30 June 2023

TOMCO ENERGY PLC

("TomCo", the "Company" or the "Group")

Unaudited interim results for the six-month period ended 31 March 2023

TomCo Energy plc (AIM: TOM), the US operating oil development group focused on using innovative technology to unlock unconventional hydrocarbon resources, announces its unaudited interim results for the six-month period ended 31 March 2023.

Chairman's Statement

Operational

The Company's primary focus remains on its wholly owned subsidiary, Greenfield Energy LLC ("Greenfield"), and its plans to pursue the construction of two oil sands separation plants, capable of processing at least 6,000 tonnes per day of oil sands at a suitable site held by Tar Sands Holdings II LLC ("TSHII") in Utah, USA, as well as potentially exploiting other opportunities available to it.

Post the reporting period end, the Company has continued to seek to secure the requisite funding package for Greenfield's development, with the primary scenario involving the potential disposal of a majority stake in Greenfield to a partner in return for, *inter alia*, certain upfront cash consideration, a continuing equity participation for TomCo in Greenfield without the requirement for further capital contributions from the Company, and the provision of a sizeable funding package to Greenfield. While taking longer than hoped, discussions remain ongoing and, based on conversations to date, the Board remains optimistic that suitable funding arrangements can be successfully concluded during the remainder of 2023 despite the current challenging global macroeconomic environment. Following recent agreement with the vendor of TSHII, the deadline for Greenfield to potentially exercise its option over the remaining 90% ownership and membership rights and interests (the "Membership Interests") in TSHII has recently been extended to 31 December 2023.

Permitting for the planned in-situ oil recovery/production wells at TSHII is ongoing. Labour shortages at the relevant US permitting authority along with a general increase in the number of permit applications being made has resulted in significant delays. It is currently hoped that the Company's first production well permit will be secured in Q3 2023.

Funding activities

Since the Company's financial year end on 30 September 2022, the previously announced unsecured Convertible Loan facility of £750,000 principal amount, drawn down in two equal tranches in September and October 2022, was converted in full together with accrued interest thereon into a total of 232,140,577 new ordinary shares at an average price of approximately 0.34 pence per share. A total of 105,000,000 two year warrants exercisable at a price of 0.75 pence per share were issued to the Convertible Loan subscribers and the Company's broker in connection with the facility and remain outstanding. The proceeds from the facility were utilised, *inter alia*, to repay a proportion of the outstanding unsecured loan previously advanced to Greenfield by Valkor Oil & Gas LLC (the "Valkor Loan"). The principal amount outstanding in respect of the Valkor Loan is currently approximately £0.47 million which is repayable on completion of a suitable funding transaction for Greenfield.

On 30 November 2022, the Company raised gross proceeds of £0.925 million via the placing of 264,285,714 new ordinary shares at a price of 0.35 pence per share. 15,857,143 two year warrants exercisable at a price of 0.35 pence per share were issued to the Company's broker in connection with the placing and remain outstanding. An initial £250,000 tranche of an additional committed Convertible Loan facility of up to £1m was drawn down in April 2023 (of which £225,000 principal amount has since been converted to date), however, the remainder of such facility was subsequently cancelled and materially replaced by way of a £500,000 gross placing and subscription in June 2023 at a price of 0.08 pence per share. This funding was secured in order to, *inter alia*, further progress Greenfield's short-term plans and preparations in relation to the TSHII site.

The net proceeds are also being utilised to cover the Company's expenses in relation to an ongoing exercise seeking to secure potential funding of up to US$200 million for Greenfield. Whilst there can be no certainty that such funding negotiations and proposed arrangements will be satisfactorily concluded, nor as to the precise terms of any such funding package, such non-equity financing, if secured, would enable Greenfield to acquire the remaining 90% of the Membership Interests in TSHII and cover the currently estimated construction costs of an initial 6,000 tonnes per day oil sands separation plant and the requisite associated supporting infrastructure to enable the future mining of oil bearing sands at the TSHII site.

Summary

Our continued focus is on progressing our plans for Greenfield and unlocking the significant potential that we see in the TSHII site and planned extraction methodology.

Greenfield is engaged in ongoing discussions regarding possible funding options to potentially achieve the ultimate acquisition of 100% of the TSHII Membership Interests, as well as the proposed drilling of several oil production wells and the future construction of the planned initial 6,000 tonnes per day separation plant, whilst progressing other preparatory work. Whilst there can be no certainty that the Company and Greenfield can secure the requisite funding and further well permitting required, I am optimistic, based on discussions with potential funders to date, that the requisite funding package to implement our plans can be secured during the remainder of 2023 and thank all of our stakeholders for their continued patience and support.

These continue to be very exciting times for TomCo as we look to realise Greenfield's significant long-term potential.

Malcolm Groat
Non-Executive Chairman

Enquiries:

TomCo Energy plc
Malcolm Groat (Chairman) / John Potter (CEO) +44 (0)20 3823 3635

Strand Hanson Limited (Nominated Adviser)
James Harris / Matthew Chandler +44 (0)20 7409 3494

Novum Securities Limited (Broker)
Jon Belliss / Colin Rowbury +44 (0)20 7399 9402

IFC Advisory Limited (Financial PR)
Tim Metcalfe / Florence Chandler +44 (0)20 3934 6630

For further information, please visit www.tomcoenergy.com.

Condensed consolidated statement of comprehensive income

For the six-month period ended 31 March 2023

	Note	Unaudited Six months ended 31 March 2023 £'000	Unaudited Six months ended 31 March 2022 £'000	Audited Year ended 30 September 2022 £'000
Other income		86	23	73
Cost of sales		-	-	-
Gross profit/(loss)		**86**	23	73
Administrative expenses		(555)	(753)	(1,519)
Foreign exchange (losses)/gains		(699)	116	990
Operating loss	**3**	**(1,168)**	(614)	(456)
Finance costs		(277)	(64)	(234)
Loss on ordinary activities before taxation		**(1,445)**	(678)	(690)
Taxation		-	-	-
Loss from continuing operations		**(1,445)**	(678)	(690)
Loss for the period/year attributable to:				
Equity shareholders of the parent		(1,445)	(678)	(690)
		(1,445)	(678)	(690)
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation of foreign operations				
Other comprehensive income for the year attributable to:				
Equity shareholders of the parent		**3**	(1)	26
Non-controlling interests		**-**	(11)	(11)
Other comprehensive income		**3**	(12)	15
Total comprehensive loss attributable to:				
Equity shareholders of the parent		(1,442)	(679)	(664)
Non-controlling interests		-	(11)	(11)
		(1,442)	(690)	**(675)**
Loss per share attributable to the equity shareholders of the parent				
Basic & Diluted Loss per share (pence)	4	**(0.07)**	(0.04)	(0.04)

Condensed consolidated statement of financial position
As at 31 March 2023

	Note	Unaudited Six months ended 31 March 2023 £'000	Unaudited Six months ended 31 March 2022 £'000	Audited Year ended 30 September 2022 £'000
Assets				
Non-current assets				
Intangible assets	5	4,594	3,989	5,033
Property, plant and equipment		-	-	-
Investments at FVTPL		1,619	1,523	1,830
Other receivables		39	26	23
		6,252	5,538	6,886
Current assets				
Trade and other receivables		116	115	101
Cash and cash equivalents		132	1,124	206
		248	1,239	307
Total Assets		**6,500**	6,777	7,193
Liabilities				
Current liabilities				
Loans		(607)	(1,208)	(1,144)
Convertible loan-debt element		-	-	(148)
Convertible loan-derivative liability		-	-	(143)
Trade and other payables		(130)	(384)	(346)
		(737)	(1,592)	(1,781)
Net current liabilities		**(489)**	(353)	(1,474)
Total liabilities		**(737)**	(1,592)	(1,781)
Total Net Assets		**5,763**	5,185	5,412
Shareholders' equity				
Share capital		-	-	-
Share premium		34,148	32,527	32,527
Warrant reserve	8	338	2,145	1,374
Translation reserve		(196)	(231)	(199)
Retained deficit		(28,527)	(29,256)	(28,290)
Equity attributable to owners of the parent		**5,763**	5,185	5,412
Total Equity		**5,763**	5,185	5,412

The above financial information was approved and authorised for issue by the Board of Directors on 29 June 2023 and was signed on its behalf by:

J Potter
Director

Condensed consolidated statement of changes in equity

For the six months ended 31 March 2023

	Note	Share capital £'000	Share premium £'000	Warrant reserve £'000	Translation reserve £'000	Retained deficit £'000	Total £'000	Non-controlling interest £'000	Total equity £'000
At 30 September 2021 (audited)		**-**	**31,142**	**2,579**	**(225)**	**(28,688)**	**4,808**	**(443)**	**4,365**
Loss for the period		-	-	-	-	(678)	(678)	-	(678)
Comprehensive loss for the period		-	-	-	(1)	-	(1)	(11)	(12)
Total comprehensive loss for the period		-	-	-	(1)	(678)	(679)	(11)	(690)
Issue of shares (net of costs)		-	1,385	-	-	-	1,385	-	1,385
Purchase of non-controlling interest		-	-	-	(5)	(460)	(465)	454	(11)
Exercise of warrants		-	-	(140)	-	140	-	-	-
Expiry of warrants		-	-	(294)	-	294	-	-	-
Share-based payment charge		-	-	-	-	136	136	-	136
At 31 March 2022 (unaudited)		**-**	**32,527**	**2,145**	**(231)**	**(29,256)**	**5,185**	**-**	**5,185**
Loss for the period		-	-	-	-	(12)	(12)	-	(12)
Comprehensive income for the period		-	-	-	27	-	27	-	27
Total comprehensive income for the period		-	-	-	27	(12)	15	-	15
Transfer					5	(5)	-	-	-
Issue of finance				165	-	-	165	-	165
Expiry of warrants		-	-	(936)	-	936	-	-	-
Share based payment charge		-	-	-	-	47	47	-	47
At 30 September 2022 (audited)		**-**	**32,527**	**1,374**	**(199)**	**(28,290)**	**5,412**	**-**	**5,412**
Loss for the period		-	-	-	-	(1,445)	(1,445)	-	(1,445)
Comprehensive income for the period		-	-	-	3	-	3	-	3
Total comprehensive loss for the period		-	-	-	3	(1,445)	(1,442)	-	(1,442)
Issue of shares (net of costs)		-	1,621	32	-	-	1,653	-	1,653
Issue of finance		-	-	140	-	-	140	-	140
Expiry of warrants		-	-	(1,208)	-	1,208	-	-	-
At 31 March 2023 (unaudited)		**-**	**34,148**	**338**	**(196)**	**(28,527)**	**5,763**	**-**	**5,763**

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

Reserve	**Description and purpose**
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 Company.
Translation reserve	Amounts debited or credited to equity arising from translating the results of subsidiary entities whose functional currency is not sterling.
Retained deficit	Cumulative net gains and losses recognised in the consolidated statement of comprehensive income.
Non-Controlling Interests	Amounts attributable to the non-controlling interest in TurboShale Inc.

Condensed consolidated statement of cash flows

For the period ended 31 March 2023

	Note	Unaudited Six months ended 31 March 2023 £'000	Unaudited Six months ended 31 March 2022 £'000	Audited Year ended 30 September 2022 £'000
Cash flows from operating activities				
Loss after tax		(1,445)	(678)	(690)
Finance costs		276	64	234
Amortisation of intangible fixed assets		-	-	-
Share-based payment charge		-	136	194
Unrealised foreign exchange losses/(gains)		700	(121)	(1,039)
(Increase)/decrease in trade and other receivables		(9)	(11)	24
(Decrease)/increase in trade and other payables		(213)	49	5
Cash used in operations		**(691)**	(561)	(1,272)
Interest received/(paid)		**(54)**	-	(153)
Net cash outflows from operating activities		**(745)**	(561)	(1,425)
Cash flows from investing activities				
Investment in intangibles	5	(146)	(411)	(637)
Purchase of investments at FVTPL	6	-	(1,115)	(1,171)
Purchase of non-controlling interest		-	(11)	(11)
Net cash used in investing activities		**(146)**	(1,537)	(1,819)
Cash flows from financing activities				
Issue of share capital		925	1,460	1,460
Costs of share issue		(61)	(75)	(75)
Settlement of options		-	-	(10)
Loan finance		(422)	1,111	973
Convertible loans		375	-	375
Net cash generated from financing activities		**817**	2,496	2,723
Net (decrease)/increase in cash and cash equivalents		**(74)**	398	(521)
Cash and cash equivalents at beginning of financial period		206	726	726
Foreign currency translation differences		-	-	1
Cash and cash equivalents at end of financial period		**132**	1,124	206

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1. Accounting Policies

Basis of Preparation

The unaudited condensed consolidated interim financial information of TomCo Energy plc ("TomCo" or the "Company") for the six months ended 31 March 2023, comprises the Company and its subsidiaries (together referred to as the "Group").

The unaudited condensed interim financial information for the Group has been prepared using the recognition and measurement requirements of International Financial Reporting Standards (IFRS and IFRIC interpretations) issued by the International Accounting Standards Board ("IASB") as adopted for use in the EU, with the exception of IAS 34 Interim Financial Reporting that is not mandatory for companies quoted on the AIM market of the London Stock Exchange. The unaudited condensed consolidated interim financial information has been prepared using the accounting policies which will be applied in the Group's statutory financial information for the year ending 30 September 2023.

There were no new standards, interpretations and amendments to published standards effective in the reporting period which had a significant impact on the Group.

Going concern

As at 29 June 2023, the Group had cash reserves of approximately £415k, and an outstanding loan due to Valkor Oil & Gas LLC of approximately £0.47 million (approximately US$0.6 million) which is repayable on completion of a suitable funding transaction for Greenfield.

The Directors have prepared a cash flow forecast for the period to 30 June 2024. The forecast, which includes capital expenditure committed at the date of this interim report, indicates that the Group will need to raise additional finance in order to continue as a going concern. In particular, the payment which is due by Greenfield in respect of the potential exercise of the option over the remaining 90% Membership Interests in TSHII by 31 December 2023 of US$17,250,000, requires sufficient additional funding to be raised prior to December 2023, otherwise such option will lapse. Should the option lapse because sufficient 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 Directors note that because of both the lingering economic effects of the COVID-19 pandemic and the ongoing war in Ukraine there remains considerable uncertainty in respect of the global economy and oil prices continue to be volatile, which may have implications with regards to obtaining additional funding, either for the Group's day-to-day operations or additional capital expenditure/development activities.

The cash reserves currently held by the Group are insufficient to fund ongoing overhead costs for the next 12 months. However, based on a history of successfully raising additional funds when needed, the Directors have a reasonable expectation that the Group will be able to raise the required additional funds as necessary.

The above conditions represent a material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern such that it may be unable to realise its assets and discharge its liabilities in the normal course of business. Whilst acknowledging this material uncertainty, the Directors remain confident of raising additional funds as and when required such that the Directors consider it appropriate to prepare the unaudited condensed consolidated interim financial information on a going concern basis. The unaudited condensed consolidated interim financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

2. Financial reporting period

The unaudited condensed consolidated interim financial information incorporates comparative figures for the unaudited six-month interim period to 31 March 2022, and the audited financial year ended 30 September 2022. The six-month financial information to 31 March 2023 is neither audited nor reviewed. The Directors consider the unaudited condensed consolidated interim financial information for the period to be a fair representation of the financial position, results from operations and cash flows for the period in conformity with the generally accepted accounting principles consistently applied.

The financial information contained in this unaudited interim report does not constitute statutory accounts as defined by the Isle of Man Companies Act 2006. It does not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2022 Annual Report and Financial Statements. The comparatives for the full year ended 30 September 2022 are not the Group's full statutory accounts for that year. The auditors' report on those accounts was unqualified.

3. Operating Loss

	Unaudited Six months ended 31 March 2023	**Unaudited Six months ended 31 March 2022**	**Audited Year ended 30 September 2022**
	£'000	**£'000**	**£'000**
The following items have been charged in arriving at operating loss:			
Directors' remuneration	232	234	362
Share-based payment charges	-	136	183
Auditors' remuneration	21	22	40
Operating leases for land and buildings-short term assets	-	12	26

4. 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 period concerned. Reconciliations of the losses and weighted average number of shares used in the calculations are set out below.

Six months ended 31 March 2023	**Losses £'000**	**Weighted average number of shares**	**Per share amount Pence**
Basic and Diluted EPS			
Losses attributable to ordinary shareholders from continuing operations	(1,445)	2,140,894,581	(0.07)
Six months ended 31 March 2022	**Losses £'000**	**Weighted average number of shares**	**Per share amount Pence**
Basic and Diluted EPS			
Losses attributable to ordinary shareholders from continuing operations	(678)	1,573,769,286	(0.04)
Year ended 30 September 2022	**Losses £'000**	**Weighted average number of shares**	**Per share amount Pence**
Basic and Diluted EPS			
Losses attributable to ordinary shareholders from continuing operations	(690)	1,661,402,854	(0.04)

5. Intangible assets

	Oil & Gas Exploration and development licences £'000	**Oil & Gas Patents and patent applications £'000**	**Oil &Gas Development expenditure £'000**	**Total £'000**
Cost, net of impairment and amortisation				
At 30 September 2021 (audited)	-	-	3,947	3,947

Additions	139	-	272	411
Adjustment to previously recognised asset	-	-	(482)	(482)
Translation differences and amortisation	3	-	110	113
At 31 March 2022 (unaudited)	142	-	3,847	3,989
Additions	65	-	161	226
Adjustment to previously recognised asset	-	-	346	346
Translation differences and amortisation	32	-	440	472
At 30 September 2022 (audited)	239	-	4,794	5,033
Additions	7	-	139	146
Translation differences and amortisation	(28)	-	(557)	(585)
At 31 March 2023 (unaudited)	**218**	**-**	**4,376**	**4,594**
Net book value				
At 31 March 2023 (unaudited)	**218**	**-**	**4,376**	**4,594**
At 30 September 2022 (audited)	239	-	4,794	5,033
At 31 March 2022 (unaudited)	142	-	3,847	3,989

A wholly owned subsidiary of Greenfield, AC Oil LLC, entered into a 10-year lease from 15 November 2021 to explore for oil, gas, hydrocarbons and all associated substances over a 320-acre site in Uintah County, Utah, USA owned by Tar Sands Holdings II LLC.

During the year ended 30 September 2022, creditors of £136,000 in respect of additions to development expenditure in 2022 were waived.

6. Investment at FVTPL

	£'000
At 31 March 2022	1,523
Additions	56
Other comprehensive income-translation differences	251
At 30 September 2022 (audited)	1,830
Other comprehensive income-translation differences	(211)
At 31 March 2023	1,619

In November 2021, Greenfield completed the purchase of a 10% ownership interest in TSHII. This investment is carried at cost. The Group had an option to purchase the remaining 90% Membership Interests in TSHII by 30 April 2023 for US$16.25 million. An extension to 31 December 2023 was granted to the Company post the reporting period end and the amount due on potential future exercise has been increased to US$17.25 million. The option is recorded at its cost of nil on the basis that there is no reliable fair value for this instrument.

7. Share Capital

	31 March 2023 unaudited Number of shares	**31 March 2022 Unaudited Number of shares**	**30 September 2022 audited Number of shares**
Issued and fully paid			
Number of ordinary shares of no par value	2,244,504,969	1,748,078,678	1,748,078,678

8. Warrants

	31 March 2023 unaudited	31 March 2022 Unaudited	30 September 2022 Audited
Outstanding (number)	162,523,803	584,552,350	452,427,350
Exercisable (number)	162,523,803	584,552,350	452,427,350
Weighted average exercise price (pence)	0.67	0.9	0.88

9. Post reporting date events

a) On 6 June 2023, the Company announced that Greenfield's option to potentially purchase the remaining 90% Membership Interests in TSHII had been extended to 31 December 2023 with an increased exercise price of US$17.25m.

b) On 30 March 2023, the Company announced that it had obtained an additional unsecured committed convertible loan facility of up to £1 million via a convertible loan note instrument and associated subscription and put option agreement of which an initial £250,000 tranche was subsequently drawn down on 24 April 2023. A fixed interest coupon of 5% applied to each sum drawn down. The conversion price per new ordinary share under the facility was determined as the lower of: (i) 0.60 pence; and (ii) the volume-weighted average price of an ordinary share during any five of the fifteen business days prior to service or deemed service of a conversion notice, as selected by the noteholder(s) concerned and sourced from Bloomberg L.P., discounted by 15%. By the period end, warrants over 41,666,667 new ordinary shares at an exercise price of 0.60p per share had been issued to the convertible loan subscribers in connection with the facility, exercisable over 3 years. Warrants over a further 41,666,667 new ordinary were issued on similar terms to the subscribers on drawdown of the initial tranche, together with warrants over 10,000,000 new ordinary shares at an exercise price of 0.60p per share exercisable over 2 years to the Company's broker. To date, £225k of the initial tranche, together with accrued interest thereon, has been converted into, in aggregate, 150,564,248 new ordinary shares at an average price of approximately 0.157 pence per share.

c) On 14 June 2023, the Company announced that the abovementioned convertible loan facility had been cancelled and the remaining principal amount materially replaced by a fundraising involving the issue of, in aggregate, 625,000,000 new ordinary shares at a price of 0.08p per share, to raise £500,000 gross. Warrants over 30,000,000 new ordinary shares at an exercise price of 0.08p per share exercisable over 2 years were issued to the Company's broker in connection with such fundraising.

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