of Covid-19 still darkens the global economic picture, though much less so than this time last year, we have managed to make considerable progress during the financial year under review.

During the first half of the year, the focus of Greenfield was on the third-party oil sands plant at Asphalt Ridge. This was enhanced and brought into trial production, extracting oil from sands in a manner that we believe could be scaled up to be commercially viable in large, purpose-built plants. Importantly, the work undertaken by Greenfield in modifying, upgrading and operating the test plant for a temporary lease period provided sufficient information for a FEED (Front-End Engineering and Design) study to be completed, together with a third-party verification exercise.

The completed FEED study and third-party report was received at the end of July 2021. The FEED study outlined better economics for the proposed plant than we had initially envisaged, and together with the

third-party report provided verification that the proposed technical approach is appropriate.

Further to an agreement reached with our former 50% joint venture partner, Valkor LLC ("Valkor"), as announced on 26 August 2021, TomCo now owns 100% of Greenfield, with full control, thereby affording TomCo's shareholders the opportunity to fully benefit from Greenfield's significant potential, whilst retaining Valkor as a valued stakeholder and future substantial shareholder in the Company. The consideration for the acquisition only becomes payable upon Greenfield receiving funds from, or drawing upon, a loan or credit facility in connection with the construction of an oil sands processing facility as specified in the FEED study, which I personally believe serves to demonstrate Valkor's confidence in our plans and ability to deliver.

Prior to this, on 9 June 2021, we announced Greenfield's potential acquisition of up to 100% of the ownership and membership rights and interests in Tar Sands Holdings II LLC ("TSHII") (the "Membership Interests"). The successful completion of the acquisition of an initial 10% of the Membership Interests was announced post year end on 16 November 2021. Greenfield retains an exclusive option, at its sole discretion, to acquire the remaining 90% of the Membership Interests for additional cash consideration up to 31 December 2022, as detailed in the 9 June 2021 announcement.

TSHII owns approximately 760 acres of land and certain non-producing assets (the "Site") in Uintah County, Utah, USA. Subject to securing the requisite funding, Greenfield plans to use the Site for the potential future mining of oil sands and construction of a commercial scale processing plant. The Site has existing infrastructure, plant and equipment, together with an existing Large Mine Permit No. M0470032, that could facilitate any future development by Greenfield.

Alongside the acquisition of the initial 10% of the Membership Interests, a newly incorporated subsidiary of Greenfield was granted a lease over approximately 320 acres of the 760-acre site owned by TSHII. The lease provides Greenfield's subsidiary with the exclusive right to explore, drill, and mine for, and extract, store, and remove oil, gas, hydrocarbons, and other associated substances, together, inter alia, with the right to erect, construct and use such plant and equipment and infrastructure as required.

Greenfield is in advanced discussions with potential off-takers of both oil and sand from the TSHII site and it appears ideally suited for the future construction, subject to funding, of Greenfield's first commercial scale plant. Whilst there can be no certainty that Greenfield can secure the required funding to complete the acquisition of 100% of the Membership Interests, I remain optimistic, based on discussions with potential funders to date, that acquisition of the remaining 90% can be completed at a cost of \$16.25 million and the required funding secured. If the funding is not secured, our current business plan would be curtailed, but a viable project, albeit a fraction of the size, would remain.

To assist Greenfield in progressing its plans for the TSHII site and obtaining further funding to: (i)

acquire the remaining 90% Membership Interest in TSHII, (ii) drill a number of production wells on the Site and (iii) pursue the future construction of an initial 5,000 bopd facility at the earliest opportunity, the Company has engaged specialist oil and gas industry advisers experienced in the structuring and securing of such financings. They are currently exploring a number of potential funding options.

Additionally, Greenfield has commenced detailed engineering and design work in connection with its future plans including engaging Stantec Inc, a global design and delivery firm with extensive experience in the oil and gas and mining sectors, on mine planning, and is working with Netherland Sewell & Associates, global petroleum consultants, on a reserves report, together with other preparatory work. This is in addition to the continuing detailed engineering design and planning work being undertaken by Valkor.

TurboShale RF Technology

During the previous financial year, at the onset of the Covid-19 pandemic, we took the decision to put the activities in relation to our TurboShale radio frequency technology on hold in order to focus our resources on Greenfield. This has remained the case throughout 2021 and, post the year end, we have purchased the remaining 20% of our subsidiary holding the technology and are considering how best to proceed with it during 2022.

Pending that decision, we have recognised an impairment provision against all of the Turbos shale and Oil Mining Company assets in these 2021 financial statements.

Corporate

As expected, the year under review was a busy one for TomCo and one

of significant progress. During the year, we raised £3.5 million (gross) via a placing in November 2020, through the issue of 777,777,777 new ordinary shares at a price of 0.45 pence per share, with the net proceeds being used to provide general working capital and to fund Greenfield's development. Following the financial year-end, the Company raised a further £1.25 million (gross) in a placing of 250,000,000 new ordinary shares, at a price of 0.50 pence per share in January 2022.

In early November 2020, Stephen West and Alexander Bengner stepped down from the Board to focus on their other commitments elsewhere, I assumed the role of Chairman, and we appointed two new non-executive directors, Richard Horsman and Robert Kirchner. Robert subsequently resigned in June 2021 to focus on his other commitments, but we were very fortunate in securing Louis Castro's services as a non-executive director in April 2021. Louis has brought to TomCo significant sector experience and governance expertise, including as a former AIM Nominated Adviser.

Towards the end of January 2022, Richard Horsman left the Company to pursue his other interests and we recruited as his successor an oil industry expert, Zac Phillips, who had a good pre-existing knowledge of our business already via his work as a consultant to Greenfield.

I am grateful to my colleagues for

their excellent contribution and particularly to John Potter for his outstanding work as our Chief Executive. The Company's activities are continuing to evolve and we will look to add further relevant expertise as appropriate going forward.

Outlook and Summary

The Board appreciates the strong continuing support of our shareholders as we continue to progress our plans for Greenfield.

Greenfield is engaged in ongoing discussions regarding funding options to potentially achieve the ultimate acquisition of 100% of the TSHII Membership Interests, together with the proposed drilling of a number of production oil wells and further construction of the planned first 5,000 barrels of oil per day production plant, whilst progressing other preparatory work. Whilst there can be no certainty that Greenfield can secure the requisite funding or the further permitting required, I am optimistic, based on discussions with potential funders to date, that the required funding to implement our plans can ultimately be secured.

These are very exciting times for TomCo as we look to realise Greenfield's significant potential.

Malcolm Groat
Chairman
31 March 2022

DIRECTORS' REPORT

The Directors submit their report and the financial statements of the Group for the year ended 30 September 2021.

PRINCIPAL ACTIVITY

The principal activity of the Group is that of deploying technology on its oil shale leases and other unconventional oil resources for future production.

RISK ASSESSMENT

The Group's oil and gas activities are subject to a range of financial and operational risks which can significantly impact on its performance, with the key risks for the year ended 30 September 2021 set out below.

Operational risk

During the financial year, the Company completed all the engineering due diligence on the oil sands separation process and completed the third-party verification and design for a 5,000 barrels of oil per day plant. Efforts have now moved towards securing the requisite funding for plant design and potential future construction. While some of the project risk has been reduced by way of securing a suitable site that has an appropriate pre-existing large mining permit, the site itself contains the remnants of a third-party facility that has not been in operation for more than 10 years. As a result, a detailed review of the historic plant has been arranged to make sure that there are no potential liabilities.

Risks relating to environmental, health and safety and other regulatory standards

The Group's future extraction activities are subject to various US federal and state laws and regulations relating to the protection of the environment including the obtaining of appropriate permits and approvals by relevant environmental authorities. Such regulations typically cover a wide variety of matters including, without limitation, prevention of waste, pollution and protection of the environment, labour regulations and worker safety. Furthermore, the future introduction or enactment of new laws, guidelines and regulations could serve to limit or curtail the growth and development of the Group's business or have an otherwise negative impact on its operations. The Group ensures that it complies with the relevant laws and regulations in force in the jurisdictions in which it operates.

Liquidity and interest rate risks

The Group is ultimately dependent on sources of equity and/or debt funding to develop Greenfield and any other recovery technology and in turn the Group's exploration assets and to meet its day-to-day capital commitments and overheads. Cash forecasts identifying the liquidity requirements of the Group are produced frequently and are reviewed regularly by management and the Board. This strategy will continually be reviewed in light of developments with existing projects and new project opportunities as they arise. For further information regarding the Group's cash resources and future funding requirements, refer to the 'Going Concern' section below.

Currency risk

Due to the limited income and expenses denominated in foreign currencies, it was not considered cost effective to manage transactional currency exposure on an active basis. However, as the financial statements are reported in sterling, any movements in the exchange rate of foreign currencies against sterling may affect the Group's statements of comprehensive income and financial position. The Group holds some cash in US dollars to mitigate the foreign exchange risk and keeps its currency profile under review.

COVID-19 risk

In 2021 while COVID-19 continues to have an adverse impact on the global economy, oil prices were, absent the effects of the war in Ukraine, projected to continue to recover during 2022 and beyond. The Group's continued activity with respect to Greenfield is not currently expected to be significantly affected by COVID-19.

Financial instruments

It was not considered an appropriate policy for the Group to enter into any hedging activities or trade in any financial instruments. Further information can be found in Note 22.

RESULTS AND DIVIDENDS

The statement of comprehensive income is set out on page 20. The Directors do not propose the payment of a dividend (2020: £nil).

REVIEW OF THE KEY EVENTS DURING THE YEAR

TurboShale

There were no further developments in respect of our TurboShale technology during the financial year. In the period since the end of the financial year, the remaining 20% of TurboShale not owned by TomCo has been acquired and the Board will review the next steps for TurboShale during H1 2022. In the meantime, an impairment provision has been recognised against its assets.

Greenfield Energy LLC

Our joint venture company took over all operations at the Petroteq Oil Sands Plant (POSP) in July 2020 and through January 2021 made the modifications identified by Valkor to help improve the separation process. The start-up of the plant occurred in January 2021 during which further additions were identified as being required, with such upgrades being completed in March 2021. Between March and the end of June 2021 the process was assessed, and a testing schedule completed. A third-party engineering company, Kahuna Ventures LLC observed the plant operations and completed an assessment with their report being submitted in July 2021. As a result of the testing programme and Kahuna's independent report, Crosstrails Engineering LLC (a Valkor subsidiary) was able to complete a Front-End Engineering and Design (FEED) study for a 5,000 barrels of oil per day production plant in August 2021.

During the financial year, Netherland, Sewell & Associates, Inc (NSAI) were engaged to produce a reserves report on the oil sands resource contained within the Tar Sands Holdings II LLC acreage. Further to an agreement reached with Valkor LLC ("Valkor"), as announced on 26 August 2021, TomCo now owns 100% of Greenfield, with full control, thereby affording TomCo's shareholders the opportunity to fully benefit from Greenfield's significant potential, whilst retaining Valkor as a valued stakeholder and future substantial shareholder in the Company.

Financing

During the financial year, TomCo completed one equity fund raise involving the issue of 777,777,777 new ordinary shares and 388,888,888 new warrants, raising £3,500,000 (gross). The funds were deployed as a loan to Greenfield to assist it in securing the Tar Sands Holdings II LLC entity that holds 760 acres of land, with a pre-existing Large Mining Permit, Greenfield holds a multi-site licence for deployment of the Oil Sands Technology, as well as for general working capital purposes.

Following the end of the financial year, the Company undertook a further placing of 250,000,000 new ordinary shares, raising £1,250,000 (gross). These funds are to be used to cover the costs of drilling 3 exploration wells on the TSHII site and the anticipated costs of the due diligence process in seeking the requisite funding for a 5,000 barrel per day oil sand separation plant. Additionally, the funds were used to complete the purchase of the remaining 20% of TurboShale, not previously owned by TomCo and to provide additional working capital reserves for the group.

TomCo also secured a loan from Valkor Oil and Gas LLC of US\$1,500,000 in order to complete the purchase of 10% of Tar Sands Holdings II LLC. Such loan is repayable by Greenfield through a number of potential options, or combination of such options, at its sole election, such combination adding up to the US\$1.5 million principal amount of the loan, plus any applicable interest or fees incurred. The repayment options include granting a share of potential net production revenues to offset initially the principal amount and for a period of five years thereafter from any oil well(s) planned to be drilled on a defined lease area, but for which the requisite further funding and permits have not yet been secured; and/or straight repayment of the principal amount plus interest and fees amounting to 15% of the principal amount of the loan, payable on the maturity date. In any event, unless a production share is granted, or both parties agree an extension to the repayment date, a minimum of US\$1.5 million must be repaid on or before 30 May 2022. To the extent that any part of the principal

amount has not been paid by the scheduled maturity date (which may be extended by mutual agreement of the parties) then interest of 2% per month shall be applied to such unpaid amount from time to time until it has been repaid in full.

Directors

The Directors who served on the Board during the year to 30 September 2021 and to date were as follows:

Malcolm Groat

John Potter

Richard Horsman (*appointed 1 November 2020; resigned 24 January 2022*)

Robert Kirchner (*appointed 1 November 2020; resigned 4 June 2021*)

Louis Castro (*appointed 19 April 2021*)

Zac Phillips (*appointed 24 January 2022*)

Directors' interests in the ordinary shares of the Company, including family interests, as at 30 September 2021 were as follows:

	30 September 2021			30 September 2020 (or date of appointment)		
	Ordinary shares of nil par value	Share warrants	Share options	Ordinary shares of nil par value	Share warrants	Share options
M. Groat	11,887	-	20,380,952	11,887	-	2,380,952
J. Potter	26,500	-	52,714,285	26,500	-	7,714,285
R. Horsman (<i>resigned 24 January 2022</i>)	-	-	7,500,000	-	-	-
R. Kirchner (<i>resigned 4 June 2021</i>)	-	-	-	-	-	-
L. Castro	-	-	15,000,000	-	-	-
	38,387	-	95,595,237	38,387	-	10,095,237

Details of the remuneration, share warrants and share options can be found in the Remuneration Committee Report and Notes 7, 19 and 21 to the financial statements.

Payments of payables

The Group's policy is to negotiate payment terms with its suppliers in all sectors to ensure that they know the terms on which payment will take place when the business is agreed and to abide by those terms of payment.

Going Concern

At 28 March 2022, the Group had cash of approximately £1.12 million, and a loan due to Valkor of approximately £1.14 million (\$1.5 million)

The Directors have prepared a cash flow forecast for the period to 30 June 2023. The forecast, which includes capital expenditure committed at the date of this report, indicate that the Group needs to raise additional finance in April 2023 in order to continue as a going concern. The cash flow forecast assumes, amongst other things, the following:

- that either the Valkor loan of \$1.5 million, which is due for repayment by 30 May 2022, is extended by mutual agreement, which would lead to an increase in financing costs, or is settled by the grant of a production share over wells on land now occupied by the group under arrangements concluded after the year-end;
- the payment which is due in respect of the TSHII option by 31 December 2022 of \$16,250,000 requires sufficient additional funding to be raised prior to December 2022 otherwise the option lapses. Should the option lapse because funding cannot be secured then the Group's current business plan would be curtailed but, in the Board's view, the Group would remain a going concern subject to the occurrence of other currently unforeseen events.

The cash currently held by the Group is sufficient to fund ongoing overhead costs for approximately 12 months, beyond which further funding will be required.

The Group has a reasonable expectation that it can raise the required additional funds based on a history of raising funds. However, there are currently no binding agreements in place.

It is possible that rather than extend the term or grant a production share, the Group would wish to refinance the Valkor loan by May 2022 and that additional capital expenditure beyond that committed at the date of this report will be necessary prior to April 2023 to maximise the opportunities presented by, in particular, Greenfield. Any such refinance or additional expenditure would be subject to funding, in whole or in part, via additional debt or equity or a combination of both.

The Directors note that because of both the lingering effects of COVID-19 and the war in Ukraine there remains considerable uncertainty concerning the global economy and oil prices continue to be volatile, albeit reaching higher levels of late, which may have implications in respect of securing additional funding, either for the Group's day-to-day operations or additional capital expenditure. These conditions represent a material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern. Whilst acknowledging this material uncertainty, the Directors remain confident of raising any additional funds required and therefore the Directors consider it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

Going concern is also discussed at note 1.1 of the financial statements

Directors' responsibilities

The Directors are responsible for keeping proper accounting records that are sufficient to show and explain the Group's transactions and disclose, with reasonable accuracy at any time, the financial position of the Group and enable them to ensure that financial statements may be prepared, in accordance with the Isle of Man Companies Act 2006. They are also responsible for safeguarding the assets of the Group and for taking steps for the prevention and detection of fraud and other irregularities.

The Directors are required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies with securities trading on the AIM market. In accordance with those rules, the Directors have elected to prepare the Group's financial statements in accordance with International Financial Reporting Standards (IFRSs), as issued by the International Accounting Standards Board. The Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that year. In preparing these financial statements, the Directors are required to:

- consistently select and apply appropriate accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- state that the Group has complied with IFRS, subject to any material departures disclosed and explained in the financial statements.

The Directors confirm that they have complied with these requirements, and, having a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, have continued to adopt the going concern basis in preparing the financial statements

Auditors

All the current Directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be

proposed at the annual general meeting.

By order of the Board

John Potter
CEO
31 March 2022

CORPORATE GOVERNANCE STATEMENT

As Chairman, I am pleased to present the Company's Governance Statement under the QCA Corporate Governance Code (the "QCA Code"). Establishing effective corporate governance structures that evolve with the business and protect shareholder value is a key element of my role, together with the Board as a whole. Set out below are details of the Company's governance framework benchmarked against the QCA Code principles.

The Board of Directors of TomCo (the "Board") monitors the business affairs of the Company and its subsidiaries on behalf of its shareholders. The Board currently consists of the Chief Executive Officer and three Non-Executive Directors. None of the Non-Executive Directors have previously held an executive position with the Company. The Directors have responsibility for the overall corporate governance of the Company and recognise the need for the highest standards of behaviour and accountability. The Directors are committed to the principles underlying best practice in corporate governance and have adopted the QCA Code.

This statement explains, at a high level, how the QCA Code is applied by the Company and how its application supports the Company's medium to long-term success. Further information on the application of the QCA Code can be found on the Company's website at <https://tomcoenergy.com/investors/governance/>.

The Board is responsible for the stewardship of the Company through consultation with the management of the Company. Management represents the Executive Director. Any responsibility that is not delegated to management or to the committees of the Board remains with the Board, subject to the powers of shareholder meetings. The frequency of Board meetings, as well as the nature of agenda items, varies depending on the state of the Company's affairs and in light of opportunities or risks which the Company faces. Members of the Board are in frequent contact with one another, and meetings of the Board are held as deemed necessary.

Statement of compliance with the QCA Code

Throughout the year ended 30 September 2021, the Company has been in compliance with the provisions set out in the QCA Code.

Application of the QCA Code principles

The Company has applied the principles set out in the QCA Code, by complying with it as reported above. Further explanations of how the principles have been applied is set out below.

Principle One – Business Model and Strategy

TomCo is an oil exploration and development company focused on using innovative technology to unlock unconventional hydrocarbon resources, initially in Utah, USA.

The Company, as a result of the success of the opportunity developed within Greenfield Energy LLC, has shifted its primary focus onto developing the oil sand separation process with the planned potential future development of a 5,000 barrels of oil per day plant.

Principle Two – Understanding Shareholder Needs and Expectations

The Board is committed to maintaining good communications and having constructive dialogue with its shareholders. Shareholders and analysts have the opportunity to discuss issues and provide feedback at meetings with the Company and management.

All shareholders are encouraged to attend and participate in all shareholder meetings called by the Company, in particular its Annual General Meeting (AGM). Investors also have access to current information on the Company and the Group through its website at: www.tomcoenergy.com.

Principle Three – Considering wider stakeholder and social responsibilities

The Board recognises that the long-term success of the Group is reliant upon the efforts of the employees of the Group, its partners, consultants, contractors, suppliers, regulators and other stakeholders. The Board have put in place a range of processes and systems to ensure that there is close oversight and contact with its key stakeholders.

Corporate Governance Statement

The Group is subject to oversight by a number of different U.S. State and other regulatory bodies, who directly or indirectly are involved with the permitting and approval process of its oil and gas operations in Utah, including those conducted by Greenfield. Additionally, given the nature of the Group's business, including the activities of Greenfield there are other parties who, whilst not having regulatory power, nonetheless have an interest in seeing that the Group conducts its operations in a safe, environmentally responsible, ethical and conscientious manner.

The Group makes all reasonable efforts, directly or through its advisers, to engage in and maintain active dialogue with each of these governmental and non-governmental bodies, to ensure that any issues faced by the Group, including but not limited to regulations or proposed changes to regulations, are well understood and ensuring to the fullest extent possible that the Group is in compliance with all appropriate regulations, standards and specific licensing obligations, including environmental, social and safety aspects, at all times.

Principle Four – Risk Management

In addition to its other roles and responsibilities, the Board is responsible for ensuring that procedures are in place and are being implemented effectively to identify, evaluate and manage the significant risks faced by the Group.

As a result of the process described above, a number of risks have been identified. The principal risks and the manner in which the Company and its Board seek to mitigate them are set out below. The Board reviews the principal risks facing the business as part of its meetings through the year and changes to those risks as the Company develops. Where risks change or new risks are identified the Board implements risk management strategies as applicable.

Risk	Comment	Mitigation
Operational risks	See Directors' Report.	The group's operations are limited currently, pending completion of the detailed review of the potential site for the 5,000 barrels of oil per day plant. The directors are in discussions with a number of potential funders concerning securing funding for the potential plant. As is common with projects of this nature the Company has mitigated the potential risk around a new design by utilising existing technology and by commissioning a detailed FEED study which has been successfully reviewed by a reputable third party.
Environmental, health and safety and other regulatory standards	See Directors' Report.	The Company has engaged leading advisers to assist it in securing relevant permits or licences to operate. The Company maintains ongoing oversight of health and safety and environmental compliance.
Liquidity risk	See Directors' Report including 'Going Concern' section.	The Company maintains a detailed cashflow forecast and carefully monitors expenditure and may seek to raise additional funding as required and as referred to in Note 1.1.
Currency risk	See Directors' Report.	The Company aims to manage currency exposures by holding funds in the applicable currency to match anticipated expenditure.

The Board considers that an internal audit function is not necessary or practical due to the size of the Group and the close day to day control exercised by the Executive Director. However, the Board will continue to monitor the need for an internal audit function. The Executive Director has established appropriate reporting and control mechanisms to ensure the effectiveness of the Group's control systems for the size of the business and its activities. The Board obtains regular updates on risks from the Executive Director, which allows it to monitor the effectiveness of risk management and through its regular engagement and review of reporting on areas such as the status of the Company's projects, budgets, results and cash flow position of the Company it considers the effectiveness of controls on an ongoing basis.

Corporate Governance Statement

Principle Five – A Well-Functioning Board of Directors

The Board currently comprises the Chief Executive, John Potter, and three independent Non-Executive Directors, Malcolm Groat, Louis Castro and Zac Phillips.

Biographies for each of the current Directors are set out on the Company's website. Executive and Non-Executive Directors are subject to re-election usually at the Company's Annual General Meeting, at intervals of no more than three years.

The Board meets on a regular basis, typically at least once a month.

The Board is responsible for formulating, reviewing and approving the Group's strategy, budgets and corporate actions. As such, the Company has established separate Audit and Remuneration Committees.

The Audit Committee comprises Louis Castro (Chairman,), Malcolm Groat and Zac Phillips. The Audit Committee meets at least twice a year to consider the integrity of the financial statements of the Company, including its annual and interim accounts; the effectiveness of the Company's internal controls and risk management systems; auditor reports; and terms of appointment and remuneration for the auditor.

The Company's Remuneration Committee comprises Louis Castro (Chairman,), Malcolm Groat and Zac Phillips. The Remuneration Committee meets from time to time, but not less than once a year, to review and determine, amongst other matters, the remuneration of Executives on the Board and any share incentive plans of the Company.

The QCA Code recommends that the Chairman must have adequate separation from the day-to-day business to be able to make independent decisions. Malcolm Groat is the Company's Non-Executive Chairman and the Board believe that he has adequate separation from the day-to-day business of the Company to be able to make independent decisions. As the Board is comprised of only four members, one of whom is Executive and three of whom are independent Non-Executive Directors, including the Chairman, the Board does not believe it is currently necessary to appoint a senior independent director.

The Chief Executive is a full-time employee of the Company. Whilst each of the Non-Executive Directors are considered to be part time, they are expected to provide as much time to the Company as is required. The attendance record of the Directors at Board and committee meetings held during the year ended 30 September 2021 was as follows:

	Main Board	Audit Committee	Remuneration Committee
Meetings held			
Attendance:			
Malcolm Groat	14	2	2
John Potter	14	-	-
Richard Horsman (<i>appointed 1 November 2020; resigned 24 January 2022</i>)	14	2	1
Robert Kirchner (<i>appointed 1 November 2020; resigned 4 June 2021</i>)	4	1	1
Louis Castro (<i>appointed 19 April 2021</i>)	10	1	2

Principle Six – Appropriate Skills and Experience of the Directors

The Board believes that the current balance of skills held by the Board as a whole, reflects a very broad range of commercial and professional skills across geographies and industries and each of the Directors has previous experience of public markets.

The Board believes that the Directors are well suited to the Company's fundamental objective of enhancing and preserving long-term shareholder value and ensuring that the Group conducts its business in an ethical and safe manner. The Board is considered to be of a sufficient number to provide more than adequate experience and perspective to its decision-making process and, given the size and nature of the Group, the Board does not consider

Corporate Governance Statement

at this time that it is appropriate to increase the size of the Board or amend its composition.

As the Board is not currently anticipating any change to its size or composition, it has not yet implemented a written policy regarding the identification and nomination of female directors. In the event that one of the existing members of the Board stands down from their current position, the Company will, at that time, give further consideration to the specific selection of a female member of the Board and the adoption of a formal policy relating to the positive appointment of additional female members of the Board for future opportunities.

The Board is responsible for: (a) ensuring that all new Directors receive a comprehensive orientation, that they fully understand the role of the Board and its committees, as well as the contribution individual directors are expected to make (including the commitment of time and resources that the Company expects from its directors) and that they understand the nature and operation of the Group's business; and (b) providing continuing education opportunities for all directors, so that individuals may maintain or enhance their skills and abilities as directors, as well as to ensure that their knowledge and understanding of the Group's business remains current.

Given the size of the Company and the in-depth experience of its Directors, the Board has not deemed it necessary to develop a formal process of orientation for new Directors but encourages all its Directors to visit the Group's operations to ensure familiarity and proper understanding.

Skills & Experience of Board Members

Malcolm Groat

Malcolm is a Chartered Accountant and has a wide range of experience in corporate life, with roles as Chairman, Non-Executive Director, Chairman of Audit Committees, CEO, COO and CFO for a number of public companies. He is an adviser on compliance and governance, strategy and operational improvement, and managing the risks of rapid change.

John Potter

John is an accomplished Chief Executive and project manager with many years' experience working within the energy sector. John brings a wide range of skills, knowledge and industry connections. His proficiencies in understanding and identifying best technologies in projects and his proven abilities in developing relationships with stakeholders, including operators, politicians, financiers, technology providers and regulators, are well proven and have brought great value to the companies he has previously worked with.

Louis Castro

Louis is a graduate engineer and PwC Chartered Accountant who has spent his career in the City in investment banking and capital markets, advising growth companies on a wide range of matters including fund-raising and M&A. He served as an AIM Nomad for many years before becoming CFO of a listed oil company. In recent years, Louis has become Executive Chairman of Orosur Mining Inc. which is quoted on both the TSXV and on AIM, and he is also a non-executive director on Tekcapital plc; Predator Oil & Gas plc; and Stanley Gibbons plc.

Zac Phillips

Zac has over 25 years' experience in oil and gas finance, having worked for BP, Chevron, Merrill Lynch and ING Barings. He was previously CFO for Dubai World's oil and gas business (DB Petroleum) with responsibility for risk management and authoring of investment proposals. He has a degree in Chemical Engineering and a PhD in Chemical Engineering from Bath University.

Principle Seven – Evaluation of Board Performance

The Board has determined that it shall be responsible for assessing the effectiveness and contributions of the Board as a whole and its committees (which currently comprise the Audit Committee and the Remuneration Committee). The small size of the Board allows for open discussion. The Chairman has regular dialogue with the Chief Executive whereby the Board's role and effectiveness can be considered.

No formal assessments have been prepared in the year. However, the Board assesses its effectiveness on an ongoing basis. The Board will keep this matter under review and especially if either the size of the Board or the number of committees increases, which in turn may require a more formalised assessment and evaluation process to be established to ensure continued effectiveness.

Corporate Governance Statement

Principle Eight – Corporate Culture

The Board recognises that their decisions regarding strategy and risk will impact the corporate culture of the Group as a whole and that this will impact the performance of the Group. The Board is very aware that the tone and culture set by the Board will greatly impact all aspects of the Group. The corporate governance arrangements that the Board has adopted are designed to ensure that the Group delivers long-term value to its shareholders and that shareholders have the opportunity to express their views and expectations for the Company in a manner that encourages open dialogue with the Board.

A large part of the Group's activities is centred upon what needs to be an open and respectful dialogue with partners, suppliers, consultants and other stakeholders. Therefore, the importance of sound ethical values and behaviour is crucial to the ability of the Group to successfully achieve its corporate objectives.

The Directors consider that, at present, the Group has an open culture facilitating comprehensive dialogue and feedback and enabling positive and constructive challenge.

Principle Nine – Maintenance of Governance Structures and Processes

Ultimate authority for all aspects of the Group's activities rests with the Board, with the responsibilities of the Executive Director arising as a consequence of delegation by the Board.

The Board has adopted appropriate delegations of authority which set out matters which are reserved to the Board. The Chairman is responsible for the effectiveness of the Board and compliance with the QCA Code, while management of the Group's business and primary contact with shareholders has been delegated by the Board to the Chief Executive Officer.

Non-Executive Directors

The Board evaluates its performance and composition on a regular basis and will make adjustments as and when indicated. When assessing the independence of each Non-Executive Director, length of service is one of the considerations. The Board will, when assessing new appointments in the future, consider the need to balance the experience and knowledge that each independent director has of the Group and its operations, with the need to ensure that independent directors can also bring new perspectives to the business.

In accordance with the Isle of Man Companies Act 2006, the Board complies with: a duty to act within their powers; a duty to promote the success of the Company; a duty to exercise independent judgement; a duty to exercise reasonable care, skill and diligence; a duty to avoid conflicts of interest; a duty not to accept benefits from third parties and a duty to declare any interest in a proposed transaction or arrangement.

Principle Ten – Shareholder Communication

The Board is accountable to the Company's shareholders and, as such, it is important for the Board to appreciate the aspirations of the shareholders and equally that the shareholders understand how the actions of the Board and short-term financial performance relate to the achievement of the Group's longer-term goals.

The Board reports to the Company's shareholders on its stewardship of the Group through the publication of interim and final financial results. The Company announces significant developments which are disseminated via various outlets including, before anywhere else, RNS. In addition, the Company maintains a website (www.tomcoenergy.com) on which RNS announcements, press releases, corporate presentations and the Report and Financial Statements are available to view.

Enquiries from individual shareholders on matters relating to the business of the Group are welcomed. Shareholders and other interested parties can subscribe to receive notification of news updates and other documents from the Company via email.

The Annual General Meeting, and other meetings of shareholders that may be called by the Company from time to time, provide an opportunity for communication with all shareholders and the Board encourages shareholders to attend and welcomes their participation. The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. The Company has close ongoing relationships with its private shareholders.

Corporate Governance Statement

Malcolm Groat
Non-Executive Chairman
31 March 2022

AUDIT COMMITTEE REPORT

Overview

The Committee met twice during the year to consider the full year 2020 accounts and interim 2021 accounts. It has also met after the year end to consider the full year 2021 accounts.

In April 2021, Louis Castro was appointed Chairman of the Committee by the Board. Following the departure of Robert Kirchner in June 2021, the other Committee members during the year under review have been Malcolm Groat and Richard Horsman. From February 2022, the Committee comprises Louis Castro, Zac Phillips and Malcolm Groat.

Financial Reporting

The Committee monitored the integrity of the interim and annual financial statements and reviewed the significant financial reporting issues and accounting policies and disclosures in the financial reports. The external auditor attended the Committee meeting as part of the full year accounts approval process. The process included the consideration of reports from the external auditor identifying the primary areas of accounting judgements and key audit risks identified as being significant to the full year audited accounts.

Audit Committee Effectiveness

The Board considers the effectiveness of the Committee on a regular basis but not as part of a formal process.

External Audit

The Committee is responsible for managing the relationship with the Company's external auditor, BDO LLP.

The objectivity and independence of the external auditor is safeguarded by reviewing the auditor's formal declarations, monitoring relationships between key audit staff and the Group and reviewing the non-audit fees payable to the auditor. Non-audit services are not performed by the auditor. During the year, audit fees of £34,337 (2020: £33,500) were paid to BDO LLP.

Internal Audit

The Committee considered the requirement for an internal audit function. The Committee considered the size of the Group, its current activities and the close involvement of senior management. Following the Committee's review, it did not deem it necessary to operate an internal audit function during the year.

Louis Castro

Chairman, Audit Committee

31 March 2022

REMUNERATION COMMITTEE REPORT

This report is on the activities of the remuneration committee for the financial year ended 30 September 2021.

The Remuneration Committee meets from time to time, but not less than once a year, to review and determine, amongst other matters, the remuneration of the Executive(s) on the Board and any share incentive plans of the Company. At the end of the year, the Remuneration Committee comprised Louis Castro (Chairman), Richard Horsman and Malcolm Groat. From February 2022, the Committee comprises Louis Castro, Zac Phillips and Malcolm Groat.

The Group has no employees other than the Directors; whose emoluments comprise fees paid for services. The amounts for their services are detailed below:

	Salaries	Severance	Salaries	Severance
	2021	pay	2020	pay
	£'000	£'000	£'000	£'000
M Groat	38	-	20	-
J Potter	139	-	91	-
R Horsman (<i>appointed 1 November 2020; resigned 24 January 2022</i>)	30	-	-	-
R Kirchner (<i>appointed 1 November 2020; resigned 4 June 2021</i>)	15	30	-	--
L Castro (<i>appointed 19 April 2021</i>)	19	-	-	-
S West (<i>resigned 30 September 2020</i>)	-	-	27	-
A Bengier (<i>resigned 30 September 2020</i>)	-	-	20	-
A Jones (<i>resigned 16 March 2020</i>)	-	-	100	150

As detailed in Note 21, the Company has in place a share option scheme for its Directors.

The Committee met twice during the year in conjunction with Board meetings to review salaries and to issue share options as set out in Note 21.

Louis Castro

Chairman, Remuneration Committee

31 March 2022

Independent auditor's report to the members of TomCo Energy plc

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's affairs as at 30 September 2021 and of its loss for the year then ended; and
- have been properly prepared in accordance with IFRSs as issued by the IASB.

We have audited the financial statements of TomCo Energy Plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 30 September 2021 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity and the consolidated statements of cash flows and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty related to going concern

We draw attention to note 1.1 to the financial statements concerning the Group's ability to continue as a going concern. As stated in note 1.1 the Group has forecasted that it will need to repay or extend the existing debt by May 2022 and raise additional finance by March 2023. In respect of this there are currently no binding agreements in place.

As stated in note 1.1 these events or conditions, along with the other matters set out in note 1.1 indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Because of the judgements made by the Directors, and the significance of this area, we have determined going concern to be a key audit matter. As described in note 1.1 the Directors expect to be able to either repay or extend the existing debt and raise additional financing. However, the ability of the Group to achieve this is not fully within the Directors' control.

Our evaluation of the Directors' assessment of the Group's ability to continue to adopt the going concern basis of accounting and in response to the key audit matter included:

- Reviewing the latest cash flow forecasts for the group, which covered the period to June 2023. Our work included assessing the forecast cash outflows against historical data and publicly stated plans for the future development of business.
- Testing the mathematical accuracy of the model.
- Verifying the receipt of the proceeds of the equity placing post the year end.
- Sensitising the scenario by inflating the overheads.
- Challenging directors on their ability to raise further financing with the references to the previous fund raises and considering the future impact this could have on further fundraises.
- Reviewing the terms of the \$1.5m loan agreement.
- Reviewing the disclosures in note 1.1 to ensure they provide appropriate and sufficient information related to the going concern position of the Group.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Overview

Coverage	All areas were subject to full scope audit		
Key audit matters		2021	2020
	Carrying value of Intangible assets	✓	✓
	Accounting treatment of the investment in Greenfield Energy LLC	✓	✓
	Going Concern	✓	✓
Materiality	Group financial statements as a whole		
	£78,000 (2020: £160,000) based on 1.5% (2020: 1.5%) of total assets		

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

Our group audit scope focused on the group's principle operating locations, being the United Kingdom and USA. We determined there to be three significant components, TomCo Energy Plc, Greenfield Energy LLC and TurboShale Inc. There were no insignificant components.

The group audit team carried out a full scope audit on all entities and performed all the work necessary to issue the group audit opinion including undertaking all of the audit work on the key audit matters and other risk areas.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the

efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the material uncertainty related to going concern section of our report, we have determined the matters below to be the key audit matters to be communicated in our report.

Key audit matter	How the scope of our audit addressed the key audit matter
<p>Carrying value of Intangible assets (note 9) and relevant notes within Group's accounting policies (note 1.9) and estimates and judgements (note 1.1)</p> <p>The Group has recognised significant intangible assets, related to expenditure on researching and developing the design and operation of a pilot plant acquired in the year and through the acquisition of the remaining 50% of Greenfield Energy LLC. The Directors are required to assess these intangible assets for indicators of impairment at each reporting date.</p> <p>The assessment of whether or not there are any indicators of impairment is described in the Group's accounting policies and includes making estimates and judgments.</p> <p>The subjectivity of these estimates and judgements along with the material carrying value of the assets and disclosure thereof in the financial statements make this a key audit matter.</p>	<p>We reviewed Directors' assessment which concluded that the Greenfield project is in the development phase, and therefore the costs relating to the development are capitalised within Greenfield, and in doing so our work included:</p> <ul style="list-style-type: none"> • Corroborating the basis for Directors' conclusions to supporting evidence such as the FEED study which supported Directors' conclusion that the project is commercially viable. <p>We have assessed Directors' review of whether there are any indicators of impairment and our procedures included the following:</p> <ul style="list-style-type: none"> • Making specific enquires of Directors, reviewing market announcements and reviewing Board minutes to establish whether there was any evidence that the Group did not plan to proceed with the future use of the intangible assets. • Reviewing the impairment assessment prepared by Directors and making enquiries of Directors to understand the impact of current market on the future of the project and challenging Directors on whether these factors are indicators of impairment. <p>We also evaluated the adequacy of the disclosures provided within the financial statements in relation to the impairment assessment against the requirements of the accounting standards.</p> <p>Key observations: Based on the work performed we have no matters to communicate in respect of Directors' assessment of the carrying value of the group's intangible assets</p>
<p>Accounting treatment of the investment in Greenfield</p>	<p>The Group acquired the remaining 50% shareholding in Greenfield during the year. As disclosed in this note this did not satisfy the criteria for a</p> <p>We have assessed Directors' judgements regarding the determination whether the acquisition of remaining 50% of Greenfield represented an asset acquisition.</p>

<p>Energy LLC (note 11) and related estimates and judgements (note 1.1)</p>	<p>business combination under IFRS 3 and therefore was accounted as an asset acquisition.</p> <p>The determination of whether or not this acquisition represents a business or asset acquisition requires judgement.</p> <p>Further judgement is required on identification of assets purchased and the valuation of the cost of the purchase.</p> <p>The consideration for the acquisition is the issue of 592.8 million shares. The issue of the shares is contingent upon the Company receiving funds from, or drawing down on, a loan or credit facility granted for construction of an oil sands processing facility by August 2024.</p> <p>The judgments involved in making these assessments and the disclosures within the financial statements made this a key audit matter.</p>	<p>Our audit procedures included reviewing the acquisition Agreement and Directors' representations against the requirements of IFRS3 "Business Combinations" and challenging Directors' on the key terms to determine whether these are indicative of asset acquisition or a business combination.</p> <p>We also evaluated the adequacy of Directors' estimation of the fair value of the net assets acquired by auditing the assets and liabilities as at the acquisition date.</p> <p>We have assessed the appropriateness of using the equity method for valuation of the existing 50% holding in Greenfield prior to acquisition made in the year.</p> <p>We have reviewed Directors' methodology of estimation of the contingent consideration and challenged the Directors on the appropriateness of valuation of the consideration based on historic cost of assets or probability of the contingent shares to be issued.</p> <p>We also evaluated the adequacy of the disclosures provided within the financial statements in relation to the transaction against the requirements of the accounting standards.</p> <p>Key observations: Based on the work performed we have no matters to communicate in respect of Director's assessment of investment or the share of the loss recognised in the group financial statements.</p>
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Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial statements	
	2021 £m	2020 £m
Materiality	£78,000	£160,000
Basis for determining materiality	1.5% of total assets	1.5% of total assets
Rationale for the benchmark applied	We considered total assets to be the most significant determinant of the Group's financial performance by users of the financial statements.	
Performance materiality	£54,000	£120,000
Basis for determining performance materiality	70% of the above materiality level given the slightly increased volume of errors in prior year audit	75% of the above materiality level given the historical low volume of errors

Component materiality

We set materiality for each component of the Group based on a percentage of between 50% and 95% of Group materiality dependent on the size and our assessment of the risk of material misstatement of that component. Component materiality ranged from £39,000 to £74,000 (2020: £80,000 to £144,000). In the audit of each component, we further applied performance materiality levels of 70% of the component materiality to our testing to ensure that the risk of errors exceeding component materiality was appropriately mitigated.

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £1,500 (2020: £3,200). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report and financial statements other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease

operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Group and industry, we considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Companies Act 2006 and income tax. The Group are also subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: anti-bribery, employment law and certain aspects of relevant applicable legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue, management bias in accounting estimates and the adoption of inappropriate accounting policies.

Audit procedures performed by the Group engagement team included:

- inspecting correspondence with regulators, tax authorities and lawyers;
- discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Communicating risks of fraud and non-compliance with the engagement team
- inspecting legal and professional fees for indications of non-compliance with laws and regulations;
- considering management's controls designed to prevent and detect irregularities;
- identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- challenging assumptions and judgements made by management in their critical accounting estimates as mentioned in Key audit matters.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Parent Company's Members, as a body, in accordance with our engagement letter dated 31 March 2022. Our audit work has been undertaken so that we might state to the Parent Company's Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent

permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's Members as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP
Chartered Accountants
London, UK

31st March 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated Statement of Comprehensive Income

for the financial year ended 30 September 2021

		2021		2020	
	Note	£'000	£'000	£'000	£'000
Revenue	2		-		-
Cost of sales	2		-		-
Gross loss			-		-
Administrative expenses	2		(1,528)		(1,031)
Impairment losses	3		(8,679)		-
Operating loss	5		(10,207)		(1,031)
Finance income/(costs)	4		-		1
Share of loss of joint venture	11		(84)		(40)
Loss on ordinary activities before taxation			(10,291)		(1,070)
Taxation	6		-		-
Loss for the year attributable to:			(10,291)		(1,070)
Equity shareholders of the parent		(10,017)		(1,028)	
Non-controlling interests	20	(274)		(42)	
			(10,291)		(1,070)
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations			(503)		(350)
Other comprehensive income for the year attributable to:					
Equity shareholders of the parent		(507)		(356)	
Non-controlling interests	20	4		6	
Other comprehensive income			(503)		(350)
Total comprehensive loss attributable to:					
Equity shareholders of the parent		(10,524)		(1,384)	
Non-controlling interests	20	(270)		(36)	
Total comprehensive loss			(10,794)		(1,420)
Loss per share attributable to the equity shareholders of the parent					
Basic & diluted loss per share	8		(0.76)		(0.30)

The Notes on pages 23 to 42 form part of these financial statements.

Consolidated Statement of Financial Position

as at 30 September 2021

		Group 2021	Group 2020
	Note	£'000	£'000
Assets			
Non-current assets			
Intangible assets	9	3,947	8,834
Property, plant and equipment	10	-	411
Investment in joint venture	11	-	1,224
Other receivables	12	25	26
		3,972	10,495
Current assets			
Trade and other receivables	12	104	118
Other financial assets	13	371	-
Cash and cash equivalents	14	726	334
		1,201	452
TOTAL ASSETS		5,173	10,947
Liabilities			
Current liabilities			
Trade and other payables	15	(808)	(215)
		(808)	(215)
Net current assets		393	237
TOTAL LIABILITIES		(808)	(215)
Total net assets		4,365	10,732
Shareholders' equity			
Share capital	17	-	-
Share premium	18	31,142	29,222
Warrant reserve	19	2,579	1,288
Translation reserve		(225)	282
Retained deficit		(28,688)	(19,887)
Equity attributable to owners of the parent		4,808	10,905
Non-controlling interests	20	(443)	(173)
Total equity		4,365	10,732

The financial statements were approved and authorised for issue by the Board of Directors on 31 March 2022.

The Notes on pages 23 to 42 form part of these financial statements.

John Potter
Director

Malcolm Groat
Director

Consolidated Statement of Changes in Equity

for the financial year ended 30 September 2021

Group									
Equity attributable to equity holders of the parent								Non-controlling interest	Total Equity
Note	Share capital	Share premium	Warrant reserve	Translation reserve	Retained Deficit	Total	£'000		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 October 2019	-	28,247	65	638	(19,012)	9,938	(137)	9,801	
Loss for the year	-	-	-	-	(1,028)	(1,028)	(42)	(1,070)	
Comprehensive income for the year	-	-	-	(356)	-	(356)	6	(350)	
Total comprehensive loss for the year	-	-	-	(356)	(1,028)	(1,384)	(36)	(1,420)	
Issue of shares (net of costs)	17, 18	-	866	1,377	-	2,243	-	2,243	
Exercise of warrants	19	-	109	(114)	-	114	-	109	
Expiry of warrants	19	-	-	(43)	-	43	-	-	
Share-based payment charge	21	-	-	3	-	(4)	-	(1)	
At 30 September 2020	-	29,222	1,288	282	(19,887)	10,905	(173)	10,732	
Loss for the year	-	-	-	-	(10,017)	(10,017)	(274)	(10,291)	
Comprehensive income for the year	-	-	-	(507)	-	(507)	4	(503)	
Total comprehensive loss for the year	-	-	-	(225)	(10,017)	(10,524)	(270)	(10,794)	
Issue of shares (net of costs)	17,18	-	1,920	1,306	-	3,226	-	3,226	
Expiry of warrants	19	-	-	(15)	-	15	-	-	
Share-based payment arrangements	21	-	-	-	-	1,201	-	1,201	
At 30 September 2021	-	31,142	2,579	(225)	(28,688)	4,808	(443)	4,365	

The following describes the nature and purpose of each reserve within owners' equity:

<u>Reserve</u>	<u>Descriptions and purpose</u>
Share capital	Amount subscribed for share capital at nominal value, together with transfers to share premium upon redenomination of the shares to nil par value.
Share premium	Amount subscribed for share capital in excess of nominal value, together with transfers from share capital upon redenomination of the shares to nil par value.
Warrant reserve	Amounts credited to equity in respect of warrants to acquire ordinary shares in the Group.
Translation reserve	Gains and losses on the translation of foreign operations.
Retained deficit	Cumulative net gains and losses recognised in the consolidated statement of comprehensive income less transfers to retained deficit on expiry.
Non-controlling interest	Non-controlling interest share of losses of TurboShale Inc., together with adjustments associated with the initial recognition of, and changes in, the non-controlling interest. Refer to Note 20.

The Notes on pages 23 to 42 form part of these financial statements.

Consolidated Statement of Cash Flows

for the financial year ended 30 September 2021

	Note	Group 2021 £'000	Group 2020 £'000
Cash flows from operating activities			
Loss after tax	2	(10,291)	(1,070)
<i>Adjustments for:</i>			
Finance costs	4	-	(1)
Amortisation		6	6
Impairment losses		8,679	-
Share based payment charge/(credit)		135	(1)
Unrealised foreign exchange losses		67	81
Share of loss of joint venture		84	40
Decrease/(Increase) in trade and other receivables		22	(21)
Increase/(decrease) in trade and other payables		63	(384)
Cash used in operations		(1,235)	(1,350)
Interest received/(paid)		-	1
Net cash outflow from operating activities		(1,235)	(1,349)
Cash flows from investing activities			
Investment in intangibles	9	(2)	(29)
Purchase of financial assets	11	(219)	-
Investment in joint venture		(1,502)	(1,279)
Cash acquired on acquisition of control of joint venture	11	124	-
Net cash used in investing activities		(1,599)	(1,308)
Cash flows from financing activities			
Issue of equity instruments	17,18	3,500	2,535
Costs of share issue		(274)	(182)
Net cash generated from financing activities		3,226	2,353
Net increase/(decrease) in cash and cash equivalents		392	(304)
Cash and cash equivalents at beginning of financial year		334	639
Foreign currency translation differences		-	(1)
Cash and cash equivalents at end of financial year		726	334

The Notes on pages 23 to 42 form part of these financial statements.

Notes to the financial statements

for the financial year ended 30 September 2021

1. Accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

1.1 Basis of preparation and going concern

The Group's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and International Financial Reporting Interpretations Committee ("IFRIC") interpretations and with those parts of the Isle of Man Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historic cost convention.

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. Details of the Group's significant accounting judgments are set out in these financial statements and include:

Judgements

- Purchase of remaining interest in Greenfield Energy LLC ("Greenfield")

On acquisition of the remaining 50% of Greenfield not already owned by the Group, the Directors were required to assess whether the acquisition was of a business, as defined by IFRS 3, or a group of assets. They determined that, as Greenfield had, at the date of acquisition, neither outputs, namely goods or services to customers, nor an organised workforce, or access to such a workforce, the IFRS 3 definition of a business combination was not met. Therefore, the Directors concluded that the acquisition represented an asset purchase to be accounted for at cost.

Further judgement was then required concerning:

- i. the identification of assets purchased; and
- ii. measurement of accumulated cost of the purchase, including the accumulated cost of the Group's initial holding in Greenfield up to the date of acquisition of the remaining 50% interest; and the cost of the remaining 50%, which is principally determined by reference to the directors' estimate of the probability of those events occurring that would trigger the issue of equity consideration under the agreement to purchase the remaining interest.

- Impairment indicator assessment on intangible assets and property, plant and equipment used in exploration and evaluation activities

The Directors consider that impairment indicators existed at 30 September 2021 concerning its tangible and intangible assets employed in exploration and evaluation activities in relation to oil shale. Having carried out a subsequent impairment review the directors have decided to impair these assets in full at 30 September 2021.

- Internally generated development assets

Greenfield has incurred expenditure on researching and developing the design and operation of a pilot plant and processes that is not of a scale economically feasible for commercial production. Judgement is required in determining what constitutes research expenditure, to be expensed in profit and loss, and what constitutes development expenditure that meets the criteria set out in IAS 38, which must be capitalised. Qualifying expenditure is capitalised from the point at which Greenfield's board are satisfied as to the technical feasibility of the production processes. The board have deemed that this was achieved when the preliminary results of the Pre-Feed study were released, which indicated the use of the Oil Sands Technology was likely to be economically viable. Judgements on these matters affect the Group's share of Greenfield's net assets and profits that are recognised under the equity method up to the point that the remaining 50% of Greenfield was acquired and the cost of intangible assets thereafter.

Notes to the financial statements

for the financial year ended 30 September 2021

- Joint arrangements

Prior to the acquisition of the remaining 50% of Greenfield, judgement was required in assessing whether the Group was party to a joint arrangement under IFRS 11. The Group considered whether decisions about relevant activities of the investee entity required the unanimous consent of the investors ("joint control"). Having established the existence of joint control, judgement was required to establish whether the structure of the arrangement, the contractual terms or other facts and circumstances give the parties to the arrangement rights to the assets and obligations for the liabilities of the investee entity. In those circumstances, the entity is a joint operation. Having evaluated the matter, the Group determined that the parties to the arrangement did not have rights to the assets and obligations of the investee entity and therefore the joint arrangement was a joint venture prior to the acquisition of control of Greenfield.

Estimates

- Share based payments

Estimates were required in determining the fair value of share options and warrants granted in the year including future share price volatility and the instrument life. Volatility is estimated using TomCo's historic share prices for a period of time that matches the exercise period of the warrant or option. This assumes that historic share price volatility is the best estimate of future volatility. The Black-Scholes model is used for valuing both options and warrants. Estimates are also made of the likely time of exercise of the options or warrants.

In measuring the value of equity consideration for the purchase of the remaining 50% of Greenfield, the Directors have applied IFRS 2. Where goods or services are provided by persons other than employees, the value of the share-based payment is determined by reference to the fair value of the assets acquired. Because of the unique nature of the principal asset acquired, namely the pilot plant processes developed by Greenfield, the directors have determined that cost is the best estimate of fair value at acquisition.

The Group has consistently applied all applicable accounting standards.

Going concern

At 28 March 2022, the Group had cash of approximately £1.12 million, and a loan due to Valkor of approximately £1.14 million (\$1.5 million).

The Directors have prepared a cash flow forecast for the period to 30 June 2023. The forecast, which includes capital expenditure committed at the date of this report, indicates that the Group needs to raise additional finance in order to continue as a going concern. The cash flow forecast assumes, amongst other things, the following:

- that either the Valkor loan of \$1.5 million, which is due for repayment by 30 May 2022, is extended by mutual agreement, which would lead to an increase in financing costs, or is settled by the grant of a production share over wells on land now occupied by the group under arrangements concluded after the year-end.
- the payment which is due in respect of the TSHII option by 31 December 2022 of \$16,250,000 requires sufficient additional funding to be raised prior to December 2022 otherwise the option lapses. Should the option lapse because funding cannot be secured then the Group's current business plan would be curtailed but, in the Board's view, the Group would remain a going concern subject to the occurrence of other currently unforeseen events.

The cash currently held by the Group is sufficient to fund ongoing overhead costs for approximately 12 months, beyond which further funding will be required.

The Group has a reasonable expectation that it can raise the required additional funds based on a history of raising funds. However, there are currently no binding agreements in place.

It is possible that rather than extend the term or grant a production share, the Group would wish to refinance the Valkor loan by May 2022 and that additional capital expenditure beyond that committed at the date of this report will be necessary prior to April 2023 to maximise the opportunities presented by, in particular, Greenfield. Any such refinance or additional expenditure would be subject to funding, in whole or in part, via additional debt or equity or a combination of both.

Notes to the financial statements

for the financial year ended 30 September 2021

The Directors note that because of both the lingering effects of COVID-19 and the war in Ukraine there remains considerable uncertainty concerning the global economy and oil prices continue to be volatile, albeit reaching higher levels of late, which may have implications in respect of additional funding, either for the Group's day-to-day operations or additional capital expenditure. These conditions represent a material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern. Whilst acknowledging this material uncertainty, the Directors remain confident of raising any additional funds required and therefore the Directors consider it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

1.2 Future changes in accounting standards

The IFRS financial information has been drawn up on the basis of accounting standards, interpretations and amendments effective at the beginning of the accounting period.

There are currently no new or revised standards, amendments and interpretations to existing standards that are not effective for the financial year ended 30 September 2021 and have not been adopted early, which, when effective, might have an impact upon the Group's financial statements.

1.3 Basis of consolidation

The Group accounts consolidate the accounts of the parent company, TomCo Energy plc, and all of its subsidiary undertakings drawn up to 30 September 2021. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

The acquisition of subsidiaries where the acquisition represents the purchase of a business is accounted for on the purchase basis. A subsidiary is consolidated where the Company has control over an investee. The Group controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control. On acquisition, all of the subsidiary's assets and liabilities which existed at the date of acquisition are recorded at their fair values reflecting their condition at the time. If, after re-assessment, the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in the statement of comprehensive income.

Acquisitions of subsidiaries where the IFRS 3 definition of a business combination are not met are accounted for as the purchase of relevant assets less liabilities at cost. Where the acquisition is a stepped acquisition, cost represents the accumulated cost, under the equity method, of the Group's initial interest in the subsidiary plus cost of equity consideration measured in accordance with IFRS 2. Identifiable assets acquired are stated at their respective relative fair values.

Entities over which the Group had joint control were classified as joint ventures and were accounted for using the equity method of accounting. On initial recognition the investment in the joint venture was recognised at cost. The carrying amount was increased or decreased to recognise the Group's share of the profit or loss of the joint venture after the date of acquisition. During the year, the Group acquired control of the remaining unowned interest in its joint venture. The accumulated cost on the equity basis to the date of acquisition forms part of the total acquisition cost referred to in the preceding paragraph.

1.4 Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision maker has been identified as the Board of Directors.

Based on an analysis of risks and returns, the Directors consider that the Group has two principal business segments based on geographical location. The loss before taxation arises principally within the UK and US. Net assets are principally in the UK and the US.

Notes to the financial statements

for the financial year ended 30 September 2021

1.5 Revenue

Revenue represents the Group's share of sales of oil during the year, excluding sales tax and royalties. Income arises from the US and is recognised when the oil is delivered to the customer. No revenue has arisen in the current or prior year.

1.6 Finance income

Finance income is accounted for on an effective interest basis.

1.7 Property, plant and equipment

Property, plant and equipment employed in exploration and evaluation activities are carried at cost. Following a review of the Group's activities, these assets have been impaired in full as at 30 September 2021.

1.8 Intangible assets

Exploration and development licences

The Group applies the full cost method of accounting for oil and gas operations. For evaluation properties, all mineral leases, permits, acquisition costs, geological and geophysical costs and other direct costs of exploration appraisal, renewals and development are capitalised as intangible fixed assets in appropriate cost pools, with the exception of tangible assets, which are classed as property, plant and equipment. Costs relating to unevaluated properties are held outside the relevant cost pool and are not amortised until such time as the related property has been fully appraised. When a cost pool reaches an evaluated and bankable feasibility stage, the assets are transferred from intangible to oil properties within property, plant and equipment.

Development assets

Greenfield has incurred expenditure on researching and developing the design and operation of a pilot plant and processes for oil sands extraction that is not of a scale economically feasible for commercial production. Development expenditure at acquisition is measured at cost. Development expenditure incurred following the acquisition of Greenfield that meets the requirements of IAS 38 for recognition as intangible assets are capitalised. All other expenditure is expensed. No amortisation is charged on such assets until commercial exploitation of the processes commences.

Technology licences

Amortisation is not charged on technology licences associated with oil and gas assets until they are available for use.

Patents and patent applications

Patents and patent applications acquired in consideration for a combination of cash and the issue of shares in subsidiary undertakings are recognised at fair value, and amortised over their expected useful lives, which is 12 years being the patent term.

1.9 Impairment

Exploration and development licences

Exploration and development assets are assessed for impairment when facts and circumstances suggest that the carrying amount may exceed the recoverable amount. In accordance with IFRS 6 the Group firstly considers the following facts and circumstances in their assessment of whether the Group's exploration and evaluation assets may be impaired, namely whether:

- the period for which the Group has the right to explore in a specific area has expired during the period or will expire in the near future, and is not expected to be renewed;

Notes to the financial statements

for the financial year ended 30 September 2021

- substantive expenditure on further exploration for and evaluation of mineral resources in a specific area is neither budgeted nor planned;
- exploration for and evaluation of hydrocarbons in a specific area have not led to the discovery of commercially viable quantities of hydrocarbons and the Group has decided to discontinue such activities in the specific area; and
- sufficient data exists to indicate that although a development in a specific area is likely to proceed, the carrying amount of the exploration and evaluation assets is unlikely to be recovered in full, either from successful development or by sale.

The Directors have concluded that the above facts and circumstances applied in respect of its oil shale exploration and evaluation activities, because at present there is no programme in place or committed budget to continue exploration in this area. Having conducted a review, they have therefore determined to impair tangible and intangible assets employed in those activities in full. Impairment losses are recognised in the income statement and separately disclosed.

Research and development activities

The directors do not consider any impairment indicators exist with regard to the Group's research and development activities with regard to oil sands extraction. If any such facts or circumstances were noted, the Group would perform an impairment test in accordance with the provisions of IAS 36.

Technology licences

The carrying amount of the Group's other intangible asset, its patents and technology licences, is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the income statement.

1.10 Taxation

Taxation expense represents the sum of current tax and deferred tax.

Current tax is based on taxable profits for the financial period using tax rates that have been enacted or substantively enacted by the reporting date. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. If deferred tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss, it is not accounted for. Deferred tax is determined using tax rates that have been enacted or substantively enacted at the reporting date and that are expected to apply when the related deferred income tax asset is realised, or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversals of the temporary differences is controlled by the Group and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Notes to the financial statements

for the financial year ended 30 September 2021

1.11 Foreign currencies

The accounts have been prepared in pounds sterling being the presentational currency of the Group. The functional currency of the holding company is also pounds sterling. The functional currency of the US subsidiaries is US dollars. Assets and liabilities held in the Group or overseas subsidiaries in currencies other than the functional currency are translated into the functional currency at the rate of exchange ruling at the reporting date.

Transactions entered into by Group entities in a currency other than the functional currency of the entity are recorded at the rates ruling when the transactions occur. Exchange differences arising from the settlement of monetary items are included in the statement of comprehensive income for that period.

The assets and liabilities of subsidiaries and joint ventures with functional currencies other than sterling are translated at balance sheet date rates of exchange. Income and expense items are translated at the average rates of exchange for the period. Exchange differences arising are recognised in other comprehensive income (attributed to the parent equity holder and non-controlling interests as appropriate).

1.12 Leases

The Group is party as lessee only to low value or short-term leases. Rentals payable under such leases, net of lease incentives, are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

1.13 Debt instruments at amortised cost

These assets are non-derivative financial assets which are held in a business model whose objective is to collect contractual cashflows and whose contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. They arise principally through types of contractual monetary asset such as receivables. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. Impairment provisions are recognised based on expected credit losses over the asset's life.

The Group's assets held at amortised cost comprise trade and other receivables and cash and cash equivalents in the consolidated statement of financial position.

1.14 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at the bank and other short-term liquid investments with original maturities of three months or less.

1.15 Trade payables

Trade payables are recognised at amortised cost. All of the trade payables are non-interest bearing.

1.16 Share capital

Ordinary shares are classified as equity. Shares issued in the period are recognised at the fair value of the consideration received.

1.17 Warrants

Notes to the financial statements

for the financial year ended 30 September 2021

Warrants issued as part of financing transactions in which the holder receives a fixed number of shares on exercise of the warrant are fair valued at the date of grant and recorded within the warrant reserve. Fair value is measured by the use of the Black-Scholes model.

On expiry or exercise, the fair value of warrants is credited to reserves as a change in equity.

1.18 Non-controlling interests

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Group.

Details concerning non-wholly owned subsidiaries of the Group that have material non-controlling interests are set out in note 18.

1.19 Share-based payments

Equity-settled share-based payments to directors are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions is set out in Note 18.

The fair value determined at the grant date is expensed on a straight-line basis over the vesting period or periods, based on the Group's estimate of equity instruments that will eventually vest. At each balance sheet date, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to equity reserves.

In respect of equity-settled arrangements within the scope of IFRS 2 representing contingent consideration for the acquisition of assets, the value of the equity instruments is presumed to be equivalent to the fair value of the assets acquired. In the case of assets acquired on the acquisition of Greenfield, cost is deemed to be the best estimate of fair value.

Notes to the financial statements

for the financial year ended 30 September 2021

2. Segmental reporting – Analysis by geographical segment

The loss before taxation arises within principally the UK and US. Net assets are principally in the UK and US. Based on an analysis of risks and returns, the Directors consider that the Group has two principal business segments based on geography, with the UK primarily representing head office costs of the Group. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision maker has been identified as the Board of Directors. The Directors therefore consider that no further segmentation is appropriate.

Year ended 30 September	United States	United Kingdom	Eliminations	Total	United States	United Kingdom	Eliminations	Total
	2021	2021	2021	2021	2020	2020	2020	2020
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
External revenue	-	-	-	-	-	-	-	-
Inter-segment sales	-	88	(88)	-	-	94	(94)	-
Cost of sales	-	-	-	-	-	-	-	-
Gross profit/(loss)	-	88	(88)	-	-	94	(94)	-
Impairment	(8,679)	-	-	(8,679)	-	-	-	-
Administrative expenses	(414)	(1,202)	88	(1,528)	(241)	(884)	94	(1,031)
Operating loss	(9,093)	(1,114)	-	(10,207)	(241)	(790)	-	(1,031)
Financial income	-	-	-	-	-	1	-	1
Share of loss of joint venture	(84)	-	-	(84)	(40)	-	-	(40)
Loss before taxation	(9,177)	(1,114)	-	(10,291)	(281)	(789)	-	(1,070)
Non-Current assets:								
- Exploration and development assets	3,947	-	-	3,947	8,819	-	-	8,819
- Other	25	-	-	25	26	-	-	26
- Property, plant and equipment	-	-	-	-	411	-	-	411
- Patents	-	-	-	-	15	-	-	15
- Investments in joint venture	-	-	-	-	1,224	-	-	1,224
	3,972	-	-	3,972	10,495	-	-	10,495
Current assets:								
Trade and other receivables	-	104	-	104	-	398	(280)	118
Other financial assets	371	-	-	371	-	-	-	-
Cash and cash equivalents	15	711	-	726	4	330	-	334
Total assets	4,358	815	-	5,173	10,499	728	(280)	10,947
Current liabilities:								
Trade and other payables	(498)	(310)	-	(808)	(309)	(186)	280	(215)
Total liabilities	(498)	(310)	-	(808)	(309)	(186)	280	(215)

3. Impairment losses

Impairment losses recognised during the year were as follows:

	2021	2020
	£'000	£'000
Oil shale exploration property, plant and equipment	386	-
Oil shale exploration intangible assets	8,293	-
Total impairment losses for the financial year	8,679	-

The impairments arose as a result of the reassessment by the Directors of the Group's future strategy and intentions for the commitment of future resources towards oil shale exploration and extraction activities and the absence of a committed budget or programme for such work.

4. Finance costs

	2021	2020
	£'000	£'000
Interest income	-	(1)
Total finance costs for the financial year	-	(1)

5. Operating loss

The following items have been charged in arriving at operating loss:

	2021	2020
	£'000	£'000
Auditors' remuneration: audit services	43	33
Rentals payable in respect of land and buildings	10	52

6. Taxation

There is no tax charge in the year due to the loss for the year.

Factors affecting the tax charge:	2021	2020
	£'000	£'000
Loss on ordinary activities before tax	(10,291)	(1,070)
Loss on ordinary activities at standard rate of corporation tax in the UK of 19% (2020: 19%)	(1,955)	(203)
Effects of:		
Group share of joint venture losses	16	7
Losses carried forward	1,939	196
Tax charge for the financial year	-	-

7. Employees and Directors

The Group has one employee (2020-none) other than the Directors, whose emoluments comprise fees paid for services. The amounts for their services are detailed below:

	Salaries	Severance pay	Share-based payment expense	Salaries	Severance pay	Share-based payment expense
	2021 £'000	2021 £'000	2021 £'000	2020 £'000	2020 £'000	2020 £'000
J Potter	139	-	74	91	-	20
M Groat	38	-	28	20	-	5
R Horsman (<i>appointed 1 November 2020; resigned 24 January 2022</i>)	30	-	10	-	-	--
L Castro (<i>appointed 19 April 2021</i>)	19	-	20	--	-	
R Kirchner (<i>appointed 1 November 2020; resigned 4 June 2021</i>)	15	30	-	-	-	
S West	-	-	-	27	-	4
A Bengier	-	-	-	20	-	5
A Jones	-	-	-	100	150	(35)
Total remuneration	241	30	132	258	150	(1)

Unvested share options granted to Mr Jones were outstanding on his resignation, and this has resulted in a credit to profit and loss in 2020 in respect of charges for share-based payment previously recognised in respect of those options that have been forfeited.

8. Loss per share

Basic loss per share is calculated by dividing the losses attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. Reconciliations of the losses and weighted average number of shares used in the calculations are set out below.

	Losses £'000	Weighted average number of shares	Per share Amount Pence
Financial year ended 30 September 2021			
Basic and Diluted EPS			
Losses attributable to ordinary shareholders on continuing operations	(10,017)	1,323,206,884	(0.76)
Total losses attributable to ordinary shareholders	(10,017)	1,323,206,884	(0.76)

Financial year ended 30 September 2020

Basic and Diluted EPS			
Losses attributable to ordinary shareholders on continuing operations	(1,028)	339,346,801	(0.30)
Total losses attributable to ordinary shareholders	(1,028)	339,346,801	(0.30)

The warrants and share options which were issued or for which entitlement to warrants was established in the current and prior years (Notes 17 and 18) are anti-dilutive. As these instruments would be anti-dilutive a separate diluted loss per share is not presented.

9. Intangible assets

	Oil & Gas Exploration and evaluation expenditure £'000	Oil & Gas Development expenditure £'000	Oil & Gas Patents and patent applications £'000	Oil & Gas Total £'000
Cost				
At 1 October 2019	9,200	1,314	34	10,548
Additions	29	-	-	29
Translation differences	(410)	-	(1)	(411)
At 30 September 2020	8,819	1,314	33	10,166
Additions	2	-	-	2
Acquisition of subsidiary	-	3,875	-	3,875
Translation differences	(534)	72	(3)	(465)
At 30 September 2021	8,287	5,261	30	13,578
Amortisation/Impairment				
At 1 October 2019	-	1,314	12	1,326
Amortisation	-	-	6	6
At 30 September 2020	-	1,314	18	1,332
Amortisation	-	-	6	6
Impairment	8,287	-	6	8,293
At 30 September 2021	8,287	1,314	30	9,631
Net book value				
At 30 September 2021	-	3,947	-	3,947
At 30 September 2020	8,819	-	15	8,834
At 30 September 2019	9,200	-	22	9,222

The assets acquired with Greenfield are described at note 1.8. The exploration and development licences comprise nine Utah oil shale leases covering approximately 15,488 acres. These assets have been impaired in full on 30 September 2021 for the reasons given in note 1.9. The impairment value represents the estimated value in use of the assets concerned, which is estimated at nil. The discount rate is not relevant for the purposes of computing the quantum of the impairment loss. The impairment relates to assets in the US geographical reporting segment.

10. Property, plant and equipment

	Exploration and evaluation equipment
	Total £'000
Cost at 30 September 2019	431
Translation differences	(20)
At 30 September 2020	411
Translation differences	(25)
At 30 September 2021	386
Impairment	
Charge for year	386
At 30 September 2021	386
Net book value	
At 30 September 2021	-
At 30 September 2020	411
At 30 September 2019	431

These assets have been impaired in full at 30 September 2021 for the reasons given in note 1.9. The impairment value represents the estimated value in use of the assets concerned, which is estimated at nil. The discount rate is not relevant for the purposes of computing the quantum of the impairment loss. The impairment relates to assets in the US geographical reporting segment.

11. Investment in joint venture

	£'000
Carrying value under equity method	
At 1 October 2019	-
Cost	1,279
Share of loss of joint venture	(40)
Other comprehensive income-translation differences	(15)
At 30 September 2020	1,224
Share of loss of joint venture	(84)
Other comprehensive income-translation differences	(77)
	1,063
Acquisition of controlling interest	(1,063)
At 30 September 2021	-
At 30 September 2020	1,224
At 30 September 2019	-

During the year, the Group acquired the remaining 50% interest in Greenfield not previously owned by it. The acquisition did not satisfy the criteria for a business combination under IFRS 3, such that the acquisition has been accounted for as an asset purchase. The consideration for the acquisition is the issue to Valkor LLC, the Group's former joint venture partner, of 592.8 million new ordinary shares in TomCo. The issue of the shares is contingent upon the Company receiving funds from, or drawing down on, a loan or credit facility granted in connection with the proposed construction of an oil sands processing facility by August 2024.

Details of the assets and liabilities acquired by the Group on the acquisition of control of Greenfield are as follows:

Non-current assets	£'000
Development asset	3,875
Intangible assets	3,875
Current assets	
Receivables at amortised cost	6
Other financial assets	146
Bank balances and cash	124
	276
Total assets	4,151
Trade and other payables	(523)
Loans	(1,502)
Net assets	2,126
Cost under equity method at date of acquisition	1,063
Consideration for acquisition of remaining interest-contingent equity consideration	1,063

There is no quoted market price for the Group's investment in Greenfield. The fair value of the net assets acquired was deemed to be their cost. The value of the contingent consideration is deemed to be the fair value of the net assets acquired, in accordance with IFRS 2.

Summarised financial information for Greenfield at and for the period from 1 October 2020 to 25 August 2021 (comparative information is given for the period from May 2020 (its incorporation) to 30 September 2020), when it ceased to be a joint venture and became a subsidiary, is as follows:

	2021	2020
	£'000	£'000
Revenue	-	-
Loss from continuing operations	(168)	(80)
Other comprehensive income	(154)	(30)
Total comprehensive loss	(322)	(110)
Group share of total comprehensive loss (50%)	(161)	(55)
Non-current assets	3,875	2,091
Current assets	276	507
Total assets	4,151	2,598
Trade and other payables	(523)	(150)
Loans	(1502)	-
Net assets	2,126	2,448
Group share of net assets (50%)	1,063	1,224

12. Trade and other receivables

	Group 2021	Group 2020
	£'000	£'000
Current		
Other receivables	51	64
Prepayments and accrued income	53	54
	104	118
Non-current		
Other receivables	25	26
Total Receivables	129	144

As at 30 September 2021, there were no receivables considered past due (2020: £Nil). The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable and cash and cash equivalents as disclosed in Note 14.

All current receivable amounts are due within six months.

13. Other financial assets

	Group 2021	Group 2020
	£'000	£'000
Current		
Deposit	371	-
Total	371	-

As at 30 September 2021, Greenfield had paid a deposit of US\$500,000 against a possible acquisition of a 10% interest in Tar Sands Holdings II LLC, a Utah limited liability company for US\$2 million. The sum paid is deductible against the final consideration, which was paid after the end of the financial year. In the Directors' opinion, the fair value of the deposit was equivalent to its cost.

14. Cash and cash equivalents

	Group 2021	Group 2020
	£'000	£'000
Cash at bank and in hand	726	334

The Group earns 0.05% (2020: 0.05%) interest on its cash deposits, consequently the Group's exposure to interest rate volatility is not considered material.

15. Trade and other payables

	Group 2021	Group 2020
	£'000	£'000
Current		
Trade payables	160	28
Other payables	395	30
Accruals	253	157
	808	215

All current amounts are payable within six months and the Directors consider that the carrying values adequately represent the fair value of all payables.

16. Deferred tax

Unrecognised losses

The Group has tax losses in respect of excess management expenses of approximately £12.7 million (2020: £10.8 million) available for offset against future Company income. This gives rise to a potential deferred tax asset at the reporting date of £2.9 million (2020: £2.0 million). No deferred tax asset has been recognised in respect of the tax losses carried forward as the recoverability of this benefit is dependent on the future profitability of the Company, the

timing of which cannot reasonably be foreseen but the excess management expenses have no expiry date. In addition, subsidiary entities have accumulated losses of approximately £9 million for which no deferred tax asset is recorded given the uncertainty of future profits.

17. Share capital

	Number of shares in issue	2020 £
Issued and fully paid at 1 October 2019 - shares of no par value	133,451,543	-
December 2019 - placing of new ordinary shares (note 18)	142,307,692	-
July 2020 - placing of new ordinary shares (note 18)	375,000,000	-
July 2020 - exercise of warrants (notes 18 and 19)	22,875,000	-
At 30 September 2020	673,634,235	-
November 2020-placing of new ordinary shares (note 18)	777,777,777	-
At 30 September 2021	1,451,412,012	

In July 2020 the Company issued 375 million shares and 187.5 million warrants at a price of 0.4pence per share

There are 592.8 million contingent shares issuable (note 11).

18. Share premium

	2021 £'000	2020 £'000
At 1 October	29,222	28,247
December 2019 - placing of new shares at 0.65 pence per share, net of costs	-	864
July 2020 - placing of new shares at 0.4 pence, net of costs	-	1,379
July 2020 - exercise of warrants (note 19)	-	110
November 2020 - subscription of new shares at 0.45 pence per share, net of costs	3,226	-
Issue of warrants to placees (note 19)	(1,306)	(1,223)
Issue of warrants as part of placing fees (note 19)	-	(155)
At 30 September	31,142	29,222

19. Warrants

At 30 September 2021, the following share warrants were outstanding in respect of ordinary shares:

	2021 number	2021 Weighted average exercise price Pence	2020 number	2020 Weighted average exercise price Pence
Outstanding at 1 October	269,791,515	1.0	967,429	4.4
Expired during the year	(771,429)	(3.5)	(196,000)	(8.2)
Granted during the year	435,555,554	0.85	291,895,086	1.0
Exercised during the year	-	-	(22,875,000)	0.5
Outstanding at 30 September	704,575,640	0.88	269,791,515	1.0
Exercisable at 30 September	704,575,640	0.88	269,791,515	1.0

The inputs into the Black-Scholes model for calculating the estimated fair value of warrants granted, at their grant date, were as follows:

	2021	2020
Share price (pence)	0.45	0.64-0.65
Exercise price (pence)	0.45-0.9	0.4-1.5
Expected volatility	148%	171%
Risk-free rate	1%	1%
Expected period before exercise (years)	2	2

Expected volatility was determined by calculating the historical volatility of the Company's share price. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Issue of Warrants

3,610,520 warrants were issued during 2019 in connection with the placing of new shares. The fair value of these warrants was assessed at £59,000. Of the warrants issued during 2019, warrants over 2,839,091 ordinary shares were exercised in 2019 and the remaining 771,429 expired in 2021.

291,895,086 warrants were issued during the year ended 30 September 2020 at exercise prices ranging from 0.4p per share to 5.25p per share. 22,875,000 of those warrants were exercised during that year at exercise prices ranging from 0.4p per share to 0.8p per share.

435,555,554 warrants were issued during the year ended 30 September 2021 at exercise prices of between 0.45p and 0.9p per share.

Each warrant in issue is governed by the provisions of warrant instruments representing the warrants which have been adopted by the Company. The rights conferred by the warrants are transferable in whole or in part subject to and in accordance with the transfer provisions set out in the Articles. The warrants outstanding at 30 September 2021 had a weighted average exercise price of 0.88p (2020: 1p) and a weighted average remaining contractual life of 0.95 years (2020: 1.59 years).

20. Non-controlling interests

Details of non-controlling interests are as follows:

Name of subsidiary	Proportion of ownership interests and voting rights held by non-controlling interests		Total comprehensive loss allocated to non-controlling interest		Accumulated non-controlling interest	
	2021	2020	2021	2020	2021	2020
	%	%	£'000	£'000	£'000	£'000
TurboShale Inc.	20	20	(270)	(36)	(443)	(173)

Summarised financial information for TurboShale Inc is as follows:

	2021	2020
	£'000	£'000
Revenue	-	-
Loss from continuing operations	(185)	(209)
Impairment losses	(1,185)	-
Other comprehensive income	17	31
Total comprehensive loss	(1,353)	(178)
Group share of total comprehensive loss (80%)	(1,083)	(142)

Non-current assets	-	1,266
Current assets-bank balances and cash	2	4
Total assets	2	1,270
Trade and other payables	(2,215)	(2,130)
Net liabilities	(2,213)	(860)

21. Share-based payments

The Company implemented a share option scheme for its Directors during the year ended 30 September 2018. Further issues of options took place in June 2020 and June 2021. Options are exercisable at a price equal to the quoted market price of the Company's shares at the date of grant. The vesting period is between six months and 1 year. If the options remain unexercised after a period of ten years from the date of grant (5 years in the case of options granted in June 2020) the options expire. Options are forfeited if the director leaves the Company before the options vest.

Details of the share options issued during the year and outstanding at the year-end are as follows:

	2021	2021	2020	2020
	number	Weighted average exercise price Pence	number	Weighted average exercise price Pence
Outstanding at 1 October	17,365,078	1.50	5,142,855	5.25
Granted during the year	90,500,000	0.54	14,000,000	0.60
Lapsed during the year	(2,000,000)	0.60	(1,777,777)	5.25
Outstanding at 30 September	105,865,078	0.70	17,365,078	1.50
Exercisable at 30 September	15,365,078		2,539,682	

Details of the options held by each Director are provided in the Directors' Report on page 5.

The inputs into the Black-Scholes model for calculating the estimated fair value of options granted, at their grant date, were as follows:

	2021	2020
Share price (pence)	0.54	0.6
Exercise price (pence)	0.54	0.6
Expected volatility	127-142%	150%
Risk-free rate	1%	1%
Expected period before exercise (years)	1.5	1.5

Expected volatility was determined by calculating the historical volatility of the Company's share price. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The fair value of each option granted during the year was estimated at 0.35 pence (2020: 0.35 pence) at the date of grant. The weighted average unexpired life of the options at 30 September 2021 was 8.95 years (2020: 5.97 years).

The charge (2020: credit) recognised in profit or loss for 2021 was £135,000 (2020: £1,000).

Where equity instruments to be issued as consideration for the purchase of a group of assets that does not constitute a business are within the scope of IFRS 2, the value of the equity instruments is determined by reference to the fair value of the net assets acquired. This is deemed to be cost at the date of acquisition.

22. Financial instruments

The Group's financial instruments, other than its investments, comprise cash and items arising directly from its operations such as other receivables, and trade payables.

Management review the Group's exposure to currency risk, interest rate risk, liquidity risk and credit risk on a regular basis and consider that through this review they manage the exposure of the Group. No formal policies have been put in place in order to hedge the Group's activities to the exposure to currency risk or interest risk, however, this is constantly under review.

There is no material difference between the book value and fair value of the Group and Company's cash and other financial assets.

Currency risk

The Group has overseas subsidiaries which operate in the United States and include expenses, assets and liabilities denominated in US\$. Foreign exchange risk is inherent in the Group's activities and is accepted as such. The effect of a 10% strengthening or weakening of the US dollar against sterling at the reporting date on the dollar denominated balances would, all other variables held constant, result in a gain or loss of approximately £6,000 (2020: £1,000).

Interest rate risk

The Group and Company manage the interest rate risk associated with the Group's cash assets by ensuring that interest rates are as favourable as possible, whether this is through investment in floating or fixed interest rate deposits, whilst managing the access the Group requires to the funds for working capital purposes.

The Group's cash and cash equivalents are subject to interest rate exposure due to changes in interest rates. Short-term receivables and payables are not exposed to interest rate risk. The Group has no borrowings as at 30 September 2021.

A 1% increase or decrease in the floating rate attributable to the cash balances held at the year-end would not result in a significant difference on interest receivable.

Liquidity risk

At the year end the Group and Company had cash balances comprising the following:

	Group	Group
	2021	2020
	£'000	£'000
Bank balances		
British Pounds	667	319
US Dollars	59	15
Total	726	334

All financial liabilities of the Group mature in less than 12 months: details of the analysis of such liabilities is provided in Note 14.

Liquidity risk arises from the Group management of working capital. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. Refer to Note 1.1 for details of going concern.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances (or agreed facilities) to meet expected requirements for a period of at least 90 days.

Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or a counter party to a financial instrument fails to meet its contractual obligations. The Group is principally exposed to credit risk on cash and cash equivalents with banks and financial institutions. For banks and financial institutions, only independently rated parties with an acceptable rating are utilised. There has been no significant change in credit risk since the recognition of applicable assets and therefore no credit losses have been recognised on financial assets.

Capital management policies

In managing its capital, the Group's primary objective is to maintain a sufficient funding base to enable the Group to meet its working capital and strategic investment needs. In making decisions to adjust its capital structure to achieve

these aims, through new share issues or debt, the Group considers not only its short-term position but also its long-term operational and strategic objectives.

23. Changes in liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the cash flow statement as cash flows from financing activities:

	1 October	Financing cash flows	Non-cash transactions	30 September
Group 2021	£'000	£'000	£'000	£'000
Loans	-	-	-	-
Total	-	-	-	-
Group 2020				
Loans	-	-	-	-
Total	-	-	-	-

24. Related party disclosures

The Directors are Key Management and information in respect of key management is provided in Note 6.

25. Ultimate controlling party

As at 30 September 2021 and 30 September 2020 there was no ultimate controlling party.

26. Operating lease commitments

At 30 September 2021, the Group had no operating lease commitments (2020: £nil).

27. Subsequent events

- i. In November 2021, the Group completed the acquisition of a 10% interest in Tar Sands Holdings II LLC at a cost of US\$2 million, less amounts paid to 30 September 2021 of US\$500,000. The completion of the purchase was financed by a loan of US\$1.5 million from Valkor Oil & Gas LLC, its former joint venture partner in Greenfield. The terms of this loan are summarised in the directors' report.
- ii. A newly formed subsidiary of Greenfield entered into an oil and mineral lease with Tar Sands II Holdings LLC over approximately 320 acres of land in Uintah County Utah USA for a period of 10 years from 15 November 2021. The lease gives the Group exclusive rights to explore, drill and mine for, and extract, store and remove oil, gas, hydrocarbons and associated substances on the site. A royalty is payable equal to 12% of the net return per barrel of product.
- iii. In November 2021, warrants in respect of 46.6 million new ordinary shares were exercised for a total consideration of £210,000.
- iv. In January 2022, the Group raised £1.25 million before costs in a placing of 250 million new ordinary shares at 0.5p per share.
- v. In January 2022, on retirement from the Board, Richard Horsman waived 7.5 million options on receipt of a payment of £30,000 from the Company.
- vi. In January 2022, the Group entered into a services agreement with Heavy Sweet Oil LLC to assist it with permitting and government relations in respect of their planned drilling programme adjacent to the D Tract of the Tar Sands Holdings II LLC ("TSHII") site in the Uinta Basin, Utah, United States. Heavy Sweet Oil agreed

to pay TomCo US\$10,000 per month for its services, with the agreement backdated to start from 1 January 2022.

- vii. In March 2022, Greenfield entered into a Memorandum of Understanding ("MoU") with Vivakor Inc. ("Vivakor") covering, inter alia, the proposed development by Vivakor of an enhanced oil sands processing plant on the Tar Sands Holdings II LLC ("TSHII") site located in the Uinta Basin, Utah, United States and the provision of professional services by Greenfield. In addition, Vivakor entered into a lease with TSHII covering approximately three acres of the TSHII site to accommodate its planned operations, which includes the future supply of oil sands by TSHII.

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