RNS Number : 2924M
Reabold Resources PLC
11 June 2025

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**Reabold Resources plc**

**("Reabold" or the "Company")**

**Full Year Results for the year ended 31 December 2024**

Reabold Resources plc, the investing company focussed on developing strategic gas projects for European energy security, today announces its audited financial results for the year ended 31 December 2024 and the Annual Report is publicly available at www.reabold.com/investors/reports-presentations/.

**2024 Highlights**

- SPA signed to acquire 20.4% of the shares in Rathlin Energy (UK) Limited ("Rathlin"). Acquisition completed in January 2025, taking Reabold's shareholding in Rathlin to 79.8% and its economic interest in West Newton to 69.9%.

- Cash and cash equivalents up 15% at £6.2 million as at 31 December 2024, compared with £5.4 million as at 31 December 2023.

- Final tranche cash proceeds of £4.4 million for the sale of Corallian, received from Shell in January 2024.

- Increased interest in LNEnergy Limited ("LNEnergy") by 3.1% in 2024 taking interest to 29.2% at December 31, 2024. LNEnergy is the manager and owner of LNEnergy S.R.L., the Italian company which has applied for the Colle Santo gas field concession, a highly material gas resource with an estimated 65Bcf of 2P reserves[1]. In May 2025, Reabold increased its interest in LNEnergy to 45.1% via the conversion of £500,000 of loan notes.

- Execution of a non-binding Heads of Agreement between Gunvor International B.V. ("Gunvor") and LNEnergy for the purchase of Liquified Natural Gas ("LNG") by Gunvor from LNEnergy from the Colle Santo gas field.
  - Agreement provides for a potential prepayment for a portion of the first five years of deliveries to help fund the development.

- At West Newton, a Gas Export Feasibility study completed by independent energy consultants, CNG Services Limited, concluded that as a precursor to the intended West Newton full field development, an initial single well development and gas export plan can accelerate production and cash flow whilst requiring limited capital expenditure, giving the joint venture ("JV") partnership the ability to drill future wells out of cash flow. See Review of Operations section below for further details.
  - The single well development plan benefits from early cash generation with the ability to drill future wells out of cash flow. Following drilling and testing of this horizontal well, first gas is expected

after 18 months with an associated development capex estimated to be c.£12 million.

- The North Sea Transition Authority ("NSTA") approved a revised work programme for PEDL 183 onshore UK, which contains the West Newton field. The JV partnership for PEDL 183 is expected to approve a forward plan, which will initially consist of the re-entry and recompletion of the West Newton A-2 well in order to establish sustained gas flow. The JV partnership believes this is a low risk and low cost approach to derisk the project.

[1] RPS estimate, September 2022

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**Notes to Editors**

Reabold Resources plc has a diversified portfolio of exploration, appraisal and development oil & gas projects. Reabold's strategy is to invest in low-risk, near-term projects which it considers to have significant valuation uplift potential, with a clear monetisation plan, where receipt of such proceeds will be returned to shareholders and re-invested into further growth projects.

**Strategic Report**

**Chair's letter**

Reabold has remained focussed on its strategy in the financial year ended 31 December 2024 to identify, invest in, and monetise undeveloped gas discoveries with significant resources and near-term production potential. With our strict investment criteria, we aim to support Europe's energy supply and security by unlocking the value of undeveloped domestic gas resources that are substantially de-risked from a technical perspective. Our two core gas assets, West Newton (UK onshore) & Colle Santo (Italy onshore), are highly material gas resources that have the potential to significantly increase energy supply and security in the UK

and Italy respectively, at a time when geopolitical tension, conflict and market volatility have made the critical need for home grown, secure energy sources a priority for governments who remains acutely aware of exposure to external gas supply risks. Early in the year, we received the final tranche of the payment from Shell U.K. Limited ("Shell") for the sale of the Victory gas project, which represented a significant moment in the delivery of Reabold's strategy and business model. We now seek to replicate this success at West Newton and Colle Santo and realise the value of our core assets.

At West Newton we were pleased to announce that the West Newton Gas Export Feasibility Studyconducted by independent energy consultants CNG Services Ltd. concluded that, as a precursor to the full field development, an initial single well development and gas export plan could accelerate production and cash flow while requiring limited capital expenditure. Alongside this, the North Sea Transition Authority ("NSTA") approved a revised work programme for the field. This revised work programme will allow gas production to be brought to market within months of drilling, generating significant early cash flow while we progress the full field development plan. Rathlin Energy (UK) Limited ("Rathlin"), the operator of the PEDL 183 Licence which includes West Newton,has applied for a permit with the Environmental Agency to carry out a reservoir stimulation on the existing West Newton A-2 well which we believe to be a key step in fully de-risking the subsurface characteristics of the project at limited cost.

In addition to this, a Carbon Intensity Study on the West Newton gas development, undertaken on behalf of Reabold and Union Jack Oil plc by GaffneyCline & Associates Limited ("GaffneyCline"), an international petroleum and energy consultancy firm, concluded that the West Newton project has an AA rating for Carbon Intensity for its potential upstream gas and condensate production. This is the lowest possible carbon intensity rating category on GaffneyCline's scale and is significantly lower than the UK average and onshore and offshore analogues. The study also found that the West Newton project has a carbon intensity that is significantly lower than the average imported liquified natural gas ("LNG"), based on the NSTA Natural Carbon Footprint Analysis published in July 2023. The study demonstrates opportunities available in the UK to power the country through lower carbon, home grown energy, rather than relying on expensive and more carbon intensive imports. West Newton's low carbon credentials make it a particularly attractive potential source of near-term domestic gas supply at a time when Europe is exposed to possible gas supply disruptions.

At Colle Santo, we were delighted to announce a non-binding Heads of Agreement between Gunvor International B.V. ("Gunvor") and LNEnergy Limited ("LNE") for the purchase of LNG at the planned small-scale LNG production facility at the gas field, which envisages both offtake and a prepay from Gunvor, a high-quality counterparty. This is a significant endorsement for the Colle Santo project and reflects the increasingly supportive environment towards domestic energy supply in Italy as the government recognises the importance of its domestic assets and takes steps to bolster the industry. LNE has made good progress on the approval's process and is now awaiting the VIA commission's final decision on the Colle Santo licence. There were a number of unforeseen delays to the VIA Commission decision timeline at the end of last year, but all of the required documentation has now been completed and LNE remains confident that a decision by the VIA Commission will be issued in due course.

We were delighted to note the appointment of Mr. Paul Harris as an independent non-executive director of the Board of Rathlin in March 2025. Mr Harris has 35 years' experience within the energy sector with significant roles including CEO and COO at UK operator NEO Energy and his extensive experienceof the technical, regulatory and commercial environment in the UK will be invaluable in progressing West Newton through to production.

Post year-end, we have strategically increased our investment in both of our core assets as the economic, fiscal, and political case for developing indigenous gas grows even stronger. Reabold now holds an equity interest in Rathlin ofapproximately 79.8%, andapproximately 45.1% of LNE's enlarged share capital.

Though access to capital in the industry continues to face challenges, Reabold's portfolio is geographically diverse and well-aligned with the growing emphasis on energy sovereignty in Europe. The non-core assets in the Reabold portfolio continue to hold attractive optional value in the long-term but were not a capital allocation priority in 2024. As we look to 2025 and beyond, Reabold is well-positioned to build on the foundations laid throughout the year. Our portfolio is focused, and our strategy is proven. We will continue to allocate capital with discipline, prioritising projects that offer material upside and strategic relevance. On behalf of the Board, I thank our shareholders for their continued support and look forward to updating you on further progress throughout the year.

**Jeremy**
**Edelman**
Chair
10 June 2025

**Strategy and business model**

Reabold is an investing company focussed on developing strategic European gas assets to secure European gas supply and energy security. Reabold has a diversified portfolio of gas assets comprised of development, appraisal and exploration projects. Reabold aims to generate shareholder value by making disciplined and focused investments to grow our business. Reabold's strategy is to invest in existing undeveloped gas discoveries with significant resources and near-term production potential, which have considerable valuation uplift potential and a clear monetisation plan. Proceeds from monetisation events are balanced between shareholder returns and re-investment into new and existing projects.

We are preparing for the future and responding to the increased focus on energy security brought about by the rise in geopolitical conflict and instability in the region, and globally. Concern about energy shortages and vulnerability to geopolitical events has prompted many governments to prioritise access to more domestically produced energy and reduce their dependency on imported gas. Reabold aims to contribute to Europe's energy security by unlocking potential sources of near-term domestic gas supply, at a time when the continent is exposed to potentially significant gas supply disruptions. In this regard, the Company identified, matured and sold the strategic Victory gas project in the UK to Shell in 2022. In January 2024, Reabold received the final tranche payment of £4.4 million, following Shell's receipt of development and production consent for the Victory gas field from the North Sea Transition Authority, taking Reabold's final proceeds for the sale of its 49.99% interest in Corallian to £12.7 million.

We are focused on the disciplined allocation of capital to deliver on our strategic objectives. Reabold's current focus is on its two key gas assets that have strong parallels with Victory: West Newton (UK onshore) & Colle Santo (Italy onshore). Similar to Victory, both assets are highly material, undeveloped gas discoveries in Europe. Full details of these operations are included in the Review of Operations.

**Key performance indicators (KPIs)**

The Group's main business is to invest in direct and indirect interests in exploration and development gas projects. Reabold's long-term strategy is to re-invest capital generated through monetisation of its investments into new projects in order to grow the Company and create value for its shareholders. Reabold tracks its new business development objectives through the building of a risk-balanced portfolio of assets.

Reabold reviews its KPIs on an ongoing basis as it moves through the lifecycle of its strategy to ensure they continue to serve as a useful measure of our strategic performance.

The Board assesses the performance of the Group across measures and indicators that are consistent with Reabold's strategy and investor proposition.

The KPIs are:

| ***KPI*** | ***Definition*** | ***Performance*** |
|---|---|---|
| KPI 1 | **Portfolio enhancements**<br>Grow value through material investments, project delivery and commercial discoveries | · During 2024, Reabold increased its investment in LNEnergy by 3.1% to 29.2% and further increased its interest to 45.1% in May 2025 via the conversion of £500,000 of loan notes. Approval from the VIA Commission of the Ministry of the Environment of Italy is expected in the near future. The Colle Santo gas field is a highly material gas resource with an estimated 65Bcf of 2P reserves, with two production wells already drilled and flow-tested, making the field development ready. LNEnergy believes that the field has the potential to generate an estimated €11-12m of gross post-tax free cash flow per annum. Reabold has built up a material stake in the project ahead of potential monetisation.<br>· SPA signed with Connaught to acquire 20.4% of the shares in Rathlin for £700,000, increasing exposure to the West Newton project at a very attractive price and ensuring the JV can meet its work commitments to re-complete the A-2 well, further de-risking the project and providing pathways for future financing/monetisation/liquidity events ahead of drilling the horizontal producer well. The transaction completed on 30 January 2025 taking Reabold's total shareholding in Rathlin to approximately 79.8%. and it's economic interest in PEDL183 to 69.9%. |
| KPI 2 | **Future financial prosperity**<br>Liquidity events, and successful fundraising | · Reabold received £4.4 million in cash in 2024 which represented the final tranche of the consideration from the Corallian disposal, following Shell'sreceipt of development and production consent for the Victory gas field from the North Sea Transition. |
| KPI 3 | **Financial discipline**<br>Ensuring business is run to budget via accurate forecasting, maintaining significant cash buffer and resilient balance sheet. Management tracks G&A spend against budget | · Cash position as at 31 December 2024 was £6.2 million (2023: £5.4 million). Reabold is fully fundedto enable it to meet its obligations as they fall due in order to continue its operations for at least 12 months from the date of approval of the financial statements.<br>· Net assets as at 31 December 2024 were £38.9 million (2023: £42.2 million)<br>· G&A reduced by £0.2 million or 9% year-on-year |
| KPI 4 | **Growth in NAV per share** | · Broker risked NAV at year end 2024 was 0.49p/sh (2023: 1.2p/sh) |
| KPI 5 | **Total shareholder return over a calendar year** | · The share price started the year at 0.11p and finished the year at 0.05p |
| KPI 6 | **Risk and controls**<br>Zero recordable incidents, ethical misconduct, breaches of laws or regulations, penalties. Accurate and compliant financial resources data | · The Group did not have any recordable incidents or injuries in 2024. There were no instances of misconduct, breaches of laws or regulations, regulatory actions or penalties. The Group was compliant with all its financial reporting deadlines. |

**Co-Chief Executive Officers' Review of Operations**

Producing natural gas domestically is crucial for ensuring national energy security and meeting growing energy demands. In 2024, the world continued to experience geopolitical volatility. The Russia-Ukraine war entered its third year and conflict escalated in the Middle East. At the same time, 2024 has seen the rise of generative AI, further increasing the global demand for energy. Energy security and affordability has risen higher on political agendas. Reabold believes oil and gas produced domestically will play a valuable role in protecting a country's energy security while also contributing to economic growth.

**Italy - LNEnergy**

Colle Santo Gas Field

In August 2024, Reabold announced it had increased its interest in LNEnergy by a further 1.0% to 27.1% through the subscription of 17 new LNEnergy ordinary shares for a cash consideration of approximately £205,000, at a price of £12,047 per share. In October 2024, Reabold converted £510,236.28 of convertible loan notes, including accrued interest, into 36 ordinary shares of LNEnergy Limited at a conversion price of £14,173.23 per share taking Reabold's interest in LNEnergy to 29.2%. In May 2025, Reabold increased its interest in LNEnergy to 45.1% via the conversion of £500,000 of loan notes.

LNEnergy's primary asset is an exclusive option over a 90% interest in the onshore Colle Santo gas field in Abruzzo, Italy. In March 2025 LNEnergy signed a purchase and sale agreement to exercise its option. The total consideration is $11 million. The consideration is to be paid in stages with the final stage payment of $10.5 million to be paid within 60 days of the formal Colle Santo concession decree award by the relevant Italian ministry.

With 65bcf of 2P reserves, as estimated by RPS as of 30 September 2022, this is a highly material undeveloped onshore gas resource. Reabold believes this is the largest onshore proven undeveloped gas field in mainland Western Europe. The field is development ready subject to permits and approvals. Two wells have already been drilled and are available for production, with no additional drilling being required. The development will consist of a small-scale LNG facility to produce initially at 10mmcf/d from the existing two wells with over 20 years of ultimate production. LNEnergy believes that the field has the potential to generate an estimated €11-12 million of gross post-tax free cash flow per annum.

Demand for LNG is expected to continue to grow. LNG provides both energy security and flexibility because it can be easily transported to places where it is needed most. We believe LNG will play a critical role in the energy transition and will play an important role in enabling countries to replace higher carbon-intensive forms of energy. The Italian government approved a decree, which was converted into law in February 2024, to boost the country's renewable energy production and energy security. The decree provides incentives to build renewable power plants and prioritise onshore LNG projects which are deemed strategically essential; the release of new licences for the exploitation of gas fields aimed at providing gas to industries with high gas consumption, at competitive prices; and incentives for carbon dioxide storage programmes.

The Company also notes that LNEnergy's application for concession has been recognised by the Italian Ministry of Environment and Energy Security ("MASE") as a project that meets the requirements of the Italian government's National Integrated Plan for Energy and Climate and National Plan for Economic Recovery, for which €12 billion in grants and economic incentives have been made available by executive decree.

On 2 May 2024, Reabold announced the execution of a non-binding Heads of Agreement ("HoA") between Gunvor and LNEnergy for the purchase of LNG by Gunvor from LNEnergy from the Colle Santo gas field. The HoA provides the terms on which Gunvor would purchase LNG from LNEnergy at its planned small-scale LNG production facility at the Colle Santo gas field and envisages Gunvor purchasing approximately 44,000 tonnes of LNG per annum. The point of sale would be the truck loading flange at the small-scale LNG plant, and the LNG would then be delivered by truck in Italy. The price for the LNG would be aligned with the Italian PSV price and the contract term would be for an indefinite period with a minimum term of five years.

The HoA also provides for a potential prepayment by Gunvor for a portion of the first five years of deliveries, with such amounts subject to prepayment being a total of approximately 66,000 tonnes of LNG, or 999,000 MWh. The average forward Italian PSV gas price for the years 2025-2030, at the time of executing the HoA, was approximately €30 / MWh. The prepayment is conditional on agreeing definitive transaction documentation and LNEnergy obtaining the required permits to construct and operate the LNG production facility and will help fund the development.

On the basis of the HoA, LNEnergy and Gunvor intend to negotiate a fully-termed LNG sale and purchase agreement and prepayment agreement once the environmental impact assessment approval is obtained from the VIA commission.

**UK Onshore**

Rathlin Energy (UK) Limited and West Newton - PEDL183

West Newton is an onshore hydrocarbon discovery located north of Hull, England. To date, three wells have been drilled at West Newton (A-1, A-2 and B-1Z) confirming a major discovery - potentially one of the largest hydrocarbon fields discovered onshore UK. Rathlin is the operator of the licence and holds a 66.67% interest. Reabold held a 59.5% shareholding in Rathlin at 31 December 2024 (increased to 79.8% in January 2025) and holds a direct 16.67% in the licence giving the Company an aggregate c. 56% economic interest in West Newton at 31 December 2024 (69.9% economic interest in January 2025). The other co-venturer on the licence is Union Jack Oil (AIM: UJO) with a 16.67% direct interest.

A Gas Export Feasibility study completed by CNG Services Limited in the first half of 2024, concluded that, as a precursor to the intended West Newton full field development, an initial single well development and gas export plan is economically and technically feasible, allowing for accelerated production and cash flow whilst requiring limited capital expenditure. With the industry currently suffering from a lack of available development capital, the ability to achieve early production with limited capex is strategically extremely valuable. Initial gas production is planned to be from a single horizontal well, processed through a modular plant, tied in from the West Newton A site to the National Transmission System at an existing above ground installation via a pipeline. The single well development plan benefits from early cash generation with the ability to drill future wells out of cash flow. Following drilling and testing of this horizontal well, first gas is expected 18 months later with an associated gross development capex estimated to be c.£12 million. Although early production from the single well development demonstrates highly attractive standalone economics and would support future wells being drilled from cashflow, it is envisaged that it will be a precursor to the full field conceptual development plan.

In addition, the North Sea Transition Authority ("NSTA") has approved a revised work programme for PEDL 183 onshore UK, which contains the West Newton field. With the necessary approval from the NSTA for the revised work programme for PEDL 183 secured, Reabold can continue to progress this important UK gas project in the most optimal manner. The revised minimum work programme for PEDL 183 is as follows:

- Re-enter and recomplete or sidetrack one of the currently suspended wells on or before 30 June 2026;
- Re-enter and recomplete or sidetrack one of the remaining suspended wells or drill and complete a new deviated or horizontal well on or before 30 June 2027; and
- Submit a field development plan on or before 30 June 2027.

The JV partnership for PEDL 183 is expected to approve a forward plan, which will initially consist of the re-entry and recompletion of the West Newton A-2 well in order to establish sustained gas flow. The JV partnership believes this is a low risk and low cost approach to derisk the project.

Rathlin, has been informed by the Environment Agency that its application on behalf of the JV for the recompletion of the West Newton A-2 well has been 'Duly Made'. For the recompletion of the West Newton A-2 well to proceed, Rathlin is required to obtain the NSTA's consent and receive a permit from the Environment Agency. The JV is fully funded for re-entry and recompletion which is expected to commence in Q4 2025 / Q1 2026. Further updates will be provided in due course.

On 12 December 2024, Reabold announced that it had agreed to acquire 20.4% of the shares in Rathlin from Connaught Oil & Gas Limited ("Connaught") for a total cash consideration of £700,000. The transaction completed on 30 January 2025 taking Reabold's total shareholding in Rathlin to approximately 79.8% and its economic interest in PEDL183 to 69.9%.

Alongside our strategy to unlock significant near-term value from West Newton, we have also considered the carbon intensity of the project. In May 2024, Reabold commissioned GaffneyCline & Associates Limited ("GaffneyCline") to perform a carbon intensity study for the West Newton field which highlighted the following:

- The West Newton project has an AA rating for Carbon Intensity for its potential upstream gas and condensate production, the lowest possible carbon intensity rating category on GaffneyCline's scale;
- The West Newton field has a Carbon Intensity significantly lower than the UK average and onshore and offshore analogues. It is also significantly lower than the average imported LNG, based on the NSTA Natural Carbon Footprint Analysis published in July 2023;
- Based on the study, GaffneyCline estimates that West Newton could produce the equivalent of just 2.87 grams of CO2 per megajoule of energy developed (gCO2e/MJ); and
- As the development proceeds and project knowledge increases, there is potential to improve the Carbon Intensity by further reducing fugitive, flaring and venting emissions and by gas-to-grid development, reducing on site gas and condensate processing, and using the shortest possible route to the National Grid.

The AA rating demonstrates the low carbon credentials of the West Newton project and is an example of the opportunities available in the UK to power the country through lower carbon, home grown energy, rather than relying on expensive and more carbon intensive imports.

We believe West Newton is an important strategic asset to the UK as the country looks to secure domestic energy supply for secure and affordable energy, at a time when the country is exposed to potentially significant gas supply disruptions. The study proves that the operator, Rathlin, is a responsible hydrocarbon producer complying with best environmental practice to produce much needed UK hydrocarbons in the most efficient and environmentally friendly way possible.

Reabold is committed to the highest standards of environmental processes, and we incorporate these responsibilities into our operational decision-making and investments.

**UK Offshore**

Victory contingent consideration receivable

In January 2024, Reabold received the final tranche payment of £4.4 million, following Shell's receipt of development and production consent for the Victory gas field from the North Sea Transition Authority. This follows the £8.3 million already received by the Company in previous periods, taking the total proceeds for the sale of Reabold's 49.99% interest in Corallian, to £12.7 million.

North Sea licences

At the beginning of 2024, Reabold held interests in four North Sea licences: P2605, P2504 (both 100%), P2478 (36%) and P2486 (10%). Reabold relinquished its 36% interest in licence P2478 in March 2024, following unavoidable and significant delays to the acquisition of 3D seismic data, as had been stipulated in the deed of variation concerning the extension to phase A of the Licence. The delays were largely a result of continuous wind farm construction activities in the area. All commitments have been fulfilled and there remain no further obligations.

Licence P2486 was relinquished in July 2024. Licence P2605 and P2504 were relinquished in November 2024. Despite the Company's best efforts, we have been unable to farm down these assets. The ability of potential counterparties to commit to investment in the North Sea was negatively affected by the Labour party's pledge to increase the Energy Profits Levy ("EPL") and remove investment allowances attached to the EPL, in the lead up to the UK General Election held in July 2024. On 30 October 2024, the Chancellor confirmed that the government will increase EPL to a headline rate of 78%, extend the EPL to March 2030 and the remove the 29% investment allowance. In March 2025 the UK Government launched a consultation on the future tax regime for the UK oil and gas industry.

Award of UKCS Licence - P2659 (10%)

In July 2024, Reabold was awarded a 10% interest in Licence P2659 in the Southern North Sea, as part of the UK's 33rd Offshore Licensing Round. The other partners on the licence are Horizon Energy Acquisition Limited (45%) and Horizon Energy Partners Limited (45%). The licence covers blocks 37/26 and 37/27 and the initial four year Phase A work programme commitments for the licence are focused on completing an advanced geophysical processing study using 475 sq km of existing 3D seismic data.

**Romania - Danube Petroleum Limited**

Reabold has a 50.8% equity position in Danube Petroleum Limited ("Danube"), with ASX listed ADX Energy Ltd ("ADX") holding the remaining 49.2%. Danube has a 100% interest in the Parta exploration and Iecea Mare production licence in Western Romania, which include the IMIC-1 discovery and the IMIC-2 prospect.

During the year ADX has been engaging with National Agency for Mineral Resources ("NAMR") with regards to options for the extension of the Parta exploration licence. The validity of the Iecea Mare production licence is 20 years and not affected.

Options to exploit the geothermal potential of the Romanian part of the Pannonian Basin are being investigated together with a subsurface review of the likely prospectivity. Legislation for the exploitation of geothermal energy is currently being created. However, the regulator has stated that a petroleum licence needs to be converted into a geothermal licence, before any non-petroleum operations can be performed. Furthermore, a geothermal licence can only be awarded after finalising all petroleum operations as defined in the relevant petroleum licence agreement.

**USA - Daybreak**

Reabold has a 42% shareholding in Daybreak Oil and Gas Inc ("Daybreak"). Reabold treats its investment in Daybreak as a financial asset - see Note 1 Use of judgements for further details. Daybreak is an OTC traded oil and gas company engaged in the exploration, development and production of onshore crude oil and natural gas, primarily in California. Further details on Daybreak can be found on its website at[www.daybreakoilandgas.com/](http://www.daybreakoilandgas.com/).

**Sachin Oza**
Co-Chief Executive Officer
10 June 2025

**Stephen Williams**
Co-Chief Executive Officer

**Financial review**

**Group Income Statement**

The Group's loss for the year ended 31 December 2024 was £3.4 million (2023: £7.2 million).

Reabold's share of loss from associates was £1.0 million (2023: £0.6 million). The increase was mainly driven by accounting for LNEnergy as an associate for a full year in 2024. See Note 14 for more information.

Exploration expenses of £0.3 million were incurred in 2024 (2023: £1.6 million). The decrease was driven by a reduction in activity on our North Sea assets as a result of multiple relinquishments in the prior year. See Notes 4 and 11 for further details.

Administrative expenses for the year were £2.0 million (2023: £2.2 million). The Group undertook a detailed analysis of supplier arrangements with a focus on cost reductions. In an inflationary environment the Group reduced admin costs by £0.2 million or 9% year-on-year.

In 2024, Reabold incurred £98,000 (2023: £190,000) in legal and professional fees, which Reabold has classified as non-underlying items, in relation to the successful defence from a second attempt, from a group of beneficial shareholders, to remove the entire Board of Directors of Reabold and replace them with four new directors. All resolutions proposed by the requisitioning shareholders were rejected at a general meeting held in January 2024.

Share-based payments were £153,000 (2023: £57,000). The increase was as a result of deferred bonus shares granted in the year as well as a full year's expense related to LTIP options granted in 2023. See note 22 for further details.

Finance income of £169,000 (2023: £33,000) primarily represented interest income earned on cash deposits and has increased as a result of a higher average cash balance in 2024, allowing short-term surplus cash to be placed in treasury deposits.

**Group Balance Sheet**

Exploration and evaluation assets remained flat at £7.0 million (2023: £7.0 million). Additions at West Newton of £0.3 million were offset by exploration write-offs in the North Sea of £0.3 million.

Investments in associates remained flat at £26.1 million (2023: £26.1 million). Additions of £1.0 million in LNEnergy were offset by losses of £0.5 million at LNEnergy and £0.5 million at Rathlin. See Note 14 for further information.

Other short-term investments decreased from £4.4 million to £Nil representing the final tranche proceeds received from the Corallian disposal, triggered by Shell's receipt of development and production consent for the Victory gas field from the North Sea Transition.

Overall, net assets decreased from £42.2 million at 31 December 2023 to £38.9 million at 31 December 2024.

**Group cash flow statement**

Net cash used in operating activities was £2.3 million in 2024, compared with £2.2 million in 2023. Savings of £0.2 million in administrative expenses, £0.1 million in underlying items and £0.1 million in other exploration costs were offset by an unfavourable £0.5 million swing in working capital movements. Net cash used in operating activities before working capital movements was £2.0 million (2023: 2.5 million).

Cash flow from investing activities in 2024 was an inflow of £3.2 million compared with an inflow of £2.3 million in 2023. The cash flow from investing activities in 2024 included cash capital expenditure of £1.3 million primarily related to investments in LNEnergy (compared with cash capital expenditure of £2.9 million in 2023 primarily driven by the acquisition of Simwell Resources Limited and the step acquisitions of LNEnergy). Divestment proceeds in 2024 were £4.4 million compared with £5.2 million in 2023 - both amounts relate to contingent consideration received from the sale of Corallian to Shell in 2022.

Cash flow from financing activities in 2024 was an outflow of £0.1 million compared with outflows of £0.3 million in 2023, mainly due to lower repurchases of shares.

**Liquidity**

Cash and cash equivalents were £6.2 million at 31 December 2024 (2023: £5.4 million). The only debt the Group has is in the form of lease liabilities which are less than £0.1 million.

**Commitments**

The Group does not have any signed contractual capital commitments as at 31 December 2024 (2023: nil), however the group does have obligations to carry out defined work programmes on its licences, under the terms of the award of rights to these licences. The Company is not obliged to meet other joint venture partner shares of these programmes.

*PEDL 183*
Reabold's minimum work programme for PEDL 183 is as follows:

- Re-enter and recomplete or sidetrack one of the currently suspended wells on or before 30 June 2026
- Re-enter and recomplete or sidetrack one of the remaining suspended wells or drill and complete a new deviated or horizontal well on or before 30 June 2027, and
- Submit a field development plan on or before 30 June 2027

Reabold anticipates re-entering and recompleting an existing West Newton well in Q4 2025 / Q1 2026 in order to establish sustained gas flow. The gross cost for the JV to re-enter and re-complete is expected to be c.£1.4 million.

*UK Southern North Sea*
The initial four year Phase A work programme commitments for the licence are focused on completing an advanced geophysical processing study using 475 sq km of existing 3D seismic data.

**Principal risks and uncertainties**

Reabold operates in an environment subject to inherent risks and uncertainties. The Board regularly considers the principal risks to which the Group is exposed and monitors any agreed mitigating actions. The overall strategy for the protection of shareholder value against these risks is to carry a broad portfolio of assets with varied risk/reward profiles, and to retain adequate working capital. The risks faced by the Group can, and are likely to, change with progress in the Group's strategy and developments in the external business environment.

The risks discussed below, separately or in combination, could have a material adverse effect on the implementation of our strategy, our business, financial performance, liquidity, prospects, shareholder value and returns and reputation.

| Risks | Mitigation |
|---|---|
| **Strategic, Commercial and Operational Risks** | |
| **Investment Returns**: Stock market support may be eroded, lowering investor appetite and obstructing fundraising if we fail to scale our business at pace, make poor investment choices or fail to sustain and develop a high-quality portfolio of assets. | · Management regularly communicates its strategy to shareholders.<br>· Focus is placed on building a diverse and resilient asset portfolio capable of offering prospectivity throughout the business cycle. The Group continually reviews its portfolio of assets to identify internal growth opportunities.<br>· The Group seeks to limit its financial dependence on any one single asset by holding a diversified portfolio and re-investing capital generated through monetisation of its investments into new projects in order to grow the Group and create value for its shareholders.<br>· The Group engages with a range of advisers and active competitor monitoring to provide a range of opportunities for screening.<br>· The Group also engages third-party assurance experts to review, challenge and, where appropriate, make recommendations to improve the processes for project management, cost control and governance of projects.<br>· The Directors regularly monitor the appropriateness of the strategy taking into account both internal and external factors, and the progress in implementing the strategy, and may modify the strategy based on developments. |
| **Prices and Markets**: Decreases in oil and/or gas prices could have an adverse effect on the demand for oil and/or gas. If these reductions are significant or for a prolonged period, we may have to write down assets and investments and reassess the viability of certain projects, which may impact future cash flows, profit, capital expenditure, the ability to work within our financial frame and maintain our investment programme. | · Contingency is built into the evaluation, planning and budgeting process to allow for the downside movements in commodity prices.<br>· Reabold's business model is to invest in undervalued oil and gas assets that would be able to deliver profitably under current reasonable oil/gas price assumptions, are at the lower end of the industry cost curve and will be competitive against other sources of hydrocarbons. |
| **Accessing, progressing and delivering hydrocarbon projects**: Inability to access and progress hydrocarbon resources could adversely affect delivery of our strategy. Challenging operational environments and other uncertainties could impact drilling and production activities. Challenges include uncertain geology; the existence and availability of necessary technology and engineering resources; the availability of skilled labour; the existence of transport infrastructure; project delays; the expiration of licences; delays in obtaining required permits; potential cost overruns; and technical, fiscal, regulatory, political and other conditions. | · The Group and its investee companies undertake extensive analysis of available technical information to determine work programmes.<br>· Appraisal programmes are designed to de-risk the overall field development. Well and seismic data is continually reviewed to best allocate capital and make drilling decisions.<br>· Downside risk can be reduced by entering into risk sharing arrangements.<br>· The Group retains working capital reserves to cover any delays or cost overruns |
| **Liquidity, financial capacity and financial exposure**:External market conditions can impact our financial performance. Insufficient liquidity and funding capacity of the Group and its investee companies could adversely impact the implementation of the Group's strategy and restrict work programmes due to lack of capital. | · Management has a clear strategy for value realisation and creation as evidenced by the realisation of value from the Corallian sale in 2022.<br>· The Group maintains a strong balance sheet by maximising cash to ensure sufficient liquidity within the business.<br>· Cash forecasts are monitored including considering multiple scenarios.<br>· The Company has demonstrated it can raise incremental capital if needed. |

| | |
|---|---|
| | · The Group continually monitors its capital allocation and will only pursue programs that are of appropriate size and risk relative to the Group's capital resources. |
| **Joint arrangements**: Most of our projects and operations are conducted in joint arrangements or with associates. This could reduce our degree of control and our ability to identify and manage risks. Varying levels of control over the standards, operations and compliance of our partners could result in legal liability and reputational damage. | · For every project which is conducted via an associate, Reabold seeks to appoint a director to the board of the associate, whose responsibility is to manage performance and create and protect value for Reabold. With a director on the board, Reabold seeks to influence operators and other partners to adapt their practices in order to drive value appropriately and to mitigate identified risks.<br>· The Group continually engages with its operating partners and closely monitors the operation of its assets.<br>· The Group completes thorough due diligence reviews before entering future partnerships to ensure that their strategic and operational objectives are aligned with those of the Group. |
| **Climate change**:A global transition to alternative energy sources could have an adverse impact on demand for oil and gas, commodity prices and/or the Group's access to and cost of capital. Developments in policy, law, regulation, technology and markets including societal and investor sentiment, related to the issue of climate change and the transition to a lower carbon economy could increase costs, constrain our operations and affect our business plans and financial performance. | · Management looks for opportunities to deliver low carbon intensity production into the UK market by using low carbon intensity facilities, including potential re-use of existing infrastructure.<br>· The Group's "investment horizon" is considered to fall within time frames too short to be materially affected by the Paris Agreement 2˚C scenario.<br>· The Group's resources are weighted towards gas which is playing a key role in the national energy transition. |
| **Talent and capability**: Inability to attract, develop and retain people with necessary skills and capabilities could negatively impact delivery of our strategy. | · Recruitment and retention of key staff through providing competitive remuneration packages and stimulating and safe working environment. Balancing salary with longer term incentive plans. |
| **Geopolitical**:Exposure to a range of political developments and consequent changes to the operating and regulatory environment (including events relating to the Russia-Ukraine conflict) could cause business disruption. | · We continually monitor geopolitical developments.<br>· Management maintains regular communication with regulatory authorities.<br>· The Company aligns its standards and objectives with government policies as closely as possible.<br>· The Group does not consider that it has a material adverse exposure to the geopolitical situation with respect to the sanctions imposed on Russia, although recognises the evolving situation is causing price volatility. The Group will continue to monitor its position to ensure it remains compliant with any sanctions in place. |
| **Digital infrastructure, cyber security and data protection**: Breach or failure of our third parties' digital infrastructure or cyber security, including loss or misuse of sensitive information could damage our operations, increase costs and damage our reputation. | · The Group employs specialist support to detect and monitor threats using security protection tools.<br>· We build awareness with our employees and share information for continuous learning |
| **Compliance and control risks** | |
| **Regulation**:Changes in the law and regulation in countries in which Reabold has a presence with partners could increase costs, constrain our operations and affect our strategy, business plans and financial performance.<br>Tax rates, particularly those applied to hydrocarbon activities tend to be high compared with those imposed on similar commercial activities.<br>Governments may change their fiscal and regulatory frameworks in response to public pressure on finances resulting in increased amounts payable to them.The UKCS licensing regime under which some of Reabold's operational rights and obligations are defined may be subject to future change. | · Our business seeks to identify, assess and manage legal and regulatory risk relevant to our operations, strategy, business plans and financial performance. To support this work, we seek to develop co-operative relationships with governmental authorities to allow appropriate focus on areas of potential risk or uncertainty while also protecting Reabold's interests within the law.<br>· Management will utilise investment incentives where available |

| | |
|---|---|
| **Reporting**:Failure to accurately report our data could lead to regulatory action, legal liability and reputational damage. | · Our finance team provide assurance of the control environment and are accountable for building control and compliance into finance processes and digital systems |

**Environmental, Social and Governance (ESG) Statement**

Reabold is committed to the highest standards of environmental, social and governance processes and we incorporate these responsibilities into our operational decision-making and investments. We regularly review our approach, policies, and processes across key areas.

As Reabold is a small AIM listed company with fewer than 500 employees, it is not required to make climate - related financial disclosures, however we fully recognise that the oil and gas industry, alongside other stakeholders such as governments, regulators and consumers, must contribute to reduce the impact of carbon-related emissions on climate change, and is committed to contributing positively towards the drive to net-zero, therefore we have voluntarily reported certain ESG factors where relevant below. Our governance framework is described within the Corporate Governance Report on page 25.

**Environment**

**Greenhouse Gas Emissions (GHG)**

The GHG Protocol's Corporate Accounting and Reporting Standard defines three scopes of GHG emissions:

- Scope 1: direct GHG emissions from sources under Reabold's operational control.
- Scope 2: indirect GHG emissions from generation of purchased energy consumed by Reabold assets under operational control.
- Scope 3: other indirect GHG emissions, that occur in the value chain, e.g. emissions associated with the use of any energy products sold by Reabold.

At present Reabold does not 'operate' any of the assets in its portfolio. Our operational assets are managed by our associate companies who are responsible for the adequacy of standards, operations and compliance. In addition, the Group does not have any assets that are yet in the development or production stage and therefore the business has no scope 1 GHG emissions from any of our operations.

Reabold leases a small office space in London which is managed by a service company which is responsible for tracking the energy consumption. Reabold receives no invoices for electricity consumption and therefore does not report any scope 2 emissions.

Reabold is not producing any energy products and therefore has no associated scope 3 emissions.

**Balanced energy transition**

Reabold is committed to preserving and protecting our natural environment for future generations. Reabold complies with the standards of the international oil industry, environmental laws and regulations. Reabold recognises that GHG emissions from the use of hydrocarbon-based energy contribute to climate change. The Paris Agreement aims to strengthen the global response to the threat of climate change by "holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels". Reabold supports the more ambitious goal of the Paris Agreement, which is to limit the rise in global average temperature this century to 1.5°C above pre-industrial levels. We recognise and support the basis of the Paris Agreement to strengthen the global response to the threat of climate change.

We support a balanced energy transition where the world maintains a secure and affordable supply of energy, while building the clean energy system of the future. Our focus is on minimising carbon emissions and the environmental footprint of the projects we invest in, whilst continuing to contribute positively to the demand for energy and products that require hydrocarbons in the supply chain. The pace of transition to a lower carbon economy and cleaner fuels is uncertain, and will be heavily influenced by government policy, but oil and natural gas demand is expected to remain a key element of the energy mix for many years based on stated

government policies, commitments and announced pledges to reduce emissions. The challenge is to meet the world's energy needs sustainably and efficiently, which requires managing and reducing harmful emissions.

Reabold actively encourages and expects its investee companies / operators of its oil and gas interests to respond to this by continuously striving to minimise the potential environmental impact of operations by:

- Implementing controls to identify and prevent potential environmental risks
- Implementing controls during operations to avoid accidental spills, or leaks of polluting materials
- Managing water with due consideration
- Targeting high energy efficiency levels in drilling and other activities
- Limiting unnecessary wastage
- Handling waste products in an environmentally responsible manner
- Regularly assessing the environmental consequences of operations

The operators have developed systems, controls and processes to integrate climate related considerations, in order to meet these objectives. For example one can read the approach and policies of Rathlin Energy, operator of the West Newton PEDL 183 licence, on its website at[www.rathlin-energy.co.uk](http://www.rathlin-energy.co.uk), and of LNEnergy, operator of the Colle Santo project in Italy, on its website at https://www.sviluppocollesanto.it/.

**Focus on energy efficient extraction and drilling to reduce carbon intensity**

Reabold's assets are primarily small to medium sized, proven oil and gas fields at relatively shallow depth. As such, the intensity of drilling required is considered low relative to industry standards and we do not conduct energy intensive prospecting activities, reducing the impact on the environment. We encourage the operators of our assets to use the most energy efficient drilling methods. As the energy mix evolves towards a higher percentage of renewables in the countries in which we operate, we anticipate a greater share of our energy consumption will be purchased from green sources.

**United Kingdom**

Our investee company sites in the United Kingdom are located close to areas with a high demand for energy. Consequently, we expect that hydrocarbons produced locally and consumed locally will displace imported hydrocarbons thereby resulting in lower carbon emissions overall. This will provide greater security of supply to the UK as well as providing jobs and supporting UK industry, compared to the alternative of importing fuel. The COVID-19 pandemic highlighted the importance of our critical national infrastructure and, more recently, the war in Ukraine has been a stark reminder that energy security cannot be taken for granted.

We believe that natural gas has an important role to play in the energy transition, bridging the gap on the journey from fossil fuels to a renewable, zero-carbon future and helping to supply stable and affordable energy to UK homes and businesses as part of a lower-carbon energy supply mix. To that end, we continue to explore ways to invest in gas projects such as the Victory project, which was subsequently sold to Shell in November 2022, and the Colle Santo gas project in Italy.

Reabold takes its commitment to responsible hydrocarbon production very seriously.It is integral to our decision-making that we reflect on our impact on the community and the environment. In May 2024, Reabold commissioned GaffneyCline to perform a carbon intensity study for the West Newton field. The GaffneyCline study highlighted the following:

- The West Newton project has an AA rating for Carbon Intensity for its potential upstream gas and condensate production, the lowest possible carbon intensity rating category on GaffneyCline's scale

- The West Newton field has a Carbon Intensity that is significantly lower than the UK average and onshore and offshore analogues. It is also significantly lower than the average imported LNG, based on the NSTA Natural Carbon Footprint Analysis published in July 2023
- Based on the study, GaffneyCline estimates that West Newton could produce the equivalent of just 2.87 grams of CO2 per megajoule of energy developed (gCO2eq./MJ)
- As the development proceeds and project knowledge increases, there is potential to improve the Carbon Intensity by further reducing fugitive, flaring and venting emissions and by gas-to-grid development, reducing on site gas and condensate processing, and using the shortest possible route to the National Grid

The AA rating demonstrates the low carbon credentials of the West Newton project and is an example of the opportunities available in the UK to power the country through lower carbon, home grown energy, rather than relying on expensive and more carbon intensive imports.

We believe West Newton is an important strategic asset to the UK as the country looks to secure domestic energy supply for secure and affordable energy, at a time when the country is exposed to potentially significant gas supply disruptions. The study proves that the operator, Rathlin, is a responsible hydrocarbon producer complying with best environmental practice to produce much needed UK hydrocarbons in the most efficient and environmentally friendly way possible.

Reabold is committed to the highest standards of environmental processes and we incorporate these responsibilities into our operational decision-making and investments.

**Italy**

The development plan for Colle Santo involves converting gas to LNG directly onsite using a small modular LNG processing unit. The LNG will be trucked a short distance (7 km) to an entry point into the SNAM transmission grid. There will be no new drilling due to two existing wells already drilled and tested. There will be on-site $CO_2$ capture of 1,400 tonnes $CO_2$ equivalent per year, and connected hydrogen production facilities.

LNG provides energy security and flexibility because it can be easily transported to places where it is needed most. LNG is a critical fuel in the energy transition and plays an important role as a lower-carbon alternative to coal for industry, and provides grid stability alongside wind and solar power in electricity generation. It is the lowest-carbon fossil fuel, producing around 50% less carbon emissions than coal when used to generate electricity.

**Daybreak, USA**

Daybreak's production sites are located in California, a state with very high renewable energy generation which feeds into the energy required for hydrocarbon extraction. By industry standards, Daybreak's oil and gas activities require a very low level of energy to extract the hydrocarbons, ensuring it is one of the most energy efficient of its type in California.

**Romania**

Romania has a diverse energy mix, including coal, natural gas, nuclear, hydroelectric, and renewable sources. The largest share of electricity production historically came from coal and natural gas, followed by hydroelectric and nuclear power. In recent years, there has been a shift towards increasing the share of renewable energy sources, such as wind and solar. However, Romania supports natural gas in the long-term in the European Green Deal because it forecasts that this resource will remain an important tool in changing the energy sector and transitioning to a more sustainable and carbon-free economy. By developing and

producing gas from the Parta site, Danube Petroleum Limited will be able to contribute to the country's efforts to implement this energy strategy. In addition, options to exploit the geothermal potential of the Romanian part of the Pannonian Basin are under investigation with the authorities in combination with a subsurface review of the likely prospectivity.

Managing our environmental footprint and reducing our emissions are important objectives for Reabold Resources. We regularly review and revise our policies, as necessary.

**Health & Safety**

Reabold wishes to build value through developing sustainable relationships with partners and the community. We comply with all applicable legislation; and design and manage our activities to prevent pollution, minimize environmental and health impact and provide workplaces free of safety hazards.

The Company is committed to high standards of health, safety and environmental ("HSE") protection; these aspects command equal prominence with other business considerations in the decision-making process.

HSE protection are responsibilities shared by everyone working for the Company and the full support of all staff, partners and contractors is vital to the successful implementation of the policy. We ensure, as far as reasonably practicable, that all personnel are aware of their delegated HSE responsibilities and are properly trained to undertake these.

We strive for continuous improvement in our HSE performance and measure this by setting objectives and targets consistent with the aims of this policy.

HSE performance is routinely monitored and reported regularly to the Board of Directors, which will ensure that the necessary resources are provided to support this policy fully.

**Governance**

As an AIM-quoted company, Reabold is required to apply a recognised corporate governance code, demonstrating how the Company complies with such corporate governance code and where it departs from it.

In 2018 the Company adopted the Quoted Companies Alliance ("QCA") Corporate Governance Code 2018. During 2023, the QCA published an updated corporate governance code (the "2023 QCA Code") which will apply to financial years beginning on or after 1 April 2024. Following the updates made by the 2023 QCA Code the Company is complying as far as possible with the 2023 QCA Code now, earlier than required, in order to continue to adhere to the best possible level of good governance. The directors believe that the 2023 QCA Code with its updates remains at this stage to be the most appropriate recognised corporate governance code for the Company. It is believed that the 2023 QCA Code provides the Company with the framework to help ensure that a sound level of governance is maintained, enabling the Company to embed the governance culture that exists within the organisation as part of building a successful and sustainable business for all its stakeholders.

Please see pages 25 to 30 for the Chair's corporate governance statement and how Reabold has applied the 10 principles of the 2023 QCA code.

**Section 172(1) statement**

In accordance with the requirements of Section 172 of the Companies Act 2006, the Directors consider that, during the financial year ended 31 December 2024, they have acted in a way that they consider, in good faith, would most likely promote the success of the Company for the benefit of the members as a whole, having regard to the likely consequences of any decision in the long term and the broader interests of other stakeholders, as required by the Act. The level of information disclosed is consistent with the size and the complexity of Reabold's businesses and focuses on matters of strategic importance to Reabold. The Board delegates day-to-day management of the business of the Company to the Co-CEOs, save for those matters which are reserved for the Board's approval. More information on how the Board has regard to the Section 172 factors are outlined below.

*S172(1) (a) "The likely consequences of any decision in the long term"*

The Directors understand the business and both the evolving and challenging environment in which we operate, including the challenges of the global energy transition. The Board made decisions in the year with regard to acquisitions and investments with consideration given to key stakeholders and the likely long-term impact of any decision. During the year, the Board reflected on the challenges to be faced by Reabold given the shifting macroeconomic and geopolitical context. Reabold is an energy business focused on developing strategic European gas assets to secure European gas supply and energy security. The Board of Directors is collectively responsible for the decisions made towards the long-term success of the Company and the way in which the strategic, operational and risk management decisions have been implemented throughout the business is detailed in our Strategy and business model on page 4 and throughout the Strategic Report.

*S172(1) (b) "The interests of the Company's employees"*

Reabold employees are fundamental and core to our business model and the delivery of our strategic ambitions. The future success of our business depends on attracting, retaining, developing and motivating talented employees.

We ensure that:

• Health, Safety and the Environment are considered paramount throughout the organisation.
• Annual pay and benefit reviews are carried out to determine whether all levels of employees are benefitting fairly and to retain and encourage skills vital for the business.
• There is competitive pay and employee benefits
• There are freely available Company policies and procedures.
• Personal development reviews and work appraisals are conducted.
• Employees are informed of the results and important business decisions and are encouraged to feel engaged
• Working conditions are favourable

The Remuneration Committee oversees and makes recommendations of executive remuneration and any long-term share awards.

*S172(1) (c) "The need to foster the Company's business relationships with suppliers, customers and others"*

Delivering our strategy requires strong mutually beneficial relationships with suppliers, customers, governments, and joint-venture partners. We aim to have a positive and enduring impact on the communities in which we operate, through partnering with national and local suppliers, and through payments to governments in taxes and other fees. The Group values all of its suppliers and aims to build strong positive

relationships through open communication and adherence to trade terms. The Group is committed to being a responsible entity and doing the right thing for its customers, suppliers and business partners. The Board upholds ethical business behaviour across all of the Company's activities and encourages management to seek comparable business practices from all suppliers and customers doing business with the Company. We value the feedback we receive from our stakeholders and we take every opportunity to ensure that where possible their wishes are duly considered. The Board engages with stakeholders to understand their priorities and concerns through a range of engagement activities. Meeting commitments made to investors is critical to building trust and confidence with our external stakeholders.

The Co-CEOs provide a comprehensive update to the Board on material business and external developments at each main Board meeting. This includes significant operational updates, e.g. partnerships, investments, divestments, projects, commercial highlights and political or regulatory developments.

*S172(1) (d) "The impact of the Company's operations on the community and the environment"*

This aspect is inherent in our strategic ambitions, most notably on our ambitions to thrive through the energy transition and to sustain a strong societal licence to operate. As such, the Board receives information on these topics to provide relevant information for specific Board decisions. Executive Directors conduct site visits of various investee company operations and hold external stakeholder engagements, where feasible.

At present Reabold does not 'operate' any of the assets in its portfolio. Our operational assets are managed by our associate companies who are responsible for the adequacy of standards, operations and compliance. Reabold seeks to influence how risk is managed in arrangements where we are not operator by ensuring we have a member of the executive team on the Board of our associate companies. This gives Reabold assurance that operations are and will be carried out in a sustainable and safe manner. The Company fully recognises that the oil and gas industry, alongside other stakeholders such as governments, regulators and consumers, must contribute to reduce the impact of carbon-related emissions on climate change, and is committed to contributing positively towards the drive to net-zero.

Further information can be found within our ESG Statement on page 16, and within the principal risks and uncertainties section on page 13.

*S172(1) (e) "The desirability of the Company maintaining a reputation for high standards of business conduct"*

The Company is incorporated in the UK and governed by the Companies Act 2006. The Company has adopted the QCA Code and the Board recognises the importance of maintaining a good level of corporate governance, which together with the requirements to comply with the AIM Rules ensures that the interests of the Company's stakeholders are safeguarded. Please see the Chair's Corporate Governance statement on pages 25 to 30.

Reabold aims to contribute to Europe's energy security by unlocking potential sources of near-term domestic gas supply in economically, environmentally and socially responsible ways.The Board periodically reviews and approves clear frameworks, such as Reabold's Code of Conduct, and specific Ethics & Compliance policies, to ensure that its high standards are maintained both within Reabold and the business relationships we maintain. This, complemented by the various ways the Board is informed and monitors compliance with relevant governance standards help ensure its decisions are taken, and that Reabold investee companies act, in ways that promote high standards of business conduct.

*S172(1) (f) "The need to act fairly as between members of the Company"*

The Directors consider which course of action best enables delivery of our strategy in the long-term interest of the Company, taking into consideration the effect on stakeholders. The Board strongly believes that Reabold will only succeed by working together with governments, business partners, investors, and other stakeholders. Continuing to work together with stakeholders is critical, particularly at a time when we and society, including businesses, governments, and consumers, face issues as complex and challenging as climate change, energy security and affordability.

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. The Company has close ongoing relationships with its shareholders - engaging with both retail and institutional holders. Institutional shareholders and analysts have the opportunity to discuss issues and provide feedback at meetings with the Company. All shareholders are encouraged to attend the Company's Annual General Meeting and any general meetings held by the Company, which present an opportunity for shareholders to speak with the Executive Directors in a formal environment and in more informal one to one meetings.

The primary communication tool with our shareholders is through the Regulatory News Service ("RNS") on regulatory matters and matters of material substance. The Company's upgraded website, launched in March 2023, provides details of the business, investor presentations and details of the Board, changes to major shareholder information and QCA Code disclosure updates under AIM Rule 26. Changes are promptly published on the website to enable the shareholders to be kept abreast of Company's affairs. The Company's Annual Report and Notice of Annual General Meetings are available to all shareholders. The Interim Report and investor presentations are also available on our website.

*Principal decisions*

Below we outline some of the principal decisions made by the Board over the year, and how directors have performed their duty under Section 172.

Over the course of the year, the Board considered and approved new investments:

*Further Investment in LNEnergy*

The Board approved increasing Reabold's investment in LNEnergy by 3.1% to 29.2%. LNEnergy's primary asset is an exclusive option over a 90% interest in the Colle Santo gas field onshore Italy. The Board agreed the investment was in line with Reabold's strategy to develop high quality strategic European gas assets with near-term production potential that can generate shareholder value and a favourable return on capital. The Colle Santo gas field is a highly material gas resource with 65Bcf of 2P reserves, as estimated by RPS as of 30 September 2022, and subject to the necessary approvals and permits, is development ready with no additional drilling required. LNEnergy believes that the field has the potential to generate an estimated €11-12m of gross post-tax free cash flow per annum. On 1 May 2024a non-binding Heads of Agreement between Gunvor and LNEnergy for the purchase of LNG by Gunvor from LNEnergy from the Colle Santo gas field was executed. Reabold expects to receive the environmental impact assessment approval from the VIA commission in the near future - the final milestone ahead of a full production concession being granted by MASE. First production from the LNG project is expected in 2027.

*Further investment in Rathlin*

The Board approved the acquisition of 20.4% of the shares in Rathlin from Connaught taking Reabold's total shareholding in Rathlin to 79.8%. The Board considered that greater exposure to the PEDL183 licence, on

highly attractive terms, would support long-term shareholder value.

The Board considered the clarity provided the UK Budget announcement in October 2024 and is confident, against this more stable backdrop, in Reabold's ability to progress the West Newton work programme and bring this important UK gas asset to the next stage of development and monetisation. As the energy transition in the UK moves forward, the economic, fiscal, energy security and environmental case for using indigenous gas has never been stronger.

Strategic Report signed on behalf of the Board

Chris Connolly
Company Secretary
June 10, 2025

**Board of Directors**

**Corporate Governance**

**Jeremy Edelman**
**Non-Executive Chairman**
**Appointed: 19 December 2012**

Jeremy Edelman holds Bachelor degrees in Commerce and Law together with a Master's degree in Applied Finance. Jeremy is admitted as a solicitor to the Supreme Courts of Western Australia and New South Wales. Jeremy subsequently worked for some of the world's leading investment banks, including Bankers Trust and UBS Warburg in debt and acquisition finance. He has held consulting and director positions in listed companies in the UK and Australia, such as Mt Grace Resources NL, with a focus on resource exploration and development, including investment companies established with the specific objective of investing in resources projects. He also has corporate finance experience, having been responsible for co-coordinating a number of companies in making acquisitions in a variety of resource sectors, including oil and gas, uranium, molybdenum, base metals and coal. He has worked in various regions of the world, including the Republic of Kazakhstan, Russia, South Africa and Australia. Jeremy served as a Non-Executive Director of Leni Gas Cuba Limited until 12 July 2016, a Director of Altona Energy Plc (also known as Altona Resources Plc) until 4 July 2006, Executive Director of Leni Gas & Oil PLC from August 2006 to December 2010 and Director of Braemore Resources Plc until 27 July 2005.

**Sachin Oza**
**Co-Chief Executive Officer**
**Appointed: 19 October 2017**

Sachin Oza has 22 years of investment experience, including 18 years covering the energy sector. He joined Guinness Asset Management in April 2016, having previously worked as an investment analyst at M&G Investments for 13 years, where he covered the Utility, Transport, Mining and Oil & Gas sectors on a global

basis. Sachin has also held investment analyst roles at Tokyo Mitsubishi Asset Management and JP Morgan Asset Management.

**Stephen Williams**

**Co-Chief Executive Officer**

**Appointed: 19 October 2017**

Stephen Williams has 20 years of experience in the energy sector. He joined Guinness Asset Management in April 2016, having previously worked as an investment analyst at M&G between 2010 and 2016, where he focussed on energy and resources. Prior to this, Stephen worked as an energy investment analyst for Simmons & Company International between 2005 and 2010 and from 2003 to 2005 he worked as an analyst at ExxonMobil.

**Anthony Samaha**

**Non-Executive Director**

**Appointed: Board: 19 December 2012; Non-Executive Director: 1 July 2022**

Anthony Samaha is a Chartered Accountant who has over 30 years' experience in accounting and corporate finance, including resources development. Anthony worked for over 10 years with international accounting firms, including Ernst & Young, principally in corporate finance, gaining significant experience in valuations, IPOs, independent expert reports, and mergers and acquisitions. Anthony has extensive experience in the listing and management of AIM quoted companies and served as Finance Director for the Company up until 30 June 2022 before becoming a Non-Executive Director on 1 July 2022.

**Mike Felton**

**Non-Executive Director**

**Appointed: 17 September 2018**

Mike Felton is an experienced fund manager in the City and brings over 30 years of financial expertise to the Company. Mike previously served as Head of UK Retail Equities at M&G Investments and was Manager of the M&G UK Select Fund, growing the fund's assets from £110m to c. £550m at its peak. Mike has also previously served as Joint Head of Equities at ISIS Asset Management and Manager of ISIS UK Prime Fund, as well as Chief Investment Officer at Lumin Wealth, a position he still retains part-time. Mr Felton sits on the International Tennis Federation's Investment Advisory Panel and is a Business Ambassador for Anthony Nolan, the UK's blood cancer charity and bone marrow register.

**Marcos Mozetic**

**Non-Executive Director**

**Appointed: 17 September 2018**

Marcos Mozetic, an exploration geologist, brings over 46 years of international technical experience in the oil and gas industry to the Company. His most recent experience was in designing, implementing and leading Repsol S.A's exploration strategy between 2004 and 2016. During this period, Repsol become a leader in reserve replacement and participated in some of the most exciting discoveries worldwide. Previous to this, Marcos worked as a development geologist in 1975 with Bridas, before moving into the exploration department, which he later led. Following this, Marcos worked for BHP Petroleum and BHP Minerals as Chief Geologist for Argentina and later Country Leader. Marcos holds a BSc and Post-Graduate degree in Petroleum Geology from the University of Buenos Aires.

**Directors' report for the year ended 31 December 2024**

**Corporate Governance**

The Directors submit their report and the audited financial statements of the Group and Company for the year ended 31 December 2024.

**Principal activities**

The principal activity of the Group and Company is investment in pre-cash flow upstream oil and gas projects, primarily as significant interests in unlisted oil and gas companies or majority interests in unlisted oil and gas companies with non-operating positions on licences.

**Business Review and Future Developments**

A review of the business and the future developments of the Group is presented in the Strategic Report (including a Review of Operations and Financial Review) and Chair's letter (all of which, together with the Corporate Governance Statement, are incorporated by reference into this Directors' Report).

**Engagement with Employees, Suppliers and Customers**

Information regarding Reabold's engagement with employees, suppliers and customers is included in the Section 172 statement on pages 19 - 21.

**Results and dividends**

The loss for the year was £3.4 million (2023: loss of £7.2 million). The Company has not declared any dividends during the year (2023: £nil). The Directors do not propose the payment of a final dividend.

**Financial Instruments**

The Group's financial risk management objectives and policies are discussed in note 20.

**Events since Balance Sheet Date**

Details of post reporting date events are disclosed in Note 26 of the financial statements.

**Directors and their interests**

The names of the Directors who held office during the year and their shareholdings are shown below.

| Director | At 31 December 2024 | At 1 January 2024 |
|---|---|---|
| Jeremy Edelman * | 173,545,454 | 173,545,454 |
| Sachin Oza | 219,720,298 | 75,750,299 |
| Stephen Williams | 87,304,697 | 47,304,697 |
| Michael Felton | 58,572,605 | 25,240,599 |
| Anthony Samaha | 7,818,182 | 7,818,182 |
| Marcos Mozetic | 4,545,454 | 4,545,454 |

* includes 173,545,454 shares held by Saltwind Enterprises Ltd, a company connected with Jeremy Edelman.

Details of Directors' share options are included in the Directors Remuneration Report and Note 22.

**Indemnity provisions**

The Company maintains a directors' and officers' liability policy on normal commercial terms which includes third party indemnity provisions.

**Political and charitable contributions**

The Company made no contributions to charitable or political bodies during the year (2023: £Nil).

**Auditor**

In accordance with section 489 of the Companies Act 2006, a resolution to reappoint Forvis Mazars LLP was put to the Annual General Meeting held on 28 June 2024 and was approved. The auditor, Forvis Mazars LLP, will be proposed for reappointment in accordance with Section 485 of the Companies Act 2006. Forvis Mazars LLP has signified its willingness to continue in office as auditor.

**Statement of disclosure to auditor**

So far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware, and they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**Going concern**

The Directors consider it appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements. See Note 1 - going concern, to the financial statements.

**Repurchase of shares**

Information on share repurchases, including the number and nominal value of the shares repurchased in 2024, can be found in Note 21 of the financial statements.

The Directors' report was approved by the Board and signed on its behalf by Chris Connolly, Company Secretary, on 10 June 2025.

Reabold Resources plc
Registered in England and Wales No. 3542727

**Corporate governance report**

## Corporate governance

### Chair's Corporate Governance Statement

I am pleased to introduce this governance section of our 2024 Annual report and Accounts. The Governance report is structured around the Quoted Companies Alliance ("QCA") code.

In 2018 the Company adopted the 2018 QCA Code. Following the updates made by the 2023 QCA code it was agreed that the Company would comply as far as possible with the 2023 QCA Code now, earlier than required, in order to continue to adhere to the best possible level of good governance. The directors believe that the 2023 QCA Code with its updates remains at this stage to be the most appropriate recognised corporate governance code for the Company, given its nature and size. It is believed that the 2023 QCA Code provides the Company with the framework to help ensure that a sound level of governance is maintained, enabling the Company to embed the governance culture that exists within the organisation as part of building a successful and sustainable business for all its stakeholders. The 2023 QCA Code has ten principles which the Company is required to adhere to and to make certain disclosures both within this report and on its website.

These principles are:

**1) Establish a purpose, strategy and business model which promote long-term value for shareholders**

Please see Reabold's strategy and business model on page 4.

**2) Promote a corporate culture that is based on ethical values and behaviours**

We are committed to doing business in an ethical and transparent way. The Board recognises that their decisions regarding strategy and risk will impact the corporate culture of the Company as a whole and that this will impact the performance of the Company.

The Board is very aware that the tone and culture set by the Board will greatly impact all aspects of the Company as a whole and the way that employees behave. The corporate governance arrangements that the Board has adopted are designed to ensure that the Company 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 Company's activities is centred upon what needs to be an open and respectful dialogue with employees, clients and other stakeholders. Therefore, the importance of sound ethical values and behaviours is crucial to the ability of the Company to successfully achieve its corporate objectives. The Board places great importance on this aspect of corporate life and seeks to ensure that this flows through all that the Company does.

The Board considers that at present the Company has an open culture facilitating comprehensive dialogue and feedback and enabling positive and constructive challenge. The Company has a code for Directors' and employees' dealings in the Company's securities, and is appropriate for a company whose securities are traded on AIM and is in accordance with the requirements of the UK Market Abuse Regulation. The Company takes all reasonable steps to ensure it is compliant with the Market Abuse Regulations and AIM Rules. The Company has a zero-tolerance approach to bribery and corruption and has an Anti-Bribery Policy in place to protect the Company, its employees and those third parties with which the business engages.

**3) Seek to understand and meet shareholder needs and expectations**

Reabold is committed to listening and communicating openly with its shareholders to ensure that its strategy, business model and performance are clearly understood. Shareholder relations are managed primarily by the CO-CEOs. We value the feedback we receive from our shareholders. Understanding what investors think about us, and in turn, helping these audiences understand our business, is a key part of driving our business forward and we actively seek dialogue with investors and potential investors. Communication with shareholders is undertaken through press releases, presentations and face-to-face meetings.

Shareholders can contact Reabold directly via the "Contact us" section of the Reabold website. Investors can also
access information via the Investor Q&A section of the Reabold website.

The AGM is the main forum for dialogue between investors and the Board. Copies of our Annual Report and the notice of AGM are sent to all shareholders at least 21 days before the meeting. Copies of these and other information for shareholders is provided on our website. All shareholders are encouraged to attend the Company's AGM and any general meetings held by the Company, which present an opportunity for shareholders to speak with the Directors in a formal environment and in more informal one to one meetings. The Executive Directors, Chair of the Board, together with all other Directors, attend the AGM and are available to answer questions raised by shareholders. As soon as practicable after the AGM has finished, the results of the AGM are released through a regulatory news service. The announcement also provides, for information, details of the total number of votes in favour of each resolution. At last year's AGM, all resolutions put to shareholders were duly passed.

In January 2024, the Board successfully defended a second attempt, from a group of beneficial shareholders, to remove the entire Board of directors of Reabold and replace them with four new directors. All resolutions proposed by the requisitioning shareholders were rejected at a general meeting. The resolutions were broadly unchanged from their 2022 submission which was also rejected by shareholders. The requisitioning shareholders received support from approximately 21% of shareholders who voted.

**4) Take into account wider stakeholder interests, including social and environmental responsibilities, and their implications for long-term success**

The Board continues to value and recognise the importance of engagement and cooperation with our stakeholders. Engaging with stakeholders strengthens relationships and helps make better business decisions to deliver on commitments. The Board recognises that the long term success of the Company is reliant upon the efforts of the employees of the Company and its contractors, suppliers, regulators and other stakeholders. The Company has close ongoing relationships with a broad range of its stakeholders and provides them with the opportunity to raise issues and provide feedback to the Company.

To deliver our strategy we require strong, mutually beneficial relationships with suppliers, potential future customers, governments, and joint-venture partners. The senior management team continually assess the priorities related to those with whom we do business. The Board receive updates on a variety of topics that indicate how these stakeholders have been engaged. These updates include information provided by the senior management team on joint-venture partners, with respect to items such as project updates, supplier contract management, business strategies, and investment or divestment proposals. The Co- CEOs provide

a comprehensive update to the Board on material business and external developments, including external engagements, at each main Board meeting.

It is integral to our decision-making that we reflect on our impact on the community and the environment. To help it make decisions, the Board receives information on various topics including, for example, the potential net carbon intensity of our projects.In May 2024, Reabold commissioned GaffneyCline to perform a carbon intensity study for the West Newton field. Please see the ESG section for further details.

As outlined in the ESG section, as at 31 December 2024, Reabold does not have any GHG emissions within our operational control boundary and therefore does not report on GHG emissions.

The Company seeks to be a responsible corporate citizen in all its areas of operation and is committed to maintaining a high standard of corporate governance.A description of how the group considers key stakeholders in its decision-making is included in the section 172 statement on page 19. The Company's ESG statement is on page 16.

**5) Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation**

The Board ensures that procedures are in place and such procedures are being implemented effectively to identify, evaluate and manage the significant risks faced by the Company. Key business challenges and risks, including climate risks, are detailed on pages 13 to 15.

The Executive Directors have regular conference calls with the Company's Nominated Adviser and, when relevant, the Company's corporate communications advisers and legal advisers to discuss - amongst other items - operations, key risks, and other relevant matters. Additionally, the Group also has structured weekly operational and management conference calls with its JV partners to identify and discuss key business challenges and risk areas. The Board believes that this regular programme of internal communications provides an effective opportunity for potential or real-time risks to be identified, considered and - where necessary - addressed in a timely manner. Given the Company's current size, the Board considers that the Executive Management team-with oversight from the Non-Executive Board of Directors and relevant advisers, is sufficient to identify risks applicable to the Company and its operations and to implement an appropriate system of controls. Accepting that no systems of control can provide absolute assurance against material misstatement or loss, the Directors believe that the established systems for internal control within the Group are appropriate to the size and cost structure of the business. An internal audit function is not considered necessary or practical due to the size of the Company and the close day to day control exercised by the Executive Directors. However, the Board will continue to monitor the need for an internal audit function.

The Board is responsible for reviewing and signing off the financial results of the Group. The Audit Committee assists the Board in discharging its duties regarding the financial statements, accounting policies and the maintenance of proper internal financial controls. Forecasts for the current financial year are regularly revised in light of actual performance, to ensure that information is up to date and any risks can be identified and mitigated as soon as possible. The Audit Committee formally assesses the independence of the Company's auditors on an annual basis and there has been a rotation of audit partners after five years to ensure independence is maintained.

**6) Establish and maintain the Board as a well-functioning, balanced team led by the chair**

As at 31 December 2024 and at the date of publication, the Board comprised of Jeremy Edelman as the Non-Executive Chairman, Marcos Mozetic, Michael Felton and Anthony Samaha as Non-Executive Directors and Sachin Oza and Stephen Williams, the Co-Chief Executive Directors. Biographical details of the current Directors are set out on pages 22 and 23 of this Annual Report.

In accordance with the 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.

Ultimate authority for all aspects of the Company's activities rests with the Board with the respective responsibilities of the Chair and the Executive Directors 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 schedule of matters reserved for the Board include:

- Approval of the Group's strategic plan, oversight of the Group's operations and review of performance in the view of the Group's strategy, objectives, business plans and budgets, and ensuring that any necessary corrective action is taken;
- Ultimate oversight of risk, including determining the Group's risk profile and risk appetite;
- Culture and succession planning;
- Investments, acquisitions, divestments and other transactions outside delegated limits;
- Financial reporting and controls, including approval of the half-year interim results, full-year results, approval of the Annual Report and Financial Statements, approval of any significant changes in accounting policies or practices and ensuring maintenance of appropriate internal control and risk management systems;
- Ensuring the Annual Report and Financial Statements present a fair, balanced and understandable assessment of the group's position and prospects;
- Assessment of the Group's ability to continue as a going concern;
- Capital expenditure, including the annual approval of the capital expenditure budgets and any material changes to them in line with the Group-wide policy on capital expenditure;
- Dividend policy, including the annual review of the dividend policy and recommendation and declaration of any dividend;
- Appointment of Directors;
- Shareholder documentation, including approval of resolutions and corresponding documentation to be put to shareholders and approval of all material press releases concerning matters decided by the Board;
- Terms of reference of Board committees and appointment of members to the committees; and
- Key business policies, including approval of remuneration policies.

The Executive Directors are expected to devote substantially the whole of their time to their duties with the Company. Non-Executive Directors have a lesser time commitment which is set out in their letter of appointment. It is anticipated that Non-Executive Directors will spend up to 3 days a month on work for the Company.

The Executive and Non-Executive Directors are subject to re-election at the second annual general meeting of the Company after their last appointment or reappointment, if not before.

The Board retains ultimate accountability for ensuring that the Company has a robust governance framework in place, ensuring that governance is appropriately embedded throughout the business. The Board meets at least six times per annum. The Board has agreed that appointments to the Board are made by the Board as a whole and so has not yet created a Nominations Committee.

The Chair has overall responsibility for the management of the Board which in turn oversees the Company's strategy and operational and financial performance. The role of the Chairman is to provide leadership of the Board and ensure its effectiveness on all aspects of its remit to maintain control of the Company. In addition, the Chairman is responsible for the implementation and practice of sound corporate governance. The Chairman is considered to have adequate separation from the day-to-day running of the Company.

Michael Felton and Marcos Mozetic are considered to be Independent Directors. The Board notes that the QCA recommends a balance between executive and non-executive Directors and recommends that there be at least two independent non-executives. The Board will review further appointments as scale and complexity grows.

The Board has two committees as detailed below.

*Audit Committee*

The Audit Committee consists of Michael Felton as Chairman, Jeremy Edelman and Anthony Samaha. This Committee provides a forum through which the Group's finance functions and auditors, report to the non-executive Directors. Meetings may be attended, by invitation, by the Company's Nominated Adviser, Company Secretary, other directors and the Company's auditors. The principal duties and responsibilities of the Audit Committee include:

- Reviewing the integrity of the financial statements, including annual reports and half-year reports;
- Overseeing the group's financial reporting disclosure process; this includes the choice of appropriate accounting policies;
- Advising the Board whether, in the Committee's view, the Annual Report taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy;
- Monitoring the Group's internal financial controls and assess their adequacy;
- Reviewing key estimates, judgements and assumptions applied by management in preparing published financial statements;
- Annually assessing the auditor's independence and objectivity; and
- Making recommendations in relation to the appointment, re-appointment and removal of the Company's external auditor.

The Board has not published an audit committee report, which the Board considers to be appropriate given the size and stage of development of the Company.

*Remuneration Committee*

Detailed information on the remuneration committee can be found on pages 31 - 33.

The Board will implement a Nomination committee at the appropriate time in line with changes to the structure, size and composition of the Board.

*Attendance at Board and Committee Meetings*

In order to be efficient, the Board meets formally and informally both in person, virtually and by telephone. The Company had twelve Board meetings during the year. Attendance during 2024 for all committee meetings is given in the table below.

| | Board | Audit Committee | Remuneration Committee |
|---|---|---|---|
| Jeremy Edelman | 12/12 | 2/2 | 3/3 |
| Sachin Oza | 12/12 | N/A | N/A |
| Stephen Williams | 12/12 | N/A | N/A |
| Anthony Samaha | 11/12 | 2/2 | N/A |
| Marcos Mozetic | 12/12 | N/A | 3/3 |
| Michael Felton | 11/12 | 2/2 | 3/3 |

**7) Maintain appropriate governance structures and ensure that, individually and collectively, directors have the necessary up-to-date experience, skills and capabilities**

The Company has a single-tier Board of Directors headed by a Chair, with executive management led by the Co-Chief Executive Officers. The Board currently consists of six Directors. The Company believes that the current balance of skills in the Board as a whole, reflects a very broad range of commercial and professional skills across geographies and industry sectors. The complementary skills and experience of our Board are included on pages 22 and 23. If the Company identifies an area where additional skills are required, the Company will often contract an appropriately qualified third party to advise as required.

The role of the Chair is to provide leadership of the Board and ensure its effectiveness on all aspects of its remit to maintain control of the Company. In addition, the Chair is responsible for the implementation and practice of sound corporate governance. The Chair is considered to have adequate separation from the day-to-day running of the Company.

The Co-Chief Executive Officers have overall responsibility for the implementation of the strategy approved by the Board, the operational management of the Company and the business enterprise connected with it. The division of the CEO role reflects the collaborative nature of decision making within Reabold. The Co-CEOs provide complimentary and broad skill sets ranging across technical understanding of the asset base, business development, M&A, financial management, strategy and stakeholder engagement, as well as the day to day running of the business.

The Non-executive Directors bring a wide range and balance of skills and international business experience. Through their contribution to the Board and Board committee meetings, respectively, they are expected to challenge and help develop proposals on strategy and bring independent judgement on issues of performance and risk. The Non-executive Directors discuss, among other matters, the performance of individual Executive Directors.

The Audit Committee assists with the Board's oversight of the integrity of the financial reporting and the independence and performance of the Company's Auditor. The Remuneration Committee meets to consider all material elements of remuneration for Executive Directors and Senior Management, including remuneration policy and share incentive plans.

The Board recognises that it currently has a limited diversity, including a lack of gender balance, and this will form a part of any future recruitment consideration if the Board concludes that replacement or additional directors are required.

The Board shall review annually the appropriateness and opportunity for continuing professional development whether formal or informal. The Company Secretary supports the chairman and executives in addressing the training and development needs of Directors, and their membership of appropriate professional and industry associations. These professional associations have ongoing professional development requirements, which the Company supports. The management team and Directors are in regular dialogue with the Company's Nominated Adviser. The Company's Nominated Adviser provides training and advice on AIM Rules and the UK Takeover Code when required. The Board regularly consults with its legal advisers to ensure compliance with the Companies Act and other relevant legislation.

The Board considers its current governance structures and processes to be in line and appropriate for its current size and complexity, as well as its current capacity, appetite and tolerance for risk. The Board will continue to monitor the appropriateness of its governance structures and processes over time in parallel with the Group's objectives, strategy and business model to reflect the development of the group.

**8) Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement**

Internal evaluation of the Board is undertaken on an annual basis in the form of peer appraisal and discussions to determine the effectiveness and performance in various applicable areas to their role as well as the Directors' continued independence. The Chairman assesses the individual contributions of each member of the Board to ensure that their contribution is relevant and effective; they are committed; and where relevant, they have maintained their independence.

There is a strong flow of communication between the Directors, and in particular between the Co-Chief Executive Officers and the Chair, with consideration being given to the strategic and operational needs of the business. Minutes are drawn up to reflect the true record of the discussions and decisions made.

The Directors have a wide knowledge of the Company's business and understand their duties as directors of a quoted company. The Directors have access to the Company's Nominated Adviser, auditors and solicitors as and when required. The Company's Nominated Adviser provides boardroom training on applicable matters. These advisors are available to provide formal support and advice to the Board from time to time and do so in accordance with good practice.

The Company Secretary, who is also the Chief Financial Officer, helps keep the Board up to date with developments in corporate governance and liaises with the Nominated Adviser on AIM regulations. The Company Secretary has frequent communication with the Chair, Co- Chief Executive Officers and Chairs of the Committees and is available to other members of the Board as required. The Directors are also able, at the Company's expense, to obtain advice from external advisers if required.

The Board is to consider periodically a succession plan. Executive Directors are to have sufficient length of notice periods to ensure the appointment of new personnel and ensure sufficient time to handover responsibilities.

The Executive Directors' performance evaluation is to be undertaken annually and includes an assessment of achievementbased on a scorecard of measures. Please see the Directors' Remuneration Report on page 31. The Remuneration Committee undertakes a review of the remuneration of Executive Directors at least annually and may consult with external consultants to assist in the evaluation and determination of

appropriate compensation and incentivisation schemes to ensure the Company remains competitive in retaining management.

**9) Establish a remuneration policy which is supportive of long-term value creation and the company's purpose, strategy and culture**

The Remuneration Committee meet at least twice a year to discuss the remuneration structure to ensure that it motivates the senior management team and promotes the long-term growth of shareholder value.

Pay structures for the senior management team foster alignment with shareholders through building and holding a meaningful shareholding in the Company.

Full details can be found in the Remuneration Report of pages 31 to 33.

**10) Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders**

The Company communicates with shareholders through the Annual Report and Accounts, the AGM, and one-to-one meetings with significant existing or potential new shareholders. A range of corporate information (including all Company announcements and presentations) is also available to shareholders, investors and the public on the Company's corporate website. The Company announces significant developments via the London Stock Exchange's Regulatory News Service (RNS).

The work of the Audit Committee is outlined in principle 6. The work of the Remuneration Committee can be found in the Directors' Remuneration Report on Page 31.

The Board is committed to maintaining regular communication with its shareholders. Regular constructive dialogue is important to hear the views of shareholders and communicate Reabold's strategy. The Company has close ongoing relationships with its private shareholders. Institutional shareholders and analysts have the opportunity to discuss issues and provide feedback at meetings with the Company. Page 19 of this Annual Report provides a section 172 statement which discusses how the group considers the interests of shareholders and other relevant stakeholders in its decision making.

All shareholders are encouraged to attend the Company's Annual General Meeting and any general meetings held by the Company.

As soon as practicable after the AGM has finished, the results of the meeting are released through a RNS. The announcement also provides details of the total number of votes in favour of each resolution. At the most recent AGM, held on 28 June 2024, all resolutions put to shareholders were passed.

The Company's financial and operational performance is summarised in the Annual Report and the Interim Report, with regular updates provided to stakeholders in other forums through the year, including press releases and regular updates to the Company's website.

Jeremy Edelman
Chair

10 June 2025

**Directors' remuneration report**

**Corporate governance**

**Role of the Remuneration Committee**

The role of the Committee is to determine and recommend to the Board the remuneration of the Chair, Executive Directors and CFO. The Remuneration Committee reviews remuneration policy, share schemes and the incentivisation of the workforce. The Committee assists the Board in discharging its oversight responsibilities relating to the attraction, compensation, evaluation and retention of Executive Directors and senior management. The Committee aims to ensure that the Company has the right skills and expertise needed to enable the Company to achieve its goals and strategies and that fair and competitive compensation is awarded with appropriate performance incentives across the Company.

**Key responsibilities**

- Recommend to the Board the remuneration principles and policies for the Executive Directors and CFO.
- Set and approve the terms of engagement, remuneration, benefits and termination of employment for the Executive Directors and CFO.
- Prepare the remuneration report.
- Approve the principles of any equity plan.
- Ensure termination terms and payments to executive directors and CFO are appropriate.

**Membership**

**Marcos Mozetic**

Member and chair since September 2018

**Jeremy Edelman**

Member

**Michael Felton**

Member

**Meetings and attendance**

The Committee met three times in 2024. All members attended each meeting.

**Key activities in 2024**

- determining 2024 target bonus opportunities;
- setting 2024 annual bonus;
- approving the 2023 Directors' Remuneration Report; and
- formalising the policy for the granting of the deferred annual bonus shares.

**Executive Directors' remuneration for the year ended 31 December 2024**

| | **Sachin Oza Co-CEO 2024** | **Stephen Williams Co-CEO 2024** | Sachin Oza Co-CEO 2023 | Stephen Williams Co-CEO 2023 |
|---|---|---|---|---|
| **Salary** | **248,479** | **248,479** | £242,627 | £242,627 |

| | | | | |
|---|---|---|---|---|
| **Annual bonus[a]** | **£44,530** | **£44,530** | £51,575 | £51,575 |
| **Taxable benefits** | **£960** | **£1,318** | £530 | £633 |
| **Pension** | **£14,909** | **£14,909** | £12,121 | £12,121 |
| **Performance shares[b]** | **Nil** | **Nil** | Nil | Nil |
| **Total remuneration** | **£308,878** | **£309,236** | £306,853 | £306,956 |

[a]The full value of the annual bonus in 2024 and 2023 comprises 50% delivered in cash and 50% delivered in shares. The shares element applicable to the 2024 bonus outcomes will be granted within 2 business days following the publication of this report. The shares are subject to a 3 year holding period which extends beyond an Executive Director's tenure. Malus and clawback provisions apply.

[b]The first performance period under the LTIP scheme will be measured in April 2026. See 2023 LTIP below.

**Overview of outcomes**

**Salary and benefits**

Effective 1 January 2024, Sachin Oza and Stephen Williams received a salary increase of 2.4%. The Executive Directors' increases for 2024 were positioned below inflation and below the average UK increase at the end of 2023. Both the Executive Directors' benefits related to remote working costs.

**Annual Bonus**

The annual bonus is intended to reward the delivery of short-term targets. The REMCO reviews the bonus measures and weightings annually to evolve with Reabold's strategy and circumstances, and to ensure that the targets remainstretching but realistic. For 2024, the annual bonus was based on a scorecard of measures across three categories: risk and controls (10%), current financial health (45%) and future financial prosperity (45%). The overall mathematical outcome of the annual bonus scorecard was 35.85/100. The maximum bonus is 50% of salary.

The 2024 bonus outcome calculation was £248,479 (base salary) x 50% (max target) x 35.85 (2024 scorecard result) = £44,530. The bonus is rounded down to the nearest £10. Half of the bonus is delivered in cash and half is deferred into shares that are subject to a three-year holding period. This deferral is an important way of increasing the Executive Director's personal shareholdings.

**Pension**

During the year, Sachin Oza and Stephen Williams were eligible for employer pension contributions at a rate of 6% of salary.

**2023 LTIP**

**Scheme interests awarded to Executive Director in 2023**

The Committee considered and agreed a programme for the grant of LTIP awards in 2023 ensuring a material portion of Sachin and Stephen's remuneration is tied to longer-term performance under a plan designed to drive strong alignment to the execution of Reabold's strategy. In 2023, the Executive Directors were granted 150,000,000 ordinary shares each (equivalent to £270,000 based on the market price on the date of grant, 27 April 2023, for ordinary shares of 0.18p). The vesting criteria is based on Total Shareholder Return ("TSR") over a three-to-five-year period. For the awards to vest in full, the TSR of a share must be at or more than six times (6x) the market value of a share at the grant date using a 30-trading day average. The first measurement date shall be at the end of year three, the second measurement date at the end of year four and the final measurement date at the end of year five. If TSR is less than 2.5x market value, 0% of the award vests. If TSR is at 2.5x market value, 30% of the award vests and if TSR is at 4x market value, 60% of the award vests. Performance between TSR thresholds shall be calculated on a straight-line basis.

**Chair and non-executive directors' remuneration**

| | Fees (£) |
|---|---|

| | 2024 | 2023 |
|---|---|---|
| Jeremy Edelman (Chair) | **84,000** | 84,000 |
| Michael Felton | **47,000** | 47,000 |
| Macros Mozetic | **47,000** | 47,000 |
| Anthony Samaha | **47,000** | 47,000 |

**Directors' shareholdings**

The REMCO believes that Executive Directors should align their interests with those of shareholders by holding shares in Reabold Resources plc. The interests, in shares of the Company, of the Directors in office during 2024, including any interests of their connected persons, are set out in the table below.

| | Ordinary shares held at January 1 2024 | Ordinary shares held at December 31 2024 | Shares (unvested and subject to performance conditions[a]) |
|---|---|---|---|
| **Executive Directors** | | | |
| Sachin Oza | 75,750,299 | 219,720,298 | 150,000,000 |
| Stephen Williams | 47,304,697 | 87,304,697 | 150,000,000 |
| **Non-executive Directors** | | | |
| Jeremy Edelman [b] | 173,545,454 | 173,545,454 | |
| Michael Felton | 25,240,599 | 58,572,605 | |
| Marcos Mozetic | 4,545,454 | 4,545,454 | |
| Anthony Samaha | 7,818,182 | 7,818,182 | |

[a]Relates to unvested long-term incentive awards which can vest at between 0% and 100% based on performance (see above conditions)

[b]includes 173,545,454 shares held by Saltwind Enterprises Ltd, a company connected with Jeremy Edelman.

At December 31, 2024, the Directors of the Company beneficially owned 5.41% of the Company in aggregate.

**External appointments**

Neither Sachin Oza nor Stephen Williams held any external Non-executive Director positions of publicly listed companies during 2024.

**Executive directors service contracts**

The service contracts of Executive Directors do not have a fixed term. Each Executive Director's service contract contains a 12-month notice period.

| Director | Effective date | Notice period |
|---|---|---|
| Sachin Oza | 19 October 2017 | 12 months |
| Stephen Williams | 19 October 2017 | 12 months |

The Directors' Remuneration Report was approved by the Board and signed on its behalf by Chris Connolly, Company Secretary on 10 June 2025.

**Statement of Directors' responsibilities**

The Directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

UK company law requires the Directors to prepare financial statements for each financial year. Under such law the Directors have elected to prepare financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. Under company law 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 Company and of the profit or loss of the group for that period. The Directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on AIM.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements comply with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

**Independent auditor's report to the members of Reabold Resources Plc**

**Opinion**

We have audited the financial statements of Reabold Resources PLC (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash flows, the Company Statement of Cash Flows and notes to the financial statements, including material accounting policy information.

The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2024 and of the group's loss for the year then ended; and
- have been properly prepared in accordance with UK-adopted international accounting standards and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**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 are 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Material uncertainty related to going concern**

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.

We draw attention to Note 1 of the financial statements, concerning the applicability of the going concern basis of preparation. As at 31 December 2024, the group and parent company had cash of £6.2m and the Directors consider these cash reserves are sufficient to support the group's and parent company's on-going non-project related expenditure for at least 12 months from date of approval of these financial statements.

In Note 1, the Directors explain that further funding needs to be secured within the next 18 months and that, under a severe downside scenario where funding is not raised, the available cash reserves may be exhausted. The Directors are actively pursuing funding options and, whilst discussions are at an early stage, the directors are confident in the group's ability to secure the additional funding necessary to progress its strategy and realise the value of its assets, and therefore the financial statements have been prepared on a going concern basis. However, given that there is no guarantee that funding will be successfully raised, there is a risk that the group will not have sufficient financial resources to fund its short-term project funding requirements and therefore there exists a material uncertainty concerning the ability of the group and parent company to continue as a going concern.

As stated in note 1, these events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the group's and the parent company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Our evaluation of the directors' assessment of the group's and the parent company's ability to continue to adopt the going concern basis of accounting included, but was not limited to:

- Obtaining management's formal going concern assessment;

- Critically assessing and challenging the key assumptions, corroborating to supporting documentation where applicable;
- Evaluating the cash resources available to the group at the balance sheet date in respect of usual annual business costs; and
- Assessing the reliability of management's plans to mitigate any forecasted shortfalls;
- Evaluating the appropriateness of the disclosures included in the financial statements relating to going concern.

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

**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) 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.

| Key Audit Matter | How our scope addressed this matter |
|---|---|
| **Carrying value of exploration & evaluation (E&E) assets (group and parent company risk)**<br><br>The carrying value of exploration & evaluation in the Group accounts is £7,006k (2023: £7,023k). The parent company has a carrying value of £7,005k (2023: £6,766k).<br><br>The group and parent company's accounting policy in respect of this area is set out in the accounting policy notes in the accounts.<br><br>The Group is involved in the extraction of oil and gas. Under IFRS 6, Exploration for and Evaluation of Mineral Resources, management must establish an accounting policy specifying which expenditures are recognised as exploration and evaluation assets and apply it consistently. The risk is associated with the valuation of the assets. | Our procedures included, but were not limited to, the following:<br>• obtaining and challenging management's assessments as to whether there were indicators of impairment;<br>• reviewing the accounting policy in place to ensure that the point at which exploration and evaluation assets are recognised is reasonable and in line with IFRS 6 requirements;<br>• critically assessing a sample of transactions throughout the company, subsidiary and associated companies to ensure additions have been treated in accordance with the accounting policy;<br>• performing a 'stand back' exercise considering any contradictory internal or market available evidence throughout the year and post year end to conclude the possible impact on the impairment assessment;<br>• making enquires of management of the potential impact of socio-economic and climate related factors on determining the carrying values of the assets; and<br>• holding discussions with component auditors and reviewing their work to ensure appropriate and sufficient audit evidence had been obtained around the carrying value of E&E assets in associated undertakings;<br><br>**Our observations**<br>Based on the results of our procedures performed we consider that the value of exploration & evaluation assets is appropriate. We have not identified material misstatements in the disclosure of these assets in the financial statements. |

**Our application of materiality and an overview of the scope of our audit**

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole. Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

**Materiality**

| | |
|---|---|
| Overall materiality | Group: £593,000 (2023: £647,000)<br>Parent company: £500,000 (2023: 550,000) |
| How we determined it | This has been calculated with reference to total assets, of which it represents 1.5% for the group and 1.26% for the parent company. |
| Rationale for benchmark applied | Total assets has been identified as the principal benchmark within the financial statements as it is considered to be the focus of the shareholders due to the investments, namely the subsidiaries and associated entities, being at an early stage of revenue generation. |
| Performance materiality | Performance materiality is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole.<br>We set performance materiality at £475,000 (2023: £517,000) for the group and £375,000 (2023: £440,000) for the parent entity, which represents 80% of overall materiality in both cases. This percentage was applied due to the experience we have in auditing the group and the parent company, our assessment of the group's and the parent company's control environment, and the volume of transactions. |
| Reporting threshold | We agreed with the directors that we would report to them misstatements identified during our audit above £17,800 (2023: £19,500) for the group and £15,000 (2023: £16,500) for the parent entity as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons. This threshold represents 3% of financial materiality. |

For each component in the scope of the Group audit, we allocated a materiality that was less than our overall Group materiality. The range of performance materiality allocated across the components was between £160,000 and £176,000.

As part of designing our audit, we assessed the risk of material misstatement in the financial statements, whether due to fraud or error, and then designed and performed audit procedures responsive to those risks. In particular, we looked at where the directors made subjective judgements, such as assumptions on significant accounting estimates.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of our risk assessment, our understanding of the group and the parent company, their environment, controls, and critical business processes, to consider qualitative factors to ensure that we obtained sufficient coverage across all financial statement line items.

Our group audit scope included a full scope audit of the group and the parent company financial statements of Reabold Resources Plc. Based on our risk assessment, all other entities within the group were considered immaterial components. With respect to the group's associated undertakings:

- Rathlin (UK) Limited was subject to full scope audit which was performed by a component auditor;
- Danube Petroleum Limited was subject to specific scope audit performed by a component auditor; and
- LNEnergy Limited was subject to specific scope audit procedures performed by the group engagement team.

Where component auditors were utilised in our work, group audit instructions were sent to component auditors by the group audit team. Planning and completion meetings were held with the component auditors to have oversight over their audit process, and their audit working papers were reviewed by senior members of the group audit team to assess the sufficiency and appropriateness of their audit procedures for the purposes of the group audit opinion.

At the parent company level, the group audit team also tested the consolidation process and carried out analytical procedures to confirm our conclusion that there were no significant risks of material misstatement

of the aggregated financial information.

**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. The directors are responsible for the other information. 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 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.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Directors**

As explained more fully in the directors' responsibilities statement set out on page 34, 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 and the parent company'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 the parent company 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the group and the parent company and their industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment laws, health and safety regulations, oil and gas laws and regulations, the Bribery Act 2010 and GDPR regulations.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the group and the parent company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the group and the parent company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation and the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to  relation to the carrying value of exploration and evaluation assets, and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud;
- Addressing the risks of fraud through management override of controls by performing journal entry testing;

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities, including fraud, rests with both those charged with governance and management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

The risks of material misstatement that had the greatest effect on our audit are discussed in the "Key audit matters" section of this report.

Afurther description of our responsibilities is available on the Financial Reporting Council's website atwww.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

**Use of the audit report**

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Thomas Cooke (Senior Statutory Auditor) for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
The Pinnacle
160 Midsummer Boulevard

Milton Keynes
MK9 1FF

10 June 2025

Consolidated Statement of Income
for the year ended December 31, 2024

| | Note | 2024 £000 | 2023 £000 |
|---|---|---|---|
| **Continuing operations** | | | |
| Net (loss) in financial assets measured at fair value through profit or loss | 15 | - | (2,661) |
| Other income | | 42 | 88 |
| Share of losses of associates | 14 | (1,013) | (611) |
| Exploration expense | 4 | (348) | (1,596) |
| Administration expenses | | (1,980) | (2,185) |
| Non-underlying items | 25 | (98) | (190) |
| Share based payments expense | 22 | (153) | (57) |
| Foreign exchange losses | | (1) | - |
| **Operating loss** | | **(3,551)** | **(7,212)** |
| Finance costs | 5 | (18) | (15) |
| Finance income | | 169 | 33 |
| **(Loss) before tax for the year** | | **(3,400)** | **(7,194)** |
| Taxation | 9 | **-** | - |
| **(Loss) for the year** | | **(3,400)** | (7,194) |
| **Attributable to:** | | | |
| Reabold shareholders | | **(3,400)** | **(7,194)** |
| **Earnings per share** | | | |
| (Loss) for the year attributable to Reabold shareholders | | | |
| Per ordinary share (pence) | | | |
| Basic | 10 | (0.03) | (0.08) |
| Diluted | 10 | (0.03) | (0.08) |

Consolidated Statement of Comprehensive Income

for the year ended December 31, 2024

| | Note | 2024 £000 | 2023 £000 |
|---|---|---|---|
| Loss for the year | | (3,400) | (7,194) |
| **Other comprehensive income** | | | |
| **Items that may be reclassified subsequently to profit or loss** | | | |
| Currency translation differences | | **-** | **-** |
| Share of items relating to equity-accounted entities | 14 | 17 | - |
| Other comprehensive income | | **17** | **-** |
| **Total comprehensive income** | | **(3,383)** | **(7,194)** |
| Attributable to | | | |
| Reabold Shareholders | | **(3,383)** | **(7,194)** |

Consolidated Balance Sheet

as at December 31, 2024

| | | Group | | Company | |
|---|---|---|---|---|---|
| | Note | Dec 31, 2024 | Dec 31, 2023 | Dec 31, 2024 | Dec 31, 2023 |
| **Registered Number: 3542727** | | £000 | £000 | £000 | £000 |
| **Non-current assets** | | | | | |
| Exploration & evaluation assets | 11 | 7,006 | 7,023 | 7,005 | 6,766 |
| Right-of-use assets | 12 | 46 | - | 46 | - |
| Investments in associates | 14 | 26,088 | 26,083 | 26,088 | 26,083 |
| Investments in subsidiaries | 13 | - | - | 13 | 13 |
| Other investments | 15 | 28 | 27 | 15 | 15 |
| Restricted cash | 17 | 53 | 25 | 53 | 25 |
| Trade and other receivables | 16 | 7 | - | 7 | - |
| | | **33,228** | **33,158** | **33,227** | **32,902** |
| **Current assets** | | | | | |
| Prepayments | | 43 | 95 | 43 | 81 |
| Trade and other receivables | 16 | 65 | 126 | 66 | 393 |
| Other investments | 15 | - | 4,365 | - | 4,365 |
| Cash and cash equivalents | 17 | 6,248 | 5,413 | 6,248 | 5,413 |
| | | **6,356** | **9,999** | **6,357** | **10,252** |

| | | | | | |
|---|---|---|---|---|---|
| **Total assets** | | **39,584** | **43,157** | **39,584** | **43,154** |
| **Current liabilities** | | | | | |
| Lease liabilities | 12 | 40 | - | 40 | - |
| Trade and other payables | 18 | 127 | 330 | 127 | 326 |
| Accruals | | 161 | 271 | 161 | 271 |
| | | **328** | **601** | **328** | **597** |
| **Non-Current liabilities** | | | | | |
| Lease liabilities | 12 | 7 | - | 7 | - |
| Provision for decommissioning | 19 | 380 | 382 | 380 | 382 |
| | | **387** | **382** | **387** | **382** |
| **Total liabilities** | | **715** | **983** | **715** | **979** |
| **Net assets** | | **38,869** | **42,174** | **38,869** | **42,175** |
| **EQUITY** | | | | | |
| Share capital | 21 | 10,589 | 10,589 | 10,589 | 10,589 |
| Share premium account | | 1,103 | 1,103 | 1,103 | 1,103 |
| Capital redemption reserve | | 200 | 200 | 200 | 200 |
| Treasury shares | | (338) | (263) | (338) | (263) |
| Share based payment reserve | 22 | 2,130 | 1,977 | 2,130 | 1,977 |
| Retained earnings | | 25,185 | 28,568 | 25,185 | 28,569 |
| **Total Equity** | | **38,869** | **42,174** | **38,869** | **42,175** |

The loss for the Company was £3.4 million for the year ended 31 December 2024 (2023: loss of £7.3 million). In accordance with the exemption granted under section 408 of the Companies Act 2006, a separate income statement for the Company has not been presented.

Approved by the Board on 10 June 2025

Sachin Oza
Co-Chief Executive Officer

Stephen Williams
Co-Chief Executive Officer

Consolidated Statement of changes in equity
for the year ended December 31, 2024

| **Group** | Note | Share capital £'000 | Share premium account £'000 | Capital redemption reserve £'000 | Treasury Shares £'000 | Share based payments reserve £'000 | Retained earnings £'000 | Total £'000 |
|---|---|---|---|---|---|---|---|---|
| **At January 1, 2023** | | **9,044** | **29,033** | **200** | **-** | **1,920** | **6,263** | **46,460** |
| Loss for the year | | - | - | - | - | - | (7,194) | (7,194) |
| Other comprehensive income | | - | - | - | - | - | - | - |
| **Total comprehensive income** | | **-** | **-** | **-** | **-** | **-** | **(7,194)** | **(7,194)** |
| Issue of ordinary share capital | 21 | 1,545 | 1,524 | - | - | - | - | 3,069 |
| Repurchase of ordinary share capital | 21 | - | - | - | (263) | - | - | (263) |
| Reduction of share premium account | | - | (29,454) | - | - | - | 29,454 | - |
| Share-based payments | 22 | - | - | - | - | 57 | - | 57 |
| Share of equity-accounted entities' changes in equity | | - | - | - | - | - | 45 | 45 |
| **At December 31, 2023** | | **10,589** | **1,103** | **200** | **(263)** | **1,977** | **28,568** | **42,174** |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Loss for the year | | - | - | - | - | - | (3,400) | (3,400) |
| Other comprehensive income | | **-** | **-** | **-** | **-** | **-** | **17** | **17** |
| **Total comprehensive income** | | **-** | **-** | **-** | **-** | **-** | **(3,383)** | **(3,383)** |
| Repurchase of ordinary share capital | 21 | - | - | - | (75) | - | - | (75) |
| Share-based payments | 22 | - | - | - | - | 153 | - | 153 |
| Share of equity-accounted entities' changes in equity | | - | - | - | - | - | - | - |
| **At December 31, 2024** | | **10,589** | **1,103** | **200** | **(338)** | **2,130** | **25,185** | **38,869** |

| **Company** | **Note** | Share capital £'000 | Share premium account £'000 | Capital redemption reserve £'000 | Treasury Shares £'000 | Share based payments reserve £'000 | Retained earnings £'000 | Total £'000 |
|---|---|---|---|---|---|---|---|---|
| **At January 1, 2023** | | **9,044** | **29,033** | **200** | **-** | **1,920** | **6,344** | **46,541** |
| Loss for the year | | - | - | - | - | - | (7,274) | (7,274) |
| **Total comprehensive income** | | **-** | **-** | **-** | **-** | **-** | **(7,274)** | **(7,274)** |
| Issue of ordinary share capital | 21 | 1,545 | 1,524 | - | - | | - | 3,069 |
| Repurchase of ordinary share capital | 21 | - | - | - | (263) | - | - | (263) |
| Reduction of share premium account | | - | (29,454) | - | - | - | 29,454 | - |
| Share-based payments | 22 | - | - | - | - | 57 | - | 57 |
| Share of equity-accounted entities' changes in equity | | - | - | - | - | - | 45 | 45 |
| **At December 31, 2023** | | **10,589** | **1,103** | **200** | **(263)** | **1,977** | **28,569** | **42,175** |
| Loss for the year | | - | - | - | | | (3,401) | (3,401) |
| Other comprehensive income | | | | | | | 17 | 17 |
| **Total comprehensive income** | | **-** | **-** | **-** | **-** | **-** | **(3,384)** | **(3,384)** |
| Repurchase of ordinary share capital | 21 | **-** | **-** | **-** | **(75)** | | | **(75)** |
| Share-based payments | 22 | **-** | **-** | **-** | **-** | **153** | | **153** |
| Share of equity-accounted entities' changes in equity | | **-** | **-** | **-** | **-** | | **-** | **-** |
| **At December 31, 2024** | | **10,589** | **1,103** | **200** | **(338)** | **2,130** | **25,185** | **38,869** |

**Share Capital**

The balance on the share capital account represents the aggregate nominal value of all ordinary and preference shares in issue.

**Share premium account**

The balance on the share premium account represents the amounts received in excess of the nominal value of the ordinary and preference shares.

**Capital redemption reserve**

The balance on the capital redemption reserve represents the aggregate nominal value of all the ordinary shares repurchased and cancelled.

**Treasury shares**

Treasury shares represent Reabold shares repurchased and available for specific and limited purposes.

**Share based payments reserve**

The share-based payments reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 22 for further details of these plans.

**Retained earnings**

The balance held on this reserve is the accumulated retained profits and losses of the Group/Company

Consolidated Statement of Cash Flows

for the year ended December 31, 2024

| | | Group | | Company | |
|---|---|---|---|---|---|
| | | **2024** | 2023 | **2024** | 2023 |
| | Note | **£000** | £000 | **£000** | £000 |
| **Operating activities** | | | | | |
| (Loss) for the period | | (3,400) | (7,194) | (3,401) | (7,274) |
| Adjustments to reconcile loss for the period to net cash used in operating activities | | | | | |
| Depreciation | 12 | 33 | - | 33 | - |
| Exploration expenditure written off | 4 | 293 | 1,400 | - | - |
| Impairment of investments | 13 | - | - | - | 4,665 |
| Impairment of receivables | 16 | - | - | 339 | 391 |
| Net loss (gain) on financial assets at fair value through profit or loss | 15 | - | 2,661 | - | (796) |
| Share of losses from associates | 14 | 1,013 | 611 | 1,013 | 611 |
| Net finance (income) costs | | (151) | (18) | (150) | (18) |
| Share-based payments expense | 22 | 153 | 57 | 153 | 57 |
| Unrealised currency translation (gains) | | - | 4 | - | 4 |
| **Net cash used in operating activities before working capital movements** | | **(2,059)** | **(2,479)** | **(2,013)** | **(2,360)** |
| Decrease (increase) in other current assets | | 105 | 32 | 70 | 36 |
| (Decrease)/Increase in other current liabilities | | (312) | 290 | (309) | 288 |
| **Net cash used in operating activities** | | **(2,266)** | **(2,157)** | **(2,252)** | **(2,036)** |
| **Investing activities** | | | | | |
| Expenditure on exploration & evaluation assets | 11 | (293) | (398) | (257) | (315) |
| Acquisitions | 2 | - | (2,468) | - | (2,467) |
| Investments in associates | 14 | (991) | - | (991) | |
| **Total cash capital expenditure** | | **(1,284)** | **(2,866)** | **(1,248)** | **(2,782)** |
| Proceeds from disposal of associates | 15 | 4,365 | 5,159 | 4,365 | 5,159 |
| Interest received | | 158 | 33 | 158 | 33 |
| Movements in restricted cash | | (28) | - | (28) | - |
| Loans to subsidiaries | | - | - | (50) | (205) |
| **Net cash generated by investment activities** | | **3,211** | **2,326** | **3,197** | **2,205** |
| **Financing activities** | | | | | |
| Repurchase of shares | 21 | (75) | (263) | (75) | (263) |
| Lease liability payments | 12 | (35) | - | (35) | - |
| **Net cash used in financing activities** | | **(110)** | **(263)** | **(110)** | **(263)** |
| Currency translation differences relating to cash and cash equivalents | | **-** | (4) | - | (4) |
| **Increase (decrease) in cash and cash equivalents** | | **835** | **(98)** | **835** | **(98)** |
| Cash and cash equivalents at the beginning of the period | 17 | 5,413 | 5,511 | 5,413 | 5,511 |
| **Cash and cash equivalents at the end of the period** | 17 | **6,248** | **5,413** | **6,248** | **5,413** |

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Significant accounting policies, judgements, estimates and assumptions

**Authorisation of financial statements and statement of compliance with International Financial Reporting Standards**

The consolidated financial statements of Reabold Resources PLC and its subsidiaries (collectively referred to as Reabold or the Group) for the year ended 31 December 2024 were approved and signed by the Co-Chief Executive Officers on 10 June 2025 having been duly authorised to do so by the Board of Directors. Reabold is a public limited company incorporated and domiciled in England and Wales with its registered office at 20 Primrose Street, London, EC2A 2EW. The principal activity of the Company and the Group is to invest in pre-cash flow upstream oil and gas projects to create value and generate returns. The Company's ordinary shares are traded on AIM. The Group's and Company's financial statements have been prepared in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006. The significant accounting policies and accounting judgements, estimates and assumptions of the Group are set out below.

**Basis of preparation**

The financial statements for the Group and Company have been prepared on a going concern basis and in accordance with IFRS and IFRS Interpretations Committee (IFRIC) interpretations issued and effective for the year ended 31 December 2024. The accounting policies that follow have been consistently applied to all years presented, except where otherwise indicated. The consolidated financial statements have been prepared on a historical cost basis, except for the fair value remeasurement of certain financial instruments as set out in the accounting policies and are presented in £ sterling and all values are rounded to the nearest thousand pounds (£000), except where otherwise indicated.

**Going concern**

The Directors consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements. Cash and cash equivalents increased by £0.8 million in 2024 to £6.2 million. The Group regularly monitors its cash, funding and liquidity position. Near term cash projections are revised and underlying assumptions reviewed. Longer-term projections are also updated regularly. Reabold has no borrowings, and its capital commitments can be funded from existing cash resources. In assessing the appropriateness of the going concern assumption, management have stress-tested Reabold's most recent financial projections to incorporate a range of potential future outcomes by considering Reabold's principal risks and cash preservation measures, including reduced future capital expenditure. This assessment confirmed that Reabold has adequate cash to enable it to meet its obligations as they fall due in order to continue its operations for at least 12 months from the date of approval of the financial statements, even if the Group does not monetise any assets and no further funding is obtained.

Beyond the going concern period of assessment, the Group may exhaust its available cash resources within 18 months if additional funding is not secured. Funding could take the form of farmouts, asset sales or external funding at the subsidiary level. Under an extreme downside scenario - including the failure to secure funding, along with the additional costs incurred in connection with fundraising activities, the Group may exhaust its cash resources within 14 months of the signing of these financial statements. While this scenario is considered remote and not part of the base case forecast, it represents a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern beyond the 12-month period of assessment. As a result, while the directors continue to adopt the going concern basis in preparing the financial statements, they acknowledge there is no guarantee that the Group will raise the necessary funding required to realise its assets and discharge its liabilities in the normal course of business and therefore there exists a material uncertainty concerning the ability of the Group to continue as a going concern. The directors are actively pursuing funding options and, whilst discussions are at an early stage, the directors are confident in the Group's ability to secure the additional funding necessary to progress its strategy and realise the value of its assets. Therefore, the

Directors consider it appropriate to continue to adopt the going concern basis of accounting in preparing the audited Consolidated Financial Statements.

**Significant accounting policies: use of judgements, estimates and assumptions**

Inherent in the application of many of the accounting policies used in preparing the consolidated financial statements is the need for Reabold management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual outcomes could differ from the estimates and assumptions used. The accounting judgements and estimates that have a significant impact on the results of the Group are set out below, and include, where relevant, references to the potential impact of climate change and the transition to a lower carbon economy, and should be read in conjunction with the information provided in the Notes on financial statements.

**Sources of estimation uncertainty**

**Decommissioning provision**

Amounts used in recording a provision for decommissioning are estimates based on current legal and constructive requirements and current technology and price levels for the removal of facilities and plugging and abandoning of wells. Due to changes in relation to these items, the future actual cash outflows in relation to decommissioning are likely to differ in practice. To reflect the effects due to changes in legislation, requirements and technology and price levels, the carrying amounts of decommissioning provisions are reviewed on a regular basis. The discount rate applied to reflect the time value of money in the carrying amount of provisions requires estimation. The discount rate used in the calculation of provisions is the pre-tax rate that reflects current market assessments of the time value of money. Generally, the market assessments of the time value of money can be reflected in the risk-free rate. Reabold considers it appropriate to use UK gilt yield returns as the basis for the risk-free rate. The discount rate applied is reviewed regularly and adjusted following changes in market rates. The effects of changes in estimates do not give rise to prior year adjustments and are dealt with prospectively. While the group uses its best estimates and judgement, actual results could differ from these estimates (see note 19 for further information).

The energy transition may result in decommissioning occurring earlier than expected thereby increasing the present value of associated decommissioning provisions. The risk on the timing of decommissioning activities is limited supported by the production plans at West Newton. West Newton is expected to start decommissioning within the next 2 decades. Currently the expected timing of decommissioning expenditure for West Newton has not been brought forward.

**Use of judgements**

**Assessment as not an investment entity**

Entities that meet the definition of an investment entity within IFRS 10 are required to measure their subsidiaries at FVPL rather than consolidate them. The criteria which define an investment entity are, as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment management services
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis

Reabold holds direct interests in several exploration and appraisal assets. How these assets will be monetised is not determined at the outset, and could take several forms e.g a sale, an IPO, a farmout or taking the assets through to production. Reabold does not commit to its investors that its business purpose is to invest funds solely for returns from capital appreciation or investment income.

The Board has concluded that the business does not meet the definition of an investment entity. These conclusions will be reassessed on a continuous basis, if any of these criteria or characteristics change.

**Investments in Daybreak, Rathlin and Danube**

Judgement is required in assessing the level of control or influence over another entity in which the Group holds an interest. For Reabold, the judgements that the Group does not have significant influence over Daybreak, and continues to have significant influence over Rathlin and Danube are significant.

Significant influence is defined in IFRS as the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies. Significant influence is presumed when an entity owns 20% or more of the voting power of the investee. Significant influence is presumed not to be present when an entity owns less than 20% of the voting power of the investee. IFRS identifies several indicators that may provide evidence of significant influence, including representation on the board of directors of the investee and participation in policy-making processes.

*Daybreak*

Following Reabold's announcement on 26 May 2022 regarding the completion of the equity exchange agreement with Daybreak, Reabold assessed whether it has significant influence over Daybreak. Judgement is required in assessing the level of control or influence over another entity in which the Group holds an interest. For Reabold, the judgement that the Group does not have significant influence over Daybreak even though it holds 42% of the voting rights is significant.

Reabold does not have any directors on the Board of Daybreak, nor can it appoint any directors and it does not actively participate in the financial and operating policy decisions of Daybreak. All significant decisions are taken by the executive management team of Daybreak, which does not include any director, employee or contractor of Reabold. Reabold does not exchange technical information with Daybreak nor is there any interchange of managerial personnel. Reabold is a passive investor and does not have the ability to exercise significant influence over the operating and financial policies of Daybreak. Reabold's management considers, therefore, that the Group does not have significant influence over Daybreak, as defined by IFRS. As a consequence of this judgement, Reabold accounts for its interest in Daybreak as a financial asset measured at fair value within 'Other investments'. See Note 15 for further information.

*Rathlin*

Whilst Reabold holds an equity stake in Rathlin of 59.5%, it is considered to only have significant influence and not control over Rathlin. Pursuant to the existing Rathlin Shareholders' Agreement, Reabold has the right to appoint only one director to the Board of Rathlin, which comprises five directors. Reabold's 59.5% interest in Rathlin is as a result of Rathlin's funding requirements and Reabold's desire to increase its economic interest in the West Newton Project, rather than an objective by Reabold to seek control over Rathlin. As a consequence of this judgement, Reabold does not consolidate Rathlin as a subsidiary, but instead treats Rathlin as an associate and incorporates the results, assets and liabilities of Rathlin in the consolidated financial statements using the equity method of accounting. On 30 January 2025, Reabold increased its investment in Rathlin to 79.8% and will account for its investment in Rathlin as a subsidiary from this date going forward.

*Danube*

Reabold holds an equity stake in Danube of 50.8%, it is considered to only have significant influence and not control over Danube. Pursuant to the existing Danube Shareholders' Agreement, Reabold has the right to appoint only one director to the Board of Danube, which comprises three directors. Reabold's 50.8% interest in Danube is as a result of Danube's funding requirements and Reabold's desire to increase its economic interest in Danube's projects in Romania, rather than an objective by Reabold to seek control over Danube. As a consequence of this judgement, Reabold does not consolidate Danube as a subsidiary, but instead treats Danube as an associate and incorporates the results, assets and liabilities of Danube in the consolidated financial statements using the equity method of accounting.

**Exploration and appraisal intangible assets**

Judgement is required to determine whether it is appropriate to continue to carry costs associated with exploration wells on the balance sheet. This includes costs relating to exploration licences. It is not unusual to have such costs remaining suspended on the balance sheet for several years while additional appraisal drilling and seismic work on the potential oil and natural gas field is performed or while the optimum development plans and timing are established. The costs are carried based on the current regulatory and political environment or any known changes to that environment. All such carried costs are subject to regular technical, commercial and management review on at least an annual basis to confirm

the continued intent to develop, or otherwise extract value from, the discovery. Where this is no longer the case, the costs are immediately expensed.

The energy transition may affect the future development or viability of exploration prospects. The recoverability of the Group's exploration and evaluation assets was considered during 2024. No write offs relating to the energy transition were identified. These assets will continue to be assessed as the energy transition progresses.

The carrying amount of capitalised costs are included in note 11.

**Basis of consolidation**

The consolidated group financial statements consolidate the financial statements of Reabold Resources PLC and its subsidiaries drawn up to 31 December each year. Subsidiaries are consolidated from the date of their acquisition, being the date on which the Group obtains control, including when control is obtained via potential voting rights, and continue to be consolidated until the date that control ceases.

The financial statements of subsidiaries are prepared for the same reporting year as the Parent Company, using consistent accounting policies. Intragroup balances and transactions have been eliminated.

If the group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, other components of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

**Interests in other entities**

***Business combinations and goodwill***

Business combinations are accounted for using the acquisition method. The identifiable assets acquired and liabilities assumed are recognised at their fair values at the acquisition date.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred, the amount recognised for any non-controlling interest and the acquisition-date fair values of any previously held interest in the acquiree over the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date. The amount recognised for any non-controlling interest is measured at the present ownership's proportionate share in the recognised amounts of the acquiree's identifiable net assets. At the acquisition date, any goodwill acquired is allocated to each of the cash generating units, or groups of cash-generating units, expected to benefit from the combination's synergies. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Goodwill may arise upon investments in joint ventures and associates, being the surplus of the cost of investment over the group's share of the net fair value of the identifiable assets and liabilities. Any such goodwill is recorded within the corresponding investment in joint ventures and associates.

Goodwill may also arise upon acquisition of interests in joint operations that meet the definition of a business. The amount of goodwill separately recognised is the excess of the consideration transferred over the group's share of the net fair value of the identifiable assets and liabilities.

***Acquisitions, Asset Purchases and Disposals***

Acquisitions of oil and gas properties are accounted for under the acquisition method when the assets acquired and liabilities assumed constitute a business.

Transactions involving the purchase of an individual field interest, or a group of field interests, that do not constitute a business, are treated as asset purchases. Accordingly, no goodwill and no deferred tax gross up arises, and the consideration is allocated to the assets and liabilities purchased on an appropriate basis. Proceeds from the entire disposal of a development and production asset, or any part thereof, are taken to the income statement together with the requisite proportional net book value of the asset, or part thereof, being sold.

***Interests in joint arrangements***

Certain of the Group's activities are conducted through joint operations. Reabold recognises, on a line-by-line basis in the consolidated financial statements, its share of the assets, liabilities and expenses of these joint operations incurred jointly with the other partners, along with the Group's income from the sale of its share of the output and any liabilities and expenses that the Group has incurred in relation to the joint operation.

Full details of Reabold's working interests in those petroleum and natural gas exploration and production activities classified as joint operations are included in the Review of Operations.

***Interests in associates***

Investments in entities over which Reabold has significant influence but neither control nor joint control are classified as associates. The results, assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting as described below.

**The equity method of accounting**

Under the equity method, an investment is carried on the balance sheet at cost plus post-acquisition changes in the Reabold share of net assets of the entity, less distributions received and less any impairment in value of the investment. Loans advanced to equity-accounted entities that have the characteristics of equity financing are also included in the investment on the Reabold balance sheet. The income statement reflects the Reabold share of the results after tax of the equity-accounted entity. The Reabold share of amounts recognised directly in equity by an equity-accounted entity is recognised in the Reabold statement of changes in equity. Financial statements of equity-accounted entities are prepared for the same reporting year as Reabold.

Reabold assesses investments in equity-accounted entities for impairment whenever there is objective evidence that the investment is impaired. If any such objective evidence of impairment exists, the carrying amount of the investment is compared with its recoverable amount, being the higher of its fair value less costs of disposal and value in use. If the carrying amount exceeds the recoverable amount, the investment is written down to its recoverable amount.

**Segmental reporting**

The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the Co-Chief Executive Officers, Reabold's chief decision makers, in deciding how to allocate resources and in assessing performance. The accounting policies of the operating segments are the same as the Group's accounting policies described in this note.

**Foreign currency translation**

In individual subsidiaries and associates, transactions in foreign currencies are initially recorded in the functional currency of those entities at the spot exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the spot exchange rate on the balance sheet date. Any resulting exchange differences are included in the income statement. Non-monetary items, other than those measured at fair value, are not retranslated subsequent to initial recognition.

In the consolidated financial statements, the assets and liabilities of non-£ sterling functional currency subsidiaries and related goodwill, are translated into £ sterling at the spot exchange rate on the balance sheet date. The results and cash flows of non-£ sterling functional currency subsidiaries are translated into £ sterling using average rates of exchange. In the consolidated financial statements, exchange adjustments arising when the opening net assets and the profits for the year retained by non-£ sterling functional currency subsidiaries and associates are translated into £ sterling are recognised in a separate component of equity and reported in other comprehensive income. On disposal of a non-£ sterling functional currency subsidiary or associate, the related accumulated exchange gains and losses recognised in equity are reclassified from equity to the income statement.

**Intangible assets - Oil and gas exploration and evaluation expenditure**

Oil and gas exploration and evaluation expenditure is accounted for using the successful efforts method of accounting as described below.

*Pre-licence costs*

Pre-licence costs are expensed in the period in which they are incurred.

*Licence and property acquisition costs*

Exploration licence and acquisition costs are capitalised in intangible assets. Licence costs paid in connection with a right to explore in an existing exploration area are capitalised and are reviewed at each reporting date to confirm that there is no indication that the carrying amount exceeds the recoverable amount. This review includes confirming that exploration drilling is still under way or firmly planned, or that it has been determined, or work is under way to determine that the discovery is economically viable based on a range of technical and commercial considerations and that sufficient progress is being made on establishing development plans and timing. If no future activity is planned or the licence has been relinquished or has expired, the carrying value of the licence and property acquisition costs are written off. Upon recognition of proved reserves and internal approval for development, the relevant expenditure is transferred to oil and gas properties.

*Exploration and evaluation costs*

Exploration and evaluation activity involves the search for hydrocarbon resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource. Once the legal right to explore has been acquired, costs directly associated with an exploration well are capitalised as exploration and evaluation intangible assets until the drilling of the well is complete and the results have been evaluated. These costs include directly attributable employee remuneration, materials and fuel used, rig costs and payments made to contractors. Geological and geophysical costs are recognised in the statement of profit or loss and other comprehensive income, as incurred. If no potentially commercial hydrocarbons are discovered, the exploration asset is expensed.

If extractable hydrocarbons are found and, subject to further appraisal activity (e.g., the drilling of additional wells), it is probable that they can be commercially developed, the costs continue to be carried as an intangible asset while sufficient/continued progress is made in assessing the commerciality of the hydrocarbons. Costs directly associated with appraisal activity undertaken to determine the size, characteristics and commercial potential of a reservoir following the initial discovery of hydrocarbons, including the costs of appraisal wells where hydrocarbons were not found, are initially capitalised as an intangible asset. All such capitalised costs are subject to technical, commercial and management review, as well as review for indicators of impairment at least once a year. This is to confirm the continued intent to develop or otherwise extract value from the discovery. When this is no longer the case, the costs are expensed.

When proved reserves of oil and gas are identified and development is sanctioned by management, the relevant capitalised expenditure is first assessed for impairment and (if required) any impairment loss is recognised, then the remaining balance is transferred to oil and gas properties.

**Property, plant and equipment - Oil and gas assets**

*Capitalisation*

Oil and gas properties are stated at cost, less any accumulated depreciation and accumulated impairment losses. Oil and gas properties are generally accumulated into single field cost centres and represent the cost of developing the commercial reserves and bringing them into production together with the E&E expenditures incurred in finding commercial reserves previously transferred from E&E assets as outlined in the policy above.

*Depreciation*

The net book values of producing assets are depreciated generally on a field-by-field basis using the unit-of-production method by reference to the ratio of production in the year and the related commercial reserves of the field, taking into account the future development expenditure necessary to bring those reserves into production.

**Impairment of property, plant and equipment and intangible assets (oil and gas exploration and evaluation expenditure)**

The Group assesses assets or groups of assets, called cash-generating units (CGUs), for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or CGU may not be recoverable; for example, changes in the Group's business plans to dispose rather than retain assets, changes in the Group's assumptions about commodity prices, evidence of physical damage or, for oil and gas assets, significant downward revisions of estimated reserves or increases in estimated future development expenditure or decommissioning costs. If any such indication of impairment exists, the Group makes an estimate of the asset's or CGU's recoverable amount. Individual assets are grouped into CGUs for impairment assessment purposes at the lowest level at which there are identifiable cash inflows that are largely independent of the cash inflows of other groups of assets. A CGU's recoverable amount is the higher of its fair value less costs of disposal and its value in use. If it is probable that the value of the CGU will be primarily recovered through a disposal transaction, the expected disposal proceeds are considered in determining the recoverable amount. Where the carrying amount of a CGU exceeds its recoverable amount, the CGU is considered impaired and is written down to its recoverable amount.

**Leases**

A contract, or part of a contract, that conveys the right to control the use of an identified asset for a period of time in exchange for payments to be made to the owners (lessors) is accounted for as a lease. Contracts are assessed to determine whether a contract is, or contains, a lease at the inception of a contract or when the terms and conditions of a contract are significantly changed. The lease term is the non-cancellable period of a lease, together with contractual options to extend or to terminate the lease early, where it is reasonably certain that an extension option will be exercised or a termination option will not be exercised.

At the commencement of a lease contract, a lease liability and a corresponding right-of-use asset are recognised, unless the lease term is 12 months or less. The commencement date of a lease is the date on which the underlying asset is made available for use. The lease liability is measured at an amount equal to the present value of the lease payments during the lease term that are not paid at that date. The lease liability includes contingent rentals and variable lease payments that depend on an index, rate, or where they are fixed payments in substance. The lease liability is remeasured when the contractual cash flows of variable lease payments change due to a change in an index or rate when the lease term changes following a reassessment.

Lease payments are discounted using the interest rate implicit in the lease. If that rate is not readily available, the incremental borrowing rate is applied. The incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment.

In general, a corresponding right-of-use asset is recognised for an amount equal to each lease liability, adjusted by the amount of any pre-paid lease payment relating to the specific lease contract. The depreciation on right-of-use assets is recognised in the Consolidated Statement of Income.

*Impairment of the right-of-use asset*

Right-of-use assets are subject to existing impairment requirements as set out in "Property, plant and equipment", above.

**Investments**

In its separate financial statements the Company recognises its investments in subsidiaries at cost less any provision for impairment.

**Financial assets**

Financial assets are recognised initially at fair value, normally being the transaction price. In the case of financial assets not measured at fair value through profit or loss, directly attributable transaction costs are also included. The subsequent measurement of financial assets depends on their classification, as set out below. The Group derecognises financial assets when the contractual rights to the cash flows expire or the rights to receive cash flows have been transferred to a third party and either substantially all of the risks and rewards of the asset have been transferred, or substantially all the risks and rewards of the asset have neither been retained nor transferred but control of the asset has been transferred. The Group classifies its financial assets as measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss. The classification depends on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

*Financial assets measured at amortised cost*

Financial assets are classified as measured at amortised cost when they are held in a business model the objective of which is to collect contractual cash flows and the contractual cash flows represent solely payments of principal and interest. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired. This category of financial assets includes trade and other receivables.

*Financial assets measured at fair value through other comprehensive income*

Financial assets are classified as measured at fair value through other comprehensive income when they are held in a business model the objective of which is both to collect contractual cash flows and sell the financial assets, and the contractual cash flows represent solely payments of principal and interest. The Group does not measure any financial assets at fair value through other comprehensive income.

*Financial assets measured at fair value through profit or loss*

Financial assets are classified as measured at fair value through profit or loss when the asset does not meet the criteria to be measured at amortised cost or fair value through other comprehensive income. Such assets are carried on the balance sheet at fair value with gains or losses recognised in the income statement.

*Investments in equity instruments*

Investments in equity instruments are subsequently measured at fair value through profit or loss.

*Cash and cash equivalents*

Cash and cash equivalents include cash at bank and short-term bank deposits that generally have a maturity of three months or less at the date of purchase.

**Equity instruments**

Equity instruments issued by the Company are recorded in equity at the proceeds received, net of direct issue costs.

**Financial liabilities**

Financial liabilities are recognised when the Group becomes party to the contractual provisions of the instrument. The Group derecognises financial liabilities when the obligation specified in the contract is discharged, cancelled or expired. The measurement of financial liabilities depends on their classification. The Group's financial liabilities include trade and other payables and accruals which are measured at amortised cost.

*Financial liabilities measured at amortised cost*

The Group's financial liabilities are initially recognised at fair value, net of directly attributable transaction costs. The Group's financial liabilities currently include trade and other payables and accruals. Obligations for loans and borrowings are recognised when the group becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

**Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The Group categorises assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability. Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Reabold's assumptions about pricing by market participants.

**Provisions**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

*Decommissioning*

Liabilities for decommissioning costs are recognised when the Group has an obligation to plug and abandon a well, dismantle and remove a facility or an item of plant and to restore the site on which it is located. Liabilities may arise upon construction of such facilities, upon acquisition or through a subsequent change in legislation or regulations. The amount recognised is the estimated present value of future expenditure determined in accordance with local conditions and requirements. An amount equivalent to the decommissioning provision is recognised as part of the corresponding intangible asset (in the case of an exploration or appraisal well) or property, plant and equipment. The decommissioning portion of the property, plant and equipment is subsequently depreciated at the same rate as the rest of the asset. Other than the unwinding of discount on or utilisation of the provision, any change in the present value of the estimated expenditure is reflected as an adjustment to the provision and the corresponding asset where that asset is generating or is expected to generate future economic benefits.

**Employee benefits**

Wages, salaries, bonuses, social security contributions, paid annual leave and sick leave are accrued in the period in which the associated services are rendered by the employees of the Group. The accounting policy for share-based payments is described below.

**Share-based payments**

*Equity-settled transactions*

The cost of equity-settled transactions with employees is measured by reference to the fair value of the equity instruments on the date on which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the employees become fully entitled to the award. A corresponding credit is recognised within equity. Fair value is determined by using an appropriate, widely used, valuation model. In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of the Company (market conditions). Non-vesting conditions are taken into account in the grant-date fair value, and failure to meet a non-vesting condition, where this is within the control of the employee is treated as a cancellation and any remaining unrecognised cost is expensed.

**Income taxes**

The tax charge represents the sum of current and deferred tax.

Current tax payable is based on taxable profits for the year. Taxable profits differ from net profits as reported in the income statement because it excludes items that are taxable or deductible in other years and items that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets are offset when there is a legally enforceable right to offset current tax assets against current liabilities and when deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on either the same taxable entity or different taxable entity where there is an intention to settle on a net basis.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability or the asset is realised.

**Own equity instruments - treasury shares**

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. Treasury shares represent ordinary shares repurchased and available for specific and limited purposes. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is also recognised in equity.

**Finance income**

Finance revenue chiefly comprises interest income from cash deposits on the basis of the effective interest rate method and is disclosed separately on the face of the income statement.

**Earnings per share**

Earnings per share is calculated using the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is calculated based on the weighted average number of ordinary shares outstanding during the period plus the weighted average number of shares that would be issued on the conversion of all relevant potentially dilutive shares to ordinary shares. Where the impact of converted shares would be anti-dilutive, these are excluded from the calculation of diluted earnings.

**Updates to material accounting policy information**

***New and amended standards and interpretations***

There are no new or amended standards or interpretations adopted from 1 January 2024 onwards that have a significant impact on the financial information.

***Standard issued but not yet effective***

IFRS 18 was issued in April 2024 and will replace IAS 1 *Presentation of Financial Statements*. IFRS 18 will be effective for reporting periods beginning on or after January 1, 2027. This standard sets out requirements for the presentation and disclosure of information in financial statements, particularly the Consolidated Statement of Income. The standard introduces a defined structure for the Consolidated Statement of Income, additional defined subtotals, new principles for aggregation and disaggregation of information, and it mandates disclosures about management-defined performance measures. The Group is currently working to identify all impacts IFRS 18 will have on the primary financial statements and notes to the financial statements.

The following other new or amended standards not yet adopted are not expected to have a material impact on the financial statements.

- IFRS 10 and IAS 28 (amendments) - Sale or Contribution of Assets between an investor and its Associate or Joint Venture
- Amendments to IAS 21 - Lack of exchangeability
- Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments
- Amendments to IFRS 9 and IFRS 7 - Power Purchase Agreements
- Annual Improvements to IFRS Accounting Standards-Volume 11
- IFRS 19 - Subsidiaries without Public Accountability: Disclosures

**2. Acquisitions and other significant transactions**

**2024**

During 2024, Reabold increased its investment in LNEnergy by 3.1% to 29.2% via a cash consideration of £205,000 and the conversion of £510,000 of convertible loan notes, of which £500,000 was in cash and £10,000 was in accrued interest. In addition, Reabold advanced £250,000 in convertible loan notes during 2024, which have been classified as an increase in the investment in LNEnergy. The carrying amount of the investment in LNEnergy is reported within Investments in associates. See note 14 for further details. In May 2025, Reabold increased its interest in LNEnergy to 45.1%. See note 26 for further details

On 12 December 2024, Reabold announced that it had agreed to acquire 20.4% of the shares in Rathlin for a total cash consideration of £700,000. The transaction completed on 30 January 2025. See note 26 for further details.

**2023**

**LNEnergy**

Between May and December 2023, Reabold acquired 26.1% of the ordinary share capital of LNEnergy for a cash consideration of £1.9 million and the issuance of 1,297,297,298 new ordinary shares, as non-cash consideration. Transaction costs of £77,000 were incurred in addition to the £1.9 million consideration.

**Simwell Resources Limited**

On 3 January 2023, Reabold acquired 100% of the issued share capital of Simwell Resources. Total cash consideration for the acquisition was £491,000, including transaction costs of £118,000. In addition to the cash consideration, 247,775,359 new Ordinary Shares were issued as non-cash consideration for the acquisition. The acquisition of Simwell Resources Limited did not constitute a business combination and therefore the acquisition was accounted for as an asset acquisition at cost.

**3. Segmental analysis**

The Directors consider the Group to have three segments, being onshore UK, offshore UK and International.
Onshore UK comprises the Group's investment in Rathlin and the Group's 16.67% direct interest in PEDL183.

Offshore UK comprises the Group's interest in UK North Sea licences.

International comprises the Group's investments in Danube Petroleum Ltd, Daybreak Oil & Gas Inc., and LNEnergy Ltd.

Other business and corporate comprises the Group's treasury functions and corporate activities. All finance expense and income and related taxes are included in Other business & corporate segment earnings rather than in the earnings of business segments.

| **2024** | UK onshore £000 | UK offshore £000 | International £000 | Other business & corporate £000 | Total £000 |
|---|---|---|---|---|---|
| Other income | - | - | - | 42 | 42 |
| Share of losses of associates | (479) | - | (534) | - | (1,013) |
| Exploration expense | (10) | (338) | - | - | (348) |
| Administration expenses | - | - | - | (1,980) | (1,980) |
| Non-underlying items | - | - | - | (98) | (98) |
| Share based payments expense | - | - | - | (153) | (153) |
| Foreign exchange losses | - | - | - | (1) | (1) |
| Profit (loss) on ordinary activities | (489) | (338) | (534) | (2,190) | (3,551) |
| Finance costs | - | - | - | (18) | (18) |
| Finance income | - | - | - | 169 | 169 |
| Profit (loss) before tax for the year | (489) | (338) | (534) | (2,039) | (3,400) |
| Taxation | - | - | - | - | - |
| Profit (loss) for the year | (489) | (338) | (534) | (2,039) | (3,400) |
| Segment assets | 23,781 | 1 | 9,404 | 6,398 | 39,584 |
| Segment liabilities | (404) | - | - | (311) | (715) |
| Additions to non-current assets[a] | 288 | 37 | 969 | 79 | 1,373 |

[a]Includes additions to property, plant and equipment (including right-of-use assets); goodwill; intangible assets; investments in joint ventures; and investments in associates.

| **2023** | UK onshore £000 | UK offshore £000 | International £000 | Other business & corporate £000 | Total £000 |
|---|---|---|---|---|---|
| Net (loss) gain in financial assets measured at fair value through profit or loss | - | 796 | (3,457) | - | (2,661) |
| Other income | - | 40 | - | 48 | 88 |
| Share of losses of associates | (506) | - | (105) | - | (611) |
| Exploration expense | (43) | (1,553) | - | - | (1,596) |
| Administration expenses | - | (7) | - | (2,178) | (2,185) |
| Non-underlying items | - | - | - | (190) | (190) |
| Share based payments expense | - | - | - | (57) | (57) |
| Profit (loss) on ordinary activities | (549) | (724) | (3,562) | (2,377) | (7,212) |
| Finance costs | - | - | - | (15) | (15) |
| Finance income | - | - | - | 33 | 33 |
| Profit (loss) before tax for the year | (549) | (724) | (3,562) | (2,359) | (7,194) |

| | | | | | |
|---|---|---|---|---|---|
| Taxation | - | - | - | - | - |
| Profit (loss) for the year | (549) | (724) | (3,562) | (2,359) | (7,194) |
| Segment assets | 23,959 | 4,651 | 8,957 | 5,590 | 43,157 |
| Segment liabilities | (404) | (21) | - | (558) | (983) |
| Additions to non-current assets[a] | 315 | 1,290 | 4,377 | - | 5,982 |

[a]Includes additions to property, plant and equipment; goodwill; intangible assets; investments in joint ventures; and investments in associates.

**4. Exploration expense**

The following table represents amounts included within the Group income statement relating to activity associated with the exploration for and evaluation of oil and natural gas resources.

| | 2024 £000 | 2023 £000 |
|---|---|---|
| Exploration expenditure written off[a] | 293 | 1,400 |
| Other exploration costs | 55 | 196 |
| Exploration expense for the year | 348 | 1,596 |

[a]Amounts written off in 2024 and 2023 were as a result of licences either relinquished in the year or licences soon to be relinquished.

Exploration expenditure written off in 2024 relates to the following North Sea Licences - part of the UK offshore segment: P2504 - £117,000, P2605 - £176,000

In 2023, exploration expenditure written off related to the following North Sea Licences - part of the UK offshore segment: P2332 - £633,000, P2329 - £382,000, P2427 - £42,000, P2464 - £94,000, P2493 - £3,000, P2478 - £90,000, P2486 - £156,000.

**5. Finance costs**

| | 2024 £000 | 2023 £000 |
|---|---|---|
| Interest expense related to leases | (3) | - |
| Unwinding of discount on decommissioning provisions | (15) | (15) |
| Total | (18) | (15) |

**6. Auditor's Remuneration**

| | 2024 £000 | 2023 £000 |
|---|---|---|
| Total audit fees | 90 | 82 |

No fees were paid to Forvis Mazars LLP for non-audit services in 2024 or 2023.

**7. Remuneration of senior management and non-executive directors**

**Remuneration of directors**

| **Group and Company** | 2024 £000 | 2023 £000 |
|---|---|---|
| Total for all directors | | |

| | | |
|---|---|---|
| Emoluments | 769 | 763 |
| Amounts received under incentive schemes | - | - |
| Employer contributions to pension plans | 30 | 24 |
| **Total** | 799 | 787 |

*Emoluments*

These amounts comprise fees paid to the Non-executive Chair and the Non-executive Directors and, for Executive Directors, salary and benefits earned during the relevant financial year, plus cash bonuses awarded for the year.

*Further information*

Full details of individual Directors' remuneration are given in the Directors' Remuneration Report on page 31.

**Remuneration of directors and senior management**

| | 2024 | 2023 |
|---|---|---|
| **Group and Company** | £000 | £000 |
| Total for all senior management and non-executive directors | | |
| Short-term employee benefits | **933** | 926 |
| Pension costs | **39** | 32 |
| Share-based payments | **152** | 57 |
| **Total** | **1,124** | 1,015 |

Senior management comprises the Executive Directors and Chief Financial Officer.

*Short-term employee benefits*

These amounts comprise fees paid to the Non-executive Chair and Non-executive Directors, as well as salary, benefits and cash bonuses for senior management. Deferred annual bonus awards to be settled in shares are included in share-based payments.

*Pensions*

The amounts represent the cost to the group of providing pensions to senior management in respect of the current year of service.

*Share-based payments*

This is the cost to the group of senior management's participation in share-based payment plans, as measured by the fair value of options and shares granted, accounted for in accordance with IFRS 2 'Share-based Payments'.

**8. Employee costs and numbers**

| | 2024 | 2023 |
|---|---|---|
| **Group and Company** | £000 | £000 |
| Remuneration | **746** | 787 |
| Social security costs | **103** | 94 |
| Pension costs | **40** | 34 |
| Share-based payments | **152** | 57 |
| | **1,041** | 972 |

Employee costs do not include fees paid to Non-executive Directors.

Pension benefits are provided through defined contribution plans.

The average number of persons employed by the Group and Company during the year was 4 (2023:4), with 3 in senior management functions (2023:3) and 1 in technical functions (2023:1). All employees are based in the UK.

The employee costs noted above relate to those employees with contracts of employment in the name of Reabold Resources PLC. Of these costs, £40,000 are borne by other undertakings within the group (2023: £90,000).

**9. Taxation**

**Tax charged in the income statement**

| | 2024 £000 | 2023 £000 |
|---|---|---|
| Current tax | - | - |
| Deferred tax | - | - |
| **Tax charge in the income statement** | - | - |

**Reconciliation of the total tax charge**

| | 2024 £000 | 2023 £000 |
|---|---|---|
| Accounting (loss) before taxation | (3,400) | (7,194) |
| Statutory rate of corporation tax in the UK of 19% (2023: 19%) | (646) | (1,367) |
| Adjustments in respect of prior periods | - | 772 |
| Share of operating loss of associates not taxable | 192 | 116 |
| Expenses not deductible for tax purposes | 85 | 11 |
| Deferred tax asset not recognised | 369 | 468 |
| **Tax charge reported in income statement** | - | - |

**Unrecognised tax losses**

The Group has total unused UK tax losses of £23.6 million (2023: £21.4 million) including pre trading capital expenses and capital losses of £10.0 million (2023: £9.8 million) for which no deferred tax asset has been recognised at the balance sheet date due to the uncertainty of recovery of these losses. The unused tax losses have no fixed expiry date.

**Company**

The Company has £21.5 million (2023: £19.4 million) of UK corporation tax losses including pre trading capital expenses and capital losses of £9.6 million (2023: £9.3 million) which are not recognised as deferred tax assets. The unused tax losses have no fixed expiry date.

**10. Earnings per share**

Basic earnings per share are calculated by dividing the profit (loss) attributable to Reabold shareholders for the year by the weighted average number of shares outstanding during the year. The weighted average number of shares outstanding excludes treasury shares. Diluted earnings per share are based on the same profit (loss) figures. The weighted average number of shares outstanding during the year is increased by dilutive shares related to share-based compensation plans. If the inclusion of potentially issuable shares could decrease diluted loss per share, the potentially issuable shares are excluded from the weighted average number of shares outstanding used to calculate diluted earnings per share.

| | 2024 £000 | 2023 £000 |
|---|---|---|
| (Loss) for the year attributable to Reabold ordinary shareholders | (3,400) | (7,194) |

| | 2024 | 2023 |
|---|---|---|
| Basic weighted average number of ordinary shares (thousand of shares) | 10,195,475 | 9,561,792 |
| Potential dilutive effect of ordinary shares issuable under employee share-based payment plans (thousand of shares) | - | - |
| Weighted average number of ordinary shares outstanding used to calculate diluted earnings per share (thousand of shares) | 10,195,475 | 9,561,792 |

| | 2024 Pence per share | 2023 Pence per share |
|---|---|---|
| Basic earnings per share | (0.03) | (0.08) |
| Diluted earnings per share | (0.03) | (0.08) |

The number of ordinary shares outstanding at 31 December 2023, excluding treasury shares was 10,194,413,490 (2023: 10,272,573,468 . For information on share buy backs see Note 21.

**11. Exploration and evaluation assets**

| | Group | | Company | |
|---|---|---|---|---|
| | 2024 £000 | 2023 £000 | 2024 £000 | 2023 £000 |
| At 1 January | 7,023 | 6,815 | 6,766 | 6,451 |
| Acquisitions | - | 1,210 | - | - |
| Additions | 293 | 398 | 256 | 315 |
| Decommissioning revisions | (17) | - | (17) | |
| Exploration expenditure written off | (293) | (1,400) | - | - |
| Disposals | - | - | - | - |
| **At 31 December** | 7,006 | 7,023 | 7,005 | 6,766 |

**Group**

Additions at 31 December 2024 include £293,000 in the UK primarily relating to the PEDL 183 licence at West Newton (2023: £398,000 in the UK primarily relating to the PEDL 183 licence at West Newton).

Amounts written off in 2024 and 2023 were as a result of licences either relinquished in the year or licences soon to be relinquished.

Exploration expenditure written off in 2024 relates to the following North Sea Licences: P2504 - £117,000, P2605 - £176,000

In 2023, exploration expenditure written off related to the following North Sea Licences P2332 - £633,000, P2329 - £382,000, P2427 - £42,000, P2464 - £94,000, P2493 - £3,000, P2478 - £90,000, P2486 - £156,000.

Acquisitions in 2023 relate to the acquisition of Simwell Resources Limited.

**Company**

Additions at 31 December 2024 include £256,000 in the UK relating to the PEDL 183 licence at West Newton (2023: £315,000).

For information on significant judgements made in relation to oil and natural gas accounting see Oil and gas exploration and evaluation expenditure in Note 1.

**12. Leases**

In 2024, Reabold entered into a lease contract for office space.

**Right-of-use assets**

| **2024** | £000 Office space |
|---|---|
| Cost | |
| At January 1 | - |
| Additions | 79 |
| At December 31 | 79 |
| Depreciation, depletion and amortisation, including impairments | |
| At January 1 | - |
| Charge for the year | 33 |
| At December 31 | 33 |

| | |
|---|---|
| Carrying amount at December 31 | 46 |

The future lease payments under the office lease contract and the carrying amount at December 31, by payment date is as follows:

**2024**

| | Contractual lease payments | Interest | £000 Lease liabilities |
|---|---|---|---|
| Less than 1 year | 41 | 1 | 40 |
| Between 1 and 5 years | 7 | - | 7 |
| Total | 48 | 1 | 47 |

Future cash outflows in respect of leases may differ from lease liabilities recognised due to future decisions that may be taken by Reabold in respect of the use of leased assets. Reabold may reconsider whether it will exercise extension options or termination options, which are not reflected in the lease liabilities. There is no exposure to these potential additional payments in excess of the recognised lease liabilities until these decisions have been taken by Reabold.

**13. Investments in Subsidiaries**

| **Company - Investment in Subsidiaries** | **Total £000** |
|---|---|
| **Cost** | |
| **At 1 January 2023** | **8,633** |
| Additions | **1,208** |
| **At 31 December 2023** | **9,841** |
| Additions | **-** |
| **At 31 December 2024** | **9,841** |
| **Amounts provided** | |
| **At 1 January 2023** | **5,163** |
| Additions | **4,665** |
| **At 31 December 2023** | **9,828** |
| Additions | **-** |
| **At 31 December 2024** | **9,828** |
| **Net book amount:** | |
| **31 December 2024** | **13** |
| 31 December 2023 | **13** |
| 31 December 2022 | 3,470 |

In 2024 there were no impairment charges recognised.

In 2023, an impairment charge of £4.7 million was recognised following an impairment review, at an individual subsidiary level, and in line with the requirements of IAS 36 Impairment of Assets. Taking into account the decrease in the market value of Daybreak and licences relinquished in the year management concluded that an impairment was necessary in terms of a deterioration of fair value less costs to dispose. The impairment charge related to the Company's investment in Gaelic Resources Limited and Reabold Southern North Sea Limited. The recoverable amount of Gaelic Resources was deemed to be £13,000 based on the market value of Daybreak. The recoverable amount of Reabold Southern North Sea was deemed to be nil, as a result of its exploration assets being fully written off.

Details of the Company's subsidiaries as at 31 December 2024 are shown below:

| **Subsidiaries** | **%** | **Country of incorporation** | **Principal activities** |
|---|---|---|---|
| Reabold North Sea Limited | 100 | England & Wales | Exploration and Evaluation |
| Reabold Resourcing Limited | 100 | England & Wales | Investment holding |
| Gaelic Resources Limited | 100 | Isle of Man | Investment holding |
| Reabold Southern North Sea Limited | 100 | England & Wales | Exploration and Evaluation |
| Reabold Investments UK Limited | 100 | England & Wales | Investment holding |

The registered office of the Company's subsidiaries incorporated in England & Wales is The Broadgate Tower 8th Floor, Primrose Street, London, England, EC2A 2EW.

The registered office of Gaelic Resources is 14 Albert Street, Douglas, Isle of Man, IM1 2QA.

**14. Investments in associates**

The movement in investments in associates for the Group and Company including the amounts recognised in the income statement (losses from associates) and balance sheet (investment in associate at 31 December) are shown below. From 9 May 2023 until 10 December 2023, Reabold classified its investment in LNEnergy as a financial asset measured at fair value. On 11 December 2023, Reabold gained over 20% of the voting power in LNEnergy and gained the right to appoint a director to the board of LNEnergy. From 11 December 2023, Reabold accounts for its investment in LNEnergy as an associate because in management's judgement Reabold has significant influence over LNEnergy.

For further information on the judgements in respect of investments in associates see Note 1 - Investment in Daybreak, Rathlin and Danube.

| | | | | | | | | £000 |
|---|---|---|---|---|---|---|---|---|
| | | | | 2024 | | | | 2023 |
| | **Rathlin** | **Danube** | **LNEnergy** | **Total** | Rathlin | Danube | LNEnergy | Total |
| Investment in associate at 1 January | 17,143 | 4,591 | 4,349 | 26,083 | 17,604 | 4,668 | - | 22,272 |
| Additions | 32 | - | 969 | 1,001 | - | - | 4,377 | 4,377 |
| Losses from associates | (479) | (83) | (451) | (1,013) | (506) | (77) | (28) | (611) |
| Changes in equity from associates | - | 20 | (3) | 17 | 45 | - | - | 45 |
| Investment in associate at 31 December | 16,696 | 4,528 | 4,864 | 26,088 | 17,143 | 4,591 | 4,349 | 26,083 |

Additions in Rathlin relate to capitalised fees incurred in 2024 in connection with the 20.4% additional investment in Rathlin which completed in January 2025.
Additions in LNEnergy comprise direct equity investments of £705,000, £250,000 in the form of convertible loans, £10,000 of capitalised interest and £4,000 of capitalised fees.

The following table provides summarised financial information for the Group's and Company's associates for 2024 and 2023. The information is presented on a 100% basis. The loss for the year ending 31 December 2023 relating to LNENergy represents the period from 11 December 2023, the date on which Reabold gained significant influence over LNEnergy.

| | | | | | | £000 |
|---|---|---|---|---|---|---|
| | | | | | | Gross amount |
| | | | 2024 | | | 2023 |
| | **Rathlin** | **Danube** | **LNEnergy** | **Rathlin** | **Danube** | **LNEnergy** |
| **Revenue** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Profit (loss) for the year** | (804) | (162) | (1,970) | (851) | (151) | (136) |
| Non-current assets | 21,842 | 8,549 | 636 | 21,233 | 8,523 | 916 |
| Current assets | 1,093 | 71 | 74 | 2,400 | 306 | 312 |
| **Total assets** | 22,934 | 8,620 | 710 | 23,633 | 8,829 | 1,228 |
| Current liabilities | 293 | 21 | 1,279 | 205 | 106 | 531 |
| Non-current liabilities | 1,523 | 489 | - | 1,505 | 487 | - |
| **Total liabilities** | 1,816 | 510 | 1,279 | 1,710 | 593 | 531 |
| **Net assets** | 21,118 | 8,110 | (569) | 21,923 | 8,236 | 697 |
| Group's share in equity | 12,565 | 4,122 | (166) | 13,044 | 4,185 | 182 |
| Goodwill attributable to Reabold's share of associate | 4,131 | 406 | 4,780 | 4,099 | 406 | 4,167 |
| Loans to associates | - | - | 250 | | | |
| **Group's carrying amount of investment** | 16,696 | 4,528 | 4,864 | 17,143 | 4,591 | 4,349 |

Transactions between the group and its associates are summarised below.

| | | | | £000 |
|---|---|---|---|---|
| Sales to associates | | 2024 | | 2023 |
| | **Sales** | **Amount receivable at 31 December** | Sales | Amount receivable at 31 December |
| Consultancy services | **42** | **11** | **48** | **14** |

| | | | | £000 |
|---|---|---|---|---|
| Purchases from associates | | 2024 | | 2023 |
| | **Purchases** | **Amount payable at 31 December** | Purchases | Amount payable at 31 December |
| Exploration and evaluation assets | **241** | **23** | **302** | **-** |

Reabold enters into arm's length transactions with its associates including consultancy services. These amounts are recognised within other income on the income statement.

The terms of outstanding balances receivable from associates are 30 days. The balances are unsecured and will be settled in cash. There are no provisions for doubtful debts relating to these balances and no expenses recognised in the income statement in respect of bad or doubtful debts.

The purchases from associates relate to Reabold's 16.67% share of expenditure on the PEDL183 licence as part of the joint operation with Rathlin and Union Jack Oil. These amounts are recognised within exploration and evaluation on the balance sheet. Rathlin, the operator of the licence, is also an associate of Reabold by virtue of Reabold's 59.5% interest in Rathlin.

For information on capital commitments in relation to associates see Note 23.

Reabold's share of impairment charges taken by associates in 2024 was £nil (2023: £nil)

Details of the Company's associates as at 31 December 2024 are shown below:

| **Associates** | **%** | **Country of incorporation** | **Principal activities** |
|---|---|---|---|
| Rathlin Energy (UK) Limited | 59.5 | England & Wales | Exploration and Evaluation |
| Danube Petroleum Limited | 50.8 | England & Wales | Exploration and Evaluation |
| LNEnergy Ltd | 29.2 | England & Wales | Exploration and Evaluation |

On 30 January 2025, Reabold increased its investment in Rathlin to 79.8%. Reabold is now able to pass special resolutions and appoint key management personnel at Rathlin and will account for its investment in Rathlin as a subsidiary from this date going forward. On 8 May 2025, Reabold increased its investment in LNEnergy to 45.1%. See note 26 for further details.

**15. Other investments**

| | | | | **£000** |
|---|---|---|---|---|
| | | **2024** | | **2023** |
| | **current** | **Non-current** | current | Non-current |
| Contingent consideration | | | 4,365 | - |
| Investment in Connaught Oil and Gas Ltd | **-** | 15 | - | 15 |
| Investment in Daybreak | **-** | 13 | - | 12 |
| | **-** | 28 | 4,365 | 27 |

The contingent consideration in 2023 related to amounts arising on the 2022 disposal of Corallian for net proceeds of £12.7 million. The final tranche payment of £4.4 million was received in January 2024 following the NSTA's grant of development and production consent for the Victory gas field.

The market value of Daybreak is based on level one of the fair value hierarchy, its market price.

The table below summarises the change in fair value of other investments as reported in the income statement.

| | Change in fair value | |
|---|---|---|
| | **2024** | 2023 |
| | **£000** | £000 |
| Contingent consideration | - | 796 |
| Investment in Daybreak | - | (3,457) |
| | - | (2,661) |

**16. Trade and other receivables**

| | Group | | Company | |
|---|---|---|---|---|
| | **2024** | 2023 | **2024** | 2023 |
| | **£000** | £000 | **£000** | £000 |
| **Due within one year** | | | | |
| Amounts owed by group undertakings | - | - | 3 | 292 |
| Trade receivables | - | - | - | - |
| Amounts recoverable from JV partners | - | 17 | - | - |
| Amounts receivable from associates | 11 | 14 | 11 | 14 |
| VAT recoverable | 48 | 95 | 46 | 87 |
| Other receivables | 6 | - | 6 | - |
| | **65** | **126** | **66** | **393** |
| **Due after one year** | | | | |
| Other receivables | 7 | - | 7 | - |
| | **7** | - | **7** | - |

None of the group's receivables are considered impaired and there are no financial assets past due but not impaired at the year end. The Directors consider the carrying amount of trade and other receivables approximates to their fair value. Management considers that there are no unreasonable concentrations of credit risk within the group.

At the reporting date the amounts owed by group undertakings to the Company are disclosed net of an impairment of £730,000 (2023: 391,000). These amounts have not been secured, have no maturity and bear no interest.

**17. Cash and cash equivalents and Restricted cash**

| | Group | | Company | |
|---|---|---|---|---|
| | **2024** | 2023 | **2024** | 2023 |
| | **£000** | £000 | **£000** | £000 |
| Cash and cash equivalents | **6,248** | **5,413** | **6,248** | **5,413** |
| Restricted cash | **53** | **25** | **53** | **25** |

Cash and cash equivalents earn interest at floating rates based on daily bank deposit rates.
The restricted cash is in respect of surety bonds in the amount of £53,000 (2023: £25,000) to cover restoration of the PEDL183 West Newton site.

The Group's exposure to credit risk arises from potential default of a counterparty, with a maximum exposure equal to the carrying amount. The Group seeks to minimise counterparty credit risks by only depositing cash surpluses with major banks of high quality credit standing.

Financial institutions, and their credit ratings, which held greater than 10% of the group's cash and short-term deposits at the balance sheet date were as follows:

| | | Group | | Company | |
|---|---|---|---|---|---|
| | **S&P rating** | **2024 £000** | 2023 £000 | **2024 £000** | 2023 £000 |
| Barclays Bank plc | **A-1** | **6,248** | **5,413** | **6,248** | **5,413** |

**18. Trade and other payables**

| | Group | | Company | |
|---|---|---|---|---|
| | **2024 £000** | 2023 £000 | **2024 £000** | 2023 £000 |
| Current: | | | | |
| Trade payables | **96** | 298 | **96** | 294 |
| Other payables | **31** | 32 | **31** | 32 |
| | **127** | 330 | **127** | 326 |

Trade payables are non-interest bearing and are generally on 15 to 30 day terms.

The Directors consider the carrying amount of trade and other payables approximates to their fair value.

**19. Provision for decommissioning**

| | **Group £000** | **Company £000** |
|---|---|---|
| **At 1 January 2024** | **382** | 382 |
| Revisions during the year | **(17)** | (17) |
| Unwinding of discount | **15** | 15 |
| At 31 December 2024 | **380** | 380 |
| Classified as: | | |
| Current | **-** | - |
| Non-current | **380** | 380 |

The decommissioning provision at 31 December 2024 comprises the future costs of decommissioning the group's 16.67% interest in wells at West Newton. The costs are expected to be incurred in 2033. The liability has been discounted at a rate of 4.5% (2023: 4%) and the unwinding of discount has been classified as a finance cost. The estimation of costs, inflation and discount rates are considered to be judgemental although changes in single variables are not individually considered to have a significant impact. A 1.0 percentage point increase in the nominal discount rate applied, could decrease the group's provision balance by approximately £31,000 (2023: £35,000).

**20. Financial instruments and financial risk factors**

The accounting classification of each category of financial instruments and their carrying amounts are set out below:

| | | **Group £000** | | | **Company £000** | | |
|---|---|---|---|---|---|---|---|
| **At 31 December 2024** | **Note** | **Measured at amortised cost** | **Measured at fair value through profit or loss** | **Total carrying amount** | **Measured at amortised cost** | **Measured at fair value through profit or loss** | **Total carrying amount** |
| **Financial assets** | | | | | | | |
| Other investments | 15 | **-** | **28** | **28** | **-** | **15** | **15** |
| Trade and other receivables | 16 | **65** | **-** | **65** | **66** | **-** | **66** |
| Cash and cash equivalents | 17 | **6,248** | **-** | **6,248** | **6,248** | **-** | **6,248** |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Restricted cash | 17 | **53** | **-** | **53** | **53** | **-** | **53** |
| **Financial liabilities** | | | | | | | |
| Lease liabilities | | **(47)** | **-** | **(47)** | **(47)** | **-** | **(47)** |
| Trade and other payables | 18 | **(127)** | **-** | **(127)** | **(127)** | **-** | **(127)** |
| Accruals | | **(104)** | **-** | **(104)** | **(104)** | **-** | **(104)** |
| | | **6,088** | **28** | **6,116** | **6,089** | **15** | **6,104** |

| | | Group £000 | | | Company £000 | | |
|---|---|---|---|---|---|---|---|
| **At 31 December 2023** | Note | Measured at amortised cost | Measured at fair value through profit or loss | Total carrying amount | Measured at amortised cost | Measured at fair value through profit or loss | Total carrying amount |
| **Financial assets** | | | | | | | |
| Other investments | 15 | - | 4,392 | 4,392 | - | 4,380 | 4,380 |
| Trade and other receivables | 16 | 126 | - | 126 | 393 | - | 393 |
| Cash and cash equivalents | 17 | 5,413 | - | 5,413 | 5,413 | - | 5,413 |
| Restricted cash | 17 | 25 | - | 25 | 25 | - | 25 |
| **Financial liabilities** | | | | | | | |
| Trade and other payables | 18 | (330) | - | (330) | (326) | - | (326) |
| Accruals | | (271) | - | (271) | (271) | - | (271) |
| | | 4,963 | 4,392 | 9,355 | 5,234 | 4,380 | 9,614 |

For all financial instruments within the scope of IFRS 9, the carrying amount is either the fair value, or approximates the fair value.

**Financial risk factors**

It is management's opinion that the group is not exposed to significant interest, credit or currency risks arising from its financial instruments other than as discussed below:

- Reabold has exposure to interest rate fluctuations on its cash deposits. This is managed in the short-term through selecting treasury deposit periods of one to three months. Cash credit risks are mitigated through placing funds with institutions carrying acceptable published credit ratings to minimise counterparty risk.
- Reabold has no history of non-payment of trade receivables. Where Reabold operates joint ventures on behalf of partners it seeks to recover the appropriate share of costs from these third parties. The majority of partners in these ventures are established oil and gas companies. In the event of non-payment, operating agreements typically provide recourse through increased venture shares.
- Reabold retains certain non-£ cash holdings and other financial instruments relating to its operations. The £ reporting currency value of these may fluctuate from time to time causing reported foreign exchange gains and losses. Reabold maintains a broad strategy of matching the currency of funds held on deposit with the expected expenditures in those currencies. Management believes that this mitigates most of any actual potential currency risk from financial instruments.

**(a) Market Risk**

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of a business.

The components of market risk for Reabold are foreign currency exchange risk and interest rate risk, each of which is discussed below:

**(i) Foreign currency exchange risk**

The Group enters into transactions denominated in currencies other than its GBP£ reporting currency. Non-GBP denominated balances, subject to exchange rate fluctuations, at year-end were as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | **2024 £000** | 2023 £000 | **2024 £000** | 2023 £000 |
| Other investments | 13 | 12 | - | - |
| Cash and cash equivalents (US Dollar) | 3 | 5 | 3 | 5 |

The following table demonstrates the group's sensitivity to a 10% increase or decrease in the US Dollar against the Pound sterling. The sensitivity analysis includes only foreign currency denominated monetary items and adjusts their translation at the year-end for a 10% change in the foreign currency rate.

| | **Effect on profit before tax 2024 £000** | **Effect on profit before tax 2023 £000** |
|---|---|---|
| Increase/decrease in foreign exchange rate | | |
| 10% strengthening of £ against US$ | **(2)** | (2) |
| 10% weakening of £ against US$ | **2** | 2 |

**(ii) Interest rate risk**

The Group's interest rate risk is minimal as the group has no debt. The Group is exposed to interest rate movements through its cash and cash equivalents. If interest rates were to have changed by one percentage point, assuming the cash balance at the balance sheet date was constant throughout the whole year, and all other variables were held constant, the Group's and Company's finance income for 2024 would have changed by approximately £62,000 (2023: £54,000).

**(b) Credit Risk**

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due causing financial loss to the group. The Group's and Company's exposure to credit risk is equal to the carrying value as at the balance sheet date. Cash and treasury credit risks are mitigated through the placement of funds at institutions carrying acceptable published credit ratings to minimise counterparty risk. Surplus cash is invested in short-term bank deposits. Where Reabold operates joint ventures on behalf of partners, it seeks to recover the appropriate share of costs from the third-party counterparties. The partners in these ventures are established oil and gas companies. In the event of non-payment, operating agreements typically provide recourse through increased venture shares. Receivable balances are monitored on an ongoing basis with appropriate follow-up action taken where necessary.

**(c) Liquidity Risk**

Liquidity risk is the risk that suitable sources of funding for the Group's business activities may not be available. The Group's liquidity is managed centrally by the treasury function which will arrange to fund subsidiaries' requirements.

The Group continues to maintain suitable levels of cash and cash equivalents, amounting to £6.2 million at 31 December 2024 (2023: £5.4 million), invested with highly rated banks and readily accessible at immediate and short notice. The Group and Company has no debt.

The table below summarises the maturity profile of the Group and Company's financial liabilities based on contractual undiscounted payments. Differences from carrying amounts reflect the effects of discounting.

| **Group**<br>**Year ended 31 December 2024** | **Within 1 year £000** | **Between 1 and 2 years £000** | **Total £000** |
|---|---|---|---|
| Lease liabilities | 41 | 7 | 48 |
| Trade and other payables | 127 | - | 127 |
| Accruals | 104 | - | 104 |

| **Year ended 31 December 2023** | **Within 1 year £000** | **Between 1 and 2 years £000** | **Total £000** |
|---|---|---|---|
| Trade and other payables | 330 | - | 330 |
| Accruals | 271 | - | 271 |

| **Company**<br>**Year ended 31 December 2024** | **Within 1 year £000** | **Between 1 and 2 years £000** | **Total £000** |
|---|---|---|---|
| Lease liabilities | 41 | 7 | 48 |
| Trade and other payables | 127 | - | 127 |
| Accruals | 104 | - | 104 |

| **Year ended 31 December 2023** | **Within 1 year £000** | **Between 1 and 2 years £000** | **Total £000** |
|---|---|---|---|
| Trade and other payables | 326 | - | 326 |
| Accruals | 271 | - | 271 |

**Capital Management**

The primary objective of the Group's capital management is to maintain appropriate levels of funding to meet the commitments of its forward programme of exploration, development and investment expenditure, and to safeguard the entity's ability to continue as a going concern and create shareholder value. In considering whether to allocate any capital to shareholder distributions (dividends + share buybacks) and the quantum of any distributions, the board will take account of the cumulative level of, and outlook for surplus cash flow. At 31 December 2024, capital employed of the group amounted to £38.9 million (comprised of £38.9 million of equity shareholders' funds and £nil of borrowings), compared to £42.2 million at 31 December 2023 (comprised of £42.2 million of equity shareholders' funds and £nil of borrowings).

At 31 December 2024, capital employed of the Company amounted to £38.9 million (comprised of £38.9 million of equity shareholders' funds and £nil of borrowings), compared to £42.2 million at 31 December 2023 (comprised of £42.2 million of equity shareholders' funds and £nil of borrowings).

**Changes in liabilities arising from financing activities**

| | **1 January 2024 £000** | **Additions £000** | **Cash flows £000** | **Interest expense £000** | **31 December 2024 £000** |
|---|---|---|---|---|---|
| Lease liabilities | - | 79 | (35) | 3 | 47 |
| **Total liabilities arising from financing activities** | **-** | **79** | **(35)** | **3** | **47** |

**21. Called-up Share Capital**

The allotted, called-up and fully paid share capital at 31 December was as follows:

| | | 2024 | | 2023 |
|---|---|---|---|---|
| **Issued (Group and Company)** | **Shares thousand** | **£000** | Shares thousand | £000 |
| "A" deferred shares of 1.65p | 6,916 | 114 | 6,916 | 114 |
| | | | | |
| Ordinary shares of 0.1 pence each | | | | |
| At 1 January | 10,474,685 | 10,475 | 8,929,613 | 8,930 |
| Issue of new shares | - | - | 1,545,072 | 1,545 |
| At 31 December | 10,474,685 | 10,475 | 10,474,685 | 10,475 |
| Total | 10,481,601 | 10,589 | 10,481,601 | 10,589 |

The holders of ordinary shares are entitled to one vote per share at the meetings of the Company and to dividends as declared in proportion to the amounts paid up on the ordinary shares. No shares of the Company are currently redeemable or liable to be redeemable at the option of the holder or the Company.

The "A" deferred shares carry no voting rights. The holders of "A" deferred shares do not have any right to receive written notice of or attend, speak or vote at any general meeting of the Company, or to any dividend declared by the Company. They may however be redeemed by the Company at any time at its option for one penny for all the "A" Deferred shares without obtaining sanction of such holders.

At the Company's Annual General Meeting (AGM) on June 28, 2024, the Board was authorised to allot ordinary shares in the Company, and to grant rights to subscribe for or to convert any security into ordinary shares in the Company, up to an aggregate nominal amount of £2.0 million (representing 2 billion ordinary shares of £0.001 each). This authority expires at the end of the AGM to be held in 2025, unless previously renewed, revoked or varied by the Company in a general meeting.

At the June 28, 2024, AGM, shareholders granted the Company the authority to repurchase up to 2.5 billion ordinary shares.

In the case of purchases of the ordinary shares, the minimum price, exclusive of expenses, which may be paid for an ordinary share is £0.001 and the maximum price, exclusive of expenses, which may be paid for an ordinary share is the higher of: (i) an amount equal to 10% above the average market value for an ordinary share for the five business days immediately preceding the date of the purchase; and (ii) the higher of the price of the last independent trade and the highest current independent bid in relation to ordinary shares on the London Stock Exchange. The authorities for market purchases of the ordinary shares will expire at the end of the AGM of the Company to be held in 2025. Ordinary shares purchased by the Company pursuant to these authorities will either be cancelled or held in treasury. Treasury shares are shares in the Company which are owned by the Company itself.

During 2024, the Company repurchased 78 million Ordinary Shares for a total cost of £75,000, including transaction costs of £1,000. (2023: repurchased 202 million Ordinary Shares for a total consideration of £263,000 including transaction costs of £2,000). All shares purchased were retained in treasury.

The number of shares in issue is reduced when shares are repurchased. These treasury shares are not taken into consideration in relation to the payment of dividends and voting at shareholder meetings.

**Treasury Shares**

| | 2024 | | 2023 |
|---|---|---|---|
| **Shares thousand** | **Nominal value £000** | Shares thousand | Nominal value £000 |

| | | | | |
|---|---|---|---|---|
| At 1 January | 202,112 | 202 | - | - |
| Purchases held in treasury | 78,160 | 78 | 202,112 | 202 |
| **At 31 December** | 280,272 | 280 | 202,112 | 202 |

Treasury shares represent Reabold shares repurchased and available for specific and limited purposes.

**22. Share-Based Payments**

The Company operates two share-based employee compensation plans: the Reabold Resources plc Long Term Incentive Plan (the "LTIP") and the Reabold Resources plc Deferred Annual Bonus Plan. Both plans were adopted by the Board in April 2023. The objective of these plans is to develop the interest of Directors and key employees in the growth and development of the Group by providing them with the opportunity to acquire an interest in the Company. Information on these plans for directors is shown in the Directors Remuneration Report on pages 31 - 33.

**LTIP**

In April 2023, 390,000,000 share options were granted to members of the Group's executive team and senior management.

The vesting criteria of the options is based on Total Shareholder Return ("TSR") over a three-to-five-year period. For the awards to vest in full, the TSR of a share must be at or more than six times (6x) the market value of a share at the grant date using a 30-trading day average. The first measurement date shall be at the end of year three, the second measurement date at the end of year four and the final measurement date at the end of year five. If TSR is less than 2.5x market value, 0% of the award vests. If TSR is at 2.5x market value, 30% of the award vests and if TSR is at 4x market value, 60% of the award vests. Performance between TSR thresholds shall be calculated on a straight-line basis. The awards are structured as nil-cost options and are not exercisable at 31 December 2024.

| **LTIP awards** | **2024 Number** | **2023 Number** |
|---|---|---|
| Outstanding as at 1 January | **390,000,000** | **-** |
| Granted during the year | **-** | **390,000,000** |
| Outstanding as at 31 December | **390,000,000** | **390,000,000** |
| Exercisable as at 31 December | **-** | **-** |

There are no cash settlement alternatives.The fair value of the options at grant date was £0.00109. The estimated fair value of options is amortised to expense over the options' vesting period. The LTIP options can be exercised up to 5 years after the 5-year vesting period and therefore, the contractual term of each option granted is 10 years. The remaining contractual life of the LTIP options outstanding as at 31 December 2024 is 8.3 years (2023: 9.3 years)

**Deferred Annual Bonus Plan (DABP)**

Under the Company's remuneration policy, any annual bonus earned is paid 50% in cash, with 50% deferred into restricted share units subject to a three-year restricted period. Awards applicable to the 2023 bonus outcomes were granted in June 2024. 96,016,810 share options were granted to members of the Group's executive team and senior management under the DABP. The awards were made in accordance with the rules of the DABP and as provided for in the Directors' Remuneration Report on pages 31 - 33. The awards represent 50% of the total 2023 annual bonus value, which is required to be deferred into nil-cost options over ordinary shares, pursuant to the terms of the DABP. In calculating the number of Ordinary Shares over which the awards have been made, the Remuneration Committee applied the closing price per ordinary share on the day prior to the grant date. The nil-cost options will become exercisable from the third anniversary of the grant date, subject to the terms and conditions of the DABP. Awards applicable to the 2024 bonus outcomes, will be granted as soon as reasonably practicable following the publication of this report provided that no award shall be granted at any time when such grant would be contrary to any dealing restriction.

| **DABP awards** | **2024 Number** | **2023 Number** |
|---|---|---|

| | | |
|---|---|---|
| Outstanding as at 1 January | - | - |
| Granted during the year | **96,016,810** | - |
| Outstanding as at 31 December | **96,016,810** | - |
| Exercisable as at 31 December | - | - |

There are no cash settlement alternatives.The fair value of the options at grant date was £0.07p. The fair value of DABP options granted is expensed immediately as the DABP options are not subject to service conditions once granted. The LTIP options can be exercised up to 5 years after the 3-year restricted period and therefore, the contractual term of each option granted is 8 years. The remaining contractual life of the DABP options outstanding as at 31 December 2024 is 7.5 years.

The Company recognised total expenses relating to equity-settled share-based payment transactions during the year of £153,000 (2023: £57,000). The balance on the share-based payments reserve at 31 December 2024 is £2.1 million (2023: £2.0 million).

**23. Capital Commitments**

Authorised future capital expenditure by group companies for which contracts had been signed at 31 December 2024 amounted to £nil (2023: £nil). However, the group does have obligations to carry out defined work programmes on its licences, under the terms of the award of rights to these licences. The Company is not obliged to meet other joint venture partner shares of these programmes.

*PEDL 183*

The Joint operation between Rathlin, Reabold and Union Jack have the following minimum work programme:

- Re-enter and recomplete or sidetrack one of the currently suspended wells on or before 30 June 2026
- Re-enter and recomplete or sidetrack one of the remaining suspended wells or drill and complete a new deviated or horizontal well on or before 30 June 2027, and
- Submit a field development plan on or before 30 June 2027

The gross cost for the JV to re-enter and re-complete is expected to be c.£1.4 million.

*Southern North Sea - P2659*

The initial four year Phase A work programme commitments for the licence are focused on completing an advanced geophysical processing study using 475 sq km of existing 3D seismic data.

**24. Related Party Transactions and Transactions with Directors**

Transactions between the Group and its associates is disclosed in Note 14. There are no related party transactions, or transactions with Directors that require disclosure except for the remuneration items disclosed in the Directors Remuneration Report and note 7 above. The disclosures in note 7 include the compensation of key management personnel. The Company's related parties consist of its subsidiaries and the transactions and amounts due to/due from them are disclosed in the accompanying notes to the Company financial statements.

**25. Non-underlying items**

Non-underlying items are charges or credits included in the financial statements that Reabold has decided to disclose separately because it considers such disclosure to be meaningful and relevant to investors. They are items that management considers not to be part of underlying business operations and are disclosed in order to enable investors to understand better and evaluate the Group's financial performance. In 2024, Reabold incurred £98,000 (2023: £190,000) in legal and professional fees in relation to the successful defence from a second attempt, from a group of beneficial

shareholders, to remove the entire Board of Directors of Reabold and replace them with four new directors. All resolutions proposed by the requisitioning shareholders were rejected at a general meeting held in January 2024.

**26. Post-balance sheet events**

On 30 January 2025, Reabold completed its acquisition of 20.4% of the shares in Rathlin from Connaught for a total cash consideration of £700,000, taking Reabold's total shareholding in Rathlin to approximately 79.8% and its economic interest in West Newton to 69.9%.

On 26 March 2025 Reabold announced that LNEnergy Ltd had entered into a binding purchase and sale agreement to acquire the entire outstanding issued share capital of LNEnergy S.r.l for a total deferred consideration of US$11m plus a 4% net profits interest. LNEnergy now holds a 100% interest in LN Energy S.r.l, the Italian company that has a 90% interest in, and is seeking regulatory approval for the development of the Colle Santo gas field in Italy.

On 8 May 2025, Reabold announced it had converted £500,000 of outstanding convertible loan notes into 374 ordinary shares of LNEnergy Limited at an average price of £1,350 per share. Following this conversion, Reabold holds approximately 45.1% of LNE's enlarged share capital.

## Glossary

**AGM**
Annual General Meeting

**bcf**
Billion standard cubic feet.

**boe**
Barrels of oil equivalent.

**boe/d**
Barrels of oil equivalent per day.

**CPR**
Competent Persons Report.

**ESG**
Environmental, Social and Governance.

**$gCO_2e/MJ$**

Grams of carbon dioxide equivalent per megajoule of energy

**IAS**

International Accounting Standards

**IFRS**

International Financial Reporting Standards.

**KPIs**

Key performance indicators

**LNG**

Liquified natural gas

**LTIP**

Long-term Incentive Plan

**Megajoule**

A unit of energy equivalent to one million joules

**mmboe**

million barrels of oil equivalent

**mmcf/d**

Million cubic feet per day

**MW**

Megawatt

**MWh**

Megawatt hours

**UKCS**

United Kingdom Continental Shelf

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