ADVANCE ENERGY

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 30 APRIL 2020

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CHAIRMAN'S REPORT

On behalf of the Board of Directors, I hereby present the financial statements of Advance Energy plc (the "Company") for the year ended 30 April 2020.

I am pleased to provide the following statement as part of the 2020 Annual Report. The financial and operational highlights included in the Directors Report provide good context for the market backdrop and, more importantly, the Board's ambitions to execute its stated growth strategy.

Introduction

It's been a year of tremendous change for the Company. We started the last fiscal year as Andalas Energy & Power plc and have undergone a complete change of identity and strategy in the first quarter of 2020 to create Advance Energy plc as we are trading today.

The focus for the Company since this time has been solely on execution of the strategy set forth in our March Strategy Update, as this was the objective of the new Board and executive team when recapitalising the Company in February 2020.

Our strategy is intended to create a sustainable business capable of exceptional growth, as well as delivering ongoing returns to shareholders via a dividend policy linked to cash flow generation from our project portfolio. Clearly, it is too early to elaborate on this policy but we feel it is important to state our intentions early.

In fact, it is fully consistent with our founding philosophy of maintaining strong alignment between shareholders and management. At the current time Directors and executives own in excess of 20% of the Company and we want to keep our strong alignment as the Company grows.

Strategic Focus

The Board has articulated a clear, focused, and compelling strategy to deliver the Advance Energy vision: to provide exceptional returns to our investors by unlocking hidden value in discovered oil & gas assets.

We seek to take non-operated interests either by acquisition or farm-in, and prefer joint ventures with only two parties where we have the ability to exert a significant degree of influence.

Our model means that we only work with established operators eliminating many of the execution risks present for typical early stage, high growth companies. We can focus on what really adds value rather than day-to-day operational concerns leaving that to the operator.

An additional benefit is that we have no need to build a large and complex operations team thereby keeping our overheads low and preserving value for our shareholders.

We feel that our strategy is somewhat novel but perfectly suited to the current market trends where major shifts are happening in the industry to accommodate the "energy transition" and the pressure of the latest commodity price cycle triggered by the ongoing COVID pandemic.

Nevertheless, these are uncertain times, especially for many investors, which makes the execution of our strategy more challenging, despite also providing a more compelling deal flow to consider.

Key Objectives for the Current Fiscal Year

This year we have a simple set of objectives - the primary one being to execute one or more transformative transactions.

Ancillary to this and with an eye towards our ambitious growth goals we need to strengthen our Company in a number of respects.

Firstly, we need to further establish our identity in the market and build up a loyal following of investors who understand our business, while seeking to diversify and deepen our sources of funding with both equity and debt providers.

And secondly, we need to consolidate our alliances of technical support and services which are essential to our low-cost business model while remaining focused on strict cost control as we move forward.

Outlook

We are confident that we are on track to deliver on all of our ancillary objectives for the year. Our cost control is such that we have amongst the lowest G&A costs of all companies listed on the AIM.

However, at this stage in the development of the Company there is only one real overriding question. Can the team deliver a transformative transaction?

At the current time all I can state is that we are making progress in maturing our priority opportunities and have a positive outlook in that regard.

We have also developed a pipeline of potential projects which we believe have the ability to deliver value in the longer term. This is a pre-requisite for reaching our longer-term objective of establishing Advance Energy as a material player in the sector with in excess of 20,000 barrels per day net production within five years.

The Board is confident that it has the right strategy in place, and the right team to deliver on this objective. The complementary experience, extensive industry relationships, and tenacity of the current team provide a strong basis for that confidence.

The first steps in our journey have already been taken, and I would like to take this opportunity to thank the Board and the executive management for their hard work and commitment throughout this period and look forward to the exciting times ahead.

Mark Rollins
Non-Executive Chairman
30 October 2020

DIRECTORS' REPORT

The Directors present their report and the audited financial statements for the year ended 30 April 2020.

Change of name

On 26 February 2020, at an Extraordinary General Meeting, the shareholders approved changing the Company name from Andalas Energy and Power Plc to Advance Energy Plc.

Principal activities, business review and future developments

The principal activity of Advance Energy Plc during the year was as a gas to power developer in the Republic of Indonesia and the UK. Further details on the activities of the Group are provided in the Review of Operations (below).

Impact of COVID-19

The global COVID-19 pandemic required us, like many of our peers, to alter our operational plans and implement strict safety protocols to protect our staff and our local community. Our operational productivity was not affected as we do not currently operate any projects. Ultimately the Company was able continue with the day to day activities with minimal affect. Whilst there are still certain restrictions imposed on our activities by the crisis, we are confident of our ability to adapt to this dynamic situation and continue our day to day activities.

Results and dividends

Loss on ordinary activities after taxation amounted to $1,231,000 (30 April 2019: $3,930,000). The Directors do not recommend the payment of a dividend (30 April 2019: $Nil).

Review of Operations

On 5 June 2019 the Company announced Corallian Energy Limited, the Operator in the Company's joint venture (where the Company held a 8% interest), together with its other partners, UOG Colter, Baron Oil and Corfe Energy had been offered Blocks 98/11b and 98/12 in the English Channel by the UK Oil and Gas Authority ("OGA") in the 31st Offshore Licensing Round. However, subsequently on 1 November 2019 the Company announced that the joint venture group had decided to not accept the licences due to the OGA amending the block areas such that they no longer included the primary targets that had been identified as part of the application process.

On 21 June 2019 the Company announced that it had entered into an operating services and option agreement ("Services Agreement") in respect of the producing Betun-Selo KSO in Sumatra, Indonesia and had also issued a £2 million unsecured, interest-free convertible loan note facility ("Convertible Note") arranged by Optiva Securities. The Betun-Selo KSO comprises the producing Betun field and the non-producing Selo field. During the year the Company met all its obligations under the Services Agreement.

On 26 June 2019 the Company announced that £560,000 of the Convertible Note had been converted into 373,333,333 new ordinary shares at a price of 0.15 pence per share.

On 3 July 2019 the Company announced that a further £100,000 of the Convertible Note had been converted into 66,666,666 new ordinary shares at a price of 0.15 pence per share.

On 23 December 2019 the Company announced that it had raised £250,000 through the issue of 166,666,667 new ordinary shares at a price of 0.15 pence per share.

On 4 February 2020 the Company announced the following changes to the Board and management team:

a) Mr Leslie Peterkin was appointed Chief Executive Officer and director;
b) Mr Mark Rollins was appointed non-Executive Chairman and director;
c) Mr Anthony John Battrick was appointed Technical Manager; and

d) Dr Robert Arnott and Mr Simon Gorringe stepped down from their roles as Chairman and CEO respectively.

In addition, on 4 February 2020 the Company announced that £525,000 had been raised by a subscription of 349,999,998 new shares at a price of 0.15 pence per subscription share, with the new directors and management subscribing for 333,333,332 of these new shares as follows:
a) Mr Peterkin subscribed for 133,333,333 new shares
b) Mr Rollins subscribed for 133,333,333 new shares, and
c) Mr Battrick subscribed for 66,666,666 new shares.

On 26 February 2020 an Extraordinary General Meeting was held and a resolution was passed to change the name of the Company to Advance Energy Plc.

Key Performance Indicators ('KPIs')

The Board monitors the activities and performance of the Group on a regular basis, including as part of the regular Board updates and Board meetings. During the year the principal focus of the Group was to develop an onshore upstream E&P business in the Republic of Indonesia and to continue to explore upstream E&P opportunities. The KPIs being monitored by the Group as at the date of this report were as follows:

- Cash management;
- Business development; and
- Project development

Risks and uncertainties

The principal risks and uncertainties inherent in an Advance Energy's business strategy are summarised below:

- Volatility of commodity prices which may impact investment decisions taken. The Group monitors price forecasts in Board meetings and reacts accordingly.
- Foreign currency volatility impacts the potential cost base of projects and the Group monitors and assesses, as far as practicable, the impact on budgets and cash flows.
- Operational risks relate to dealing with stakeholders on any potential project. The ability of partners to finance and support projects, customers or governments to approve projects can impact budgets and cash flows and the Group maintains and monitors its stakeholder relationships.
- Availability of finance and funding is key to ensuring that there are funds available for working capital and to allow the Group to make strategic investment decisions. The Board is responsible for monitoring the cash flows and cash forecasts of the business.

Financial Risk Management

The Group's operations expose it to a variety of financial risks that include the effect of changes in debt market prices, movements in foreign currency exchange rates, credit risk and liquidity risk. The Group has a risk management programme in place that seeks to limit the adverse effects on the financial performance of the Group by monitoring levels of debt finance and the related finance costs. The Group does not use derivative financial instruments to manage interest rate or foreign exchange costs and, as such, no hedge accounting is applied. Details of the Group's financial risk management policies are set out in Note 15 to the Financial Statements.

Internal Controls

The Board recognises the importance of both financial and non-financial controls and has reviewed the Group's control environment and any related shortfalls during the year. Since the Group was established, the Directors are satisfied that, given the current size and activities of the Group, adequate internal controls have been implemented.

Going Concern

After reviewing areas that could give rise to significant financial exposures, the Board has a reasonable expectation that the Company and the Group have adequate resources to continue their operations and that sufficient liquidity will be available to meet current expenses from a combination of existing cash reserves and capital raises. Consequently, the financial statements have been prepared on a going concern basis. The Company raises money to support its corporate overheads, its operations and capital projects as and when required. The Group requires additional funding to meet its daily working capital needs, to settle its outstanding liabilities and in order to fund the development of its projects. As additional funding is required in order to settle outstanding liabilities, to meet ongoing working capital needs and to raise finance to fund project development there can be no assurance that the Group's projects will be developed in accordance with current plans or completed on time or to budget. Therefore, future work on the development of the Group's projects and financial returns arising therefrom may be adversely affected by factors outside the control of the Group which are inherently linked to the availability of funding for the Group.

The Directors remain confident that the potential future income stream from the development of its projects, the continued part payment of remuneration of the Directors in shares and warrants, together with the Directors' historic ability to raise additional funds will enable the Group to settle its outstanding liabilities, finance its future working capital and fund the development cost requirements of its projects beyond the period of twelve months from the date of approval of this report. However, there are no confirmed funding arrangements in place at present and as such there can be no guarantee that the required funds to settle current liabilities, meet future working capital requirements and fund future development costs will be available to the Group within the necessary timeframe. Consequently, a material uncertainty exists that may cast significant doubt on the Group's ability to fund this cash shortfall and therefore be able to meet its commitments and discharge its liabilities in the normal course of business for a period not less than twelve months from the date of approval of these financial statements. The financial statements do not include the adjustments that would result if the Group were unable to continue in operation.

Directors

The following Directors held office during the year and to the date of this report:

Mark Rollins (appointed 4 February 2020)
Leslie Peterkin (appointed 4 February 2020)
Ross Warner
Graham Smith (resigned 1 June 2020)
Simon Gorringe (resigned 4 February 2020)
Dr Robert Arnott (resigned 4 February 2020)
Stephen West (appointed 1 June 2020)

The Board considers the directors to be independent other than in respect of those directors with an interest as disclosed below.

Directors' interests

The beneficial and non-beneficial interests in the Company's shares of the Directors (who remain in office at the respective reporting dates) and their families, as at the date of approval of the financial statements are as follows:

	2020	2019	**2020**	2019
	Ordinary shares	Ordinary shares	**Options** (1)	Options
Mark Rollins	**139,833,333**	-	**50,000,000**	-
Leslie Peterkin	**139,833,333**	-	**50,000,000**	-
Ross Warner	**2,052,875**	2,052,875	**12,500,000**	498,000
Simon Gorringe	**-**	5,060,663	**-**	498,000
Graham Smith	**360,000**	360,000	**-**	-
Dr Robert Arnott	**-**	-	**-**	-

(1) These relate to 0.30 pence options (vested and unvested) that were allocated to a number of Directors of the Company on 4 February 2020. Half of the options vested immediately on 4 February 2020 and the remaining half will vest on 1 February 2021. Vesting of the options is subject to the option holder providing continuous service during the vesting period and there are no other performance conditions attached to the options. The vested shares are shown in the Options table in Note 8, whilst the unvested options are described in Note 8.

Details of the Directors' remuneration are given in note 9 to the Financial Statements.

Provision of information to auditors

So far as each of the Directors is aware at the time this report is approved:

- there is no relevant audit information of which the Group's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditor

Lubbock Fine, who, being eligible, have expressed their willingness to continue in office in accordance with the Isle of Man Companies Act 2006.

This report was approved by the Board and signed on its behalf by:

Mark Rollins
30 October 2020

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

The Directors are required to prepare financial statements for each financial year. The Directors have elected to prepare the Group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the Directors must not approve the financial statements unless they are satisfied they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping proper accounting records that are sufficient to show and currently explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and which allow financial statements to be prepared. They are also responsible for safeguarding the assets of the Group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. The Group is compliant with AIM Rule 26 regarding the Group's website.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ADVANCE ENERGY PLC

OPINION

We have audited the consolidated financial statements of Advance Energy plc (the 'Company') and its subsidiaries (the 'Group') for the year ended 30 April 2020, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement, and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards as adopted by the European Union.

The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. In our opinion:

- the financial statements give a true and fair view of the state of the Group's affairs as at 30 April 2020 and of the Group's loss for the year then ended; and
- the financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in the United Kingdom, 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 RELATING TO GOING CONCERN

We draw your attention to Note 2I to the financial statements which explains that the Group requires further funding, although no confirmed funding arrangement in place, in order to continue to undertake the required work to develop and build its asset acquisition strategy and to continue as a going concern. The matters explained in Note 2I indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. These financial statements do not include the adjustments that would result if the Group were unable to continue as a going concern. Our opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated 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 consolidated 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 audit addressed the key audit matter
Impairment of exploration asset The Group had capitalised amounts in respect of the historic exploration expenditure in relation to	Given the indicators of impairment in the year we have reviewed management's impairment review

the Colter project. During the year the board decided not to renew the licence due to poor results and the asset, which had a carrying value of $267k, was written off.	of the asset and carried out our own review of the entity. Based on this work we consider it appropriate that an impairment adjustment is made against this asset.
Impairment of Betun Selo investment During the year the Group entered into a production agreement in Indonesia as detailed in note 11. Due to poor results in the year, the board determined that no amounts were expected to be received from this arrangement and the investment of $604k in the year was written off.	Given the indicators of impairment in the year we have reviewed management's impairment review of the asset and carried out our own review of the entity. Based on this work we consider it appropriate that an impairment adjustment is made against this asset.
Going concern As detailed in note 2I, there is considered to be material uncertainty over whether the Group will be able to obtain sufficient funds to meet its liabilities as they fall due.	We have discussed the going concern basis with management and reviewed the Group's forecasts and budgets.
Accuracy and completion of equity In the current year, the Group entered into a large number of transactions impacting equity which include share issues, share warrants and other equity settled transactions with third parties. Given the qualitative and quantitative impact on the share structure of the Group and the judgements and estimates required to be taken by management to value share transactions, this financial statement area is considered to be an audit risk that could result in a material misstatement.	We obtained an understanding of the nature of equity transactions entered into by the Company during the year through discussions with management a review of regulatory news service announcements and from the review of Board minutes and key contracts.

OUR APPLICATION OF MATERIALITY

The scope and focus of our audit was influenced by our assessment and application of materiality. We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements on our audit and on the consolidated financial statements.

We define financial statements materiality as the magnitude by which misstatements, including omissions, could influence the economic decisions taken on the basis of the consolidated financial statements by reasonable users.

We also determine a level of performance materiality, which we use to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the consolidated financial statements as a whole.

- Overall materiality - We determine materiality for the consolidated financial statements as a whole to be $62,000. This was based on the key performance indicator, being 5% of the adjusted loss. We believe adjusted loss after tax to be the most appropriate bench mark.

- Performance materiality - On the basis of our risk assessment, together with our assessment of the Group's control environment, our judgement is that performance materiality for the consolidated financial statements should be 50% of materiality, amounting to $31,000.

AN OVERVIEW OF THE SCOPE OF OUR AUDIT

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

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, taking into account an understanding of the structure of the Group, its activities, the accounting processes and controls, and the industry in which they operate. Our planned audit testing was directed accordingly and was focused on areas where we assessed there to be the highest risk of material misstatement. During the audit, we reassessed and re-valuated audit risks and tailored our approach accordingly.

The audit testing included substantive testing on significant transactions, balances and disclosures, the extent of which was based on various factors such as our overall assessment of the control environment, the effectiveness of controls and management of specific risk.

We communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant findings, including any significant deficiencies in internal control that we identify during the audit.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our Auditors' Report thereon. Our opinion on the consolidated 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.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the consolidated financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS

The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are also responsible for overseeing the Group’s financial reporting process. The audit committee of the Company (the “Audit Committee”) assists the directors in discharging their responsibility in this regard.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE GROUP FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

USE OF OUR REPORT

This report is made solely to the Company's members, as a body, in accordance with our engagement letter dated 16 July 2019. 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 Auditors' 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.

Lubbock Fine
Chartered Accountants & Statutory Auditors
3rd Floor Paternoster House
65 St Paul's Churchyard
London
EC4M 8AB

Date: 30 October 2020

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	**For the year ended 30 April 2020 US$'000**	For the year ended 30 April 2019 US$'000
Investment loss:			
Unrealised loss on investments	11	**(604)**	(524)
Impairment of exploration asset	11	**(267)**	-
		(871)	(524)
Other income		**-**	29
Asset evaluation expense	6	**(23)**	(2,293)
Other administrative expenses	6	**(293)**	(1,079)
Net loss before finance costs and taxation		**(1,187)**	(3,867)
Finance costs		**(44)**	(63)
Loss before tax		**(1,231)**	(3,930)
Tax expense	10	**-**	-
Loss after tax attributable to owners of the parent		**(1,231)**	(3,930)
Total comprehensive loss for the year attributable to owners of the parent		**(1,231)**	(3,930)
Basic and diluted loss per share attributable to owners of the parent during the year (expressed in US cents per share)	7	**(0.11)**	(1.10)

The Statement of Comprehensive Income has been prepared on the basis that all operations are continuing.

The accompanying notes form an integral part of these Financial Statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	**As at 30 April 2020 US$'000**	As at 30 April 2019 US$'000
Assets			
Non-current assets			
Financial assets at fair value through profit or loss	11	**-**	-
Equity investment in associate	11	**-**	-
Other investments	12	**-**	267
Total non-current assets		**-**	267
Current assets			
Other receivables		**15**	75
Cash and cash equivalents		**562**	258
Total current assets		**577**	333
Total assets		**577**	600
Liabilities			
Current liabilities			
Trade and other payables	14	**(323)**	(853)
Total liabilities		**(323)**	(853)
Net assets		**254**	(253)
Equity attributable to the owners of the parent			
Share premium		**18,665**	16,878
Accumulated deficit		**(18,411)**	(17,131)
Total shareholder funds		**254**	(253)

The Financial Statements were approved and authorised for issue by the Board of Directors on 30 October 2020 and were signed on its behalf by

Director

The accompanying notes form an integral part of these Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share premium US$'000	Accumulated deficit US$'000	Total equity US$'000
Balance at 1 May 2018	**13,377**	**(13,316)**	**61**
Loss for the year to 30 April 2019	-	(3,930)	**(3,930)**
Total comprehensive income	**-**	**(3,930)**	**(3,930)**
Transactions with equity shareholders of the parent			
Proceeds from shares issued	3,669	-	**3,669**
Cost of share issue	(282)	-	**(282)**
Consideration shares	163	-	**163**
Share based payments – warrants	(49)	49	**-**
Share based payments – options	-	66	**66**
Balance at 30 April 2019	**16,878**	**(17,131)**	**(253)**
Loss for the year to 30 April 2020	-	(1,231)	**(1,231)**
Total comprehensive income	**-**	**(1,231)**	**(1,231)**
Transactions with equity shareholders of the parent			
Share based payments – warrants	49	(49)	**-**
Share based payments – options	-	-	**-**
Proceeds from shares issued	1,833	-	**1,833**
Cost of share issues	(95)	-	**(95)**
Balance at 30 April 2020	**18,665**	**(18,411)**	**254**

The accompanying notes form an integral part of these Financial Statements.

CONSOLIDATED CASH FLOW STATEMENT

	For the year ended 30 April 2020 $'000s	For the year ended 30 April 2019 $'000s
Cash flows from operating activities:		
Net loss for the year	**(1,231)**	(3,930)
Adjustments for:		
Share-based payment	**-**	66
Unrealised loss from financial assets at fair value	**-**	524
Impairment of intangible asset	**267**	-
Change in working capital items:		
Decrease in other receivables	**59**	786
Decrease in trade and other payables	**(529)**	(192)
Net cash used in operations	**(1,434)**	(2,746)
Cash flows from investing activities		
Investment in associate	**-**	(154)
Other investments	**-**	(267)
Net cash from investing activities	**-**	(421)
Cash flows from financing activities		
Proceeds from issue of share capital	**1,833**	3,669
Share issue costs	**(95)**	(282)
Net cash generated by financing activities	**1,738**	3,387
Net increase in cash and cash equivalents	**304**	220
Cash and cash equivalents, at beginning of the year	**258**	38
Effect of foreign exchange rate changes	**-**	-
Cash and cash equivalents, at end of the year	**562**	258

Major Non-Cash Transactions

Details of major non-cash transactions are described in note 11.

The accompanying notes form an integral part of these Financial Statements.

NOTES TO FINANCIAL STATEMENTS

1 Reporting Entity

Advance Energy Plc ('the Company') is domiciled in the Isle of Man. The Company's registered office is at 55 Athol Street, Douglas, Isle of Man IM1 1LA. These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the 'Group'). The Group is primarily involved in the energy business, focussed on the Republic of Indonesia and the United Kingdom. The Company is listed on the Alternative Investment Market of the London Stock Exchange.

2 Basis of accounting

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"). They were authorised for issue by the Company's board of directors on 30 October 2020.

Details of the Group's accounting policies are included below:

Standards and amendments effective for the period beginning 1 January 2019 or later

A number of other new standards are effective from 1 January 2019 but they do not have a material effect on the Company's financial statements.

IFRS 16 introduced a single, on-balance sheet accounting model for lessees. The Company is not a lessee or a lessor. The adoption of IFRS 16 had no impact on the net assets attributable to holders of shares or the Company and no restatement of comparative information was required from the adoption of this new accounting standard.

A number of new standards are effective for annual periods beginning after 1 January 2019 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these consolidated financial statements.

The following amended standards and interpretations are not expected to have a significant impact on the Group's consolidated financial statements:

- Amendments to References to Conceptual Framework in IFRS Standards;
- Definition of a Business (Amendments to IFRS 3);
- Definition of Material (Amendments to IAS 1 and IAS 8); and
- IFRS 17 Insurance Contracts.

A. Basis of consolidation

i. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

ii. Non-controlling interests ("NCI")

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

iii. Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates and a joint venture.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and the joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income ("OCI") of equity accounted investees, until the date on which significant influence or joint control ceases.

iv. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

B. Foreign currency

i. Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss and presented within finance costs.

However, foreign currency differences arising from the translation of the following items are recognised in OCI:

- an investment in equity securities designated as at FVOCI (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss);
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

ii. Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into USD at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into USD at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

C. Employee benefits

i. Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Share-based payment arrangements

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of the amount payable to employees in respect of SARs, which are settled in cash, is recognised as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the SARs. Any changes in the liability are recognised in profit or loss.

D. Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.
Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

Deferred tax assets and liabilities are offset only if certain criteria are met.

E. Exploration expenditure

In-line with IFRS 6 the Company has elected not to capitalise expenditure in relation to its farm-in arrangements for oil and gas exploration, with the exception of costs in respect of the acquisition of rights to explore. These have been classified as other investments in the consolidated financial statements.

F. Share capital

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with IAS 12.

G. Impairment

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than biological assets, investment property, inventories, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

H. 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 at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

I. Going concern

The consolidated financial statements have been prepared on a going concern basis. The Company raises money to support its corporate overhead, its operations and capital projects as and when required. The Group requires additional funding to meet its daily working capital needs, to settle its outstanding liabilities and in order to fund the development of its projects. As additional funding is required in order to settle outstanding liabilities, to meet ongoing working capital needs and to raise finance to fund project development there can be no assurance that the Group's projects will be developed in accordance with current plans or completed on time or to budget. Therefore, future work on the development of the Group's projects and financial returns arising therefrom may be adversely affected by factors outside the control of the Group which are inherently linked to the availability of funding for the Group.

As there are no confirmed funding arrangements in place at present; there can be no guarantee that the required funds to settle current liabilities, meet future working capital requirements and fund future development costs will be available to the Group within the necessary timeframe. Consequently, a material uncertainty exists that may cast significant doubt on the Group's ability to fund this cash shortfall and therefore be able to meet its commitments and discharge its liabilities in the normal course of business for a period not less than twelve months from the date of approval of these financial statements. The financial statements do not include the adjustments that would result if the Group were unable to continue in operation.

3 Functional and presentation currency

These consolidated financial statements are presented in US Dollars ("USD"), which is the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

4 Use of judgements and estimates

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

A. Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

– Note 11 – equity-accounted investees: whether the Group has significant influence over an investee;
– Note 16 – consolidation: whether the Group has de facto control over an investee.

B. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at 30 April 2020 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

Share based payments (note 8)

The Group has made awards of options and warrants over its un-issued capital. The valuation of these options and warrants involve making a number of estimates relating to price volatility, future dividend yields, expected life and forfeiture rates.

Going concern (note 2I)

The Group made a loss in the year. The board has prepared a budget and considered its ability to continue as a going concern, together with the Directors historic ability to raise additional funds will enable the Group to finance its future working capital and development cost requirements beyond the period of twelve months from the date of this report.

Valuation of investments (note 11/12)

The Group held two significant assets in the year: an intangible exploration asset in respect of the Colter licence (discussed in note 12) and an Incremental Production Agreement asset in respect of Betun Selo (note 11). The board have reviewed the expected returns from both projects and determined that both projects should be fully impaired at the year-end.

i) Measurement of fair values (Note 2H)

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.
The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Level 3 inputs

The following table gives information about how the fair values of Group's investments are determined (in particular, the valuation techniques and inputs used).

Assets and liabilities	Nature of investment	Fair value as at 30 April 2020	Fair value as at 30 April 2019	Valuation techniques and key inputs	Significant unobservable input
Financial assets at fair value through profit or loss	25% of equity investment in Eagle Gas Ltd	USD Nil	USD Nil	Recent purchase price and market knowledge	Expected realisable value from sale
Financial assets at fair value through profit or loss	20% of equity investment in Peelwood Pty Ltd	USD Nil	USD Nil	Purchase price and market knowledge	Expected realisable value from sale
Financial assets at fair value through profit or loss	Production agreement returns from Betun Selo	USD Nil	USD Nil	Cashflow forecasting	Future cash flows

5 Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments and make strategic decisions, has been identified as the Directors of the Group. In the opinion of the Directors, the operations of the Group comprise two operating segments comprising firstly of that of developer of gas to power projects in the Republic of Indonesia and secondly with projects within the UK. The Group considers that it only has one reportable segment and the Directors consider that the primary financial statements presented substantially reflect all the activities of the Company.

6 Administrative expenses

Administration fees and expenses consist of the following:

	2020 US$'000	2019 US$'000
Audit fees	32	31
Bad debts	117	-
Professional fees	241	259
Administration costs	49	162
Directors' fees (Note 9)	(146)	627
Total corporate overhead	**293**	**1,079**
Office costs	13	152
Consulting and farm-in expenses	(36)	2,056
Travel and accommodation	46	85
Asset evaluation and gas to power business expenses	**23**	**2,293**

7 Earnings per share

Basic loss per share is calculated by dividing the loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

	2020	2019
Loss attributable to owners of the Group (USD thousands)	**(1,231)**	(3,930)
Weighted average number of ordinary shares in issue (thousands)	**1,107,577**	357,878
Loss per share (US cents)	**(0.11)**	(1.10)

In accordance with International Accounting Standard 33 'Earnings per share', no diluted earnings per share is presented as the Group is loss making. Details of potentially dilutive share instruments are detailed in notes 8 and 13.

8 Share-based payment arrangements

The following is a summary of the share options and warrants outstanding and exercisable as at 30 April 2020 and 30 April 2019 and the changes during each year:

	Number of options and warrants	**Weighted average exercise price (Pence)**
Outstanding and exercisable at 1 May 2018	**1,409,075,943**	**0.110**
50:1 consolidation at 9 August 2018	(1,380,894,424)	(0.085)
Options granted as consideration	36,000,000	0.571
Warrants granted for services	27,884,057	0.156
Warrants granted with share issue	34,782,608	0.552
Lapsed options	(865,009)	(0.008)
Outstanding and exercisable at 30 April 2019	**125,983,175**	**1.294**
Cancelled options	**(30,000,000)**	**(0.304)**

Options granted as consideration	**68,750,000**	**0.104**
Warrants granted with share issue	**32,904,758**	**0.026**
Outstanding and exercisable at 30 April 2020	**197,637,934**	**1.120**

The above weighted average exercise prices have been expressed in pence and not cents due to the terms of the options and warrants. The following share options or warrants were outstanding and exercisable in respect of the ordinary shares:

Grant Date	Expiry Date	1 May 2018	Issued	Expired	30 April 2019	Exercise Price
Warrants						
07.12. 13	07.12.18	10,839,750	-	(10,839,750)	-	2.00p
24.01.14	24.01.19	26,410,714	-	(26,410,714)	-	1.00p
13.05.16	13.05.21	42,000,000	-	-	42,000,000	0.20p
31.01.17	31.01.22	10,000,000	-	-	10,000,000	0.20p
31.01.17	31.01.22	8,000,000	-	-	8,000,000	0.25p
31.01.17	31.01.22	6,666,666	-	-	6,666,666	0.30p
22.05.17	22.05.22	15,000,000	-	-	15,000,000	0.10p
22.05.17	22.05.22	35,000,000	-	-	35,000,000	0.10p
31.07.17	31.07.22	150,000,000	-	-	150,000,000	0.10p
19.08.17	19.08.22	90,769,231	-	-	90,769,231	0.06p
01.09.17	01.09.22	70,769,231	-	-	70,769,231	0.06p
06.12.17	06.12.22	638,569,604	-	-	638,569,604	0.05p
29.04.18	29.04.21	264,705,882	-	-	264,705,882	0.017p
03.08.18	02.08.21	-	300,000,000	-	300,000,000	1.00p
Consolidation		(1,341,356,456)	(294,000,000)	36,505,455	(1,598,851,001)	
20.09.18	20.09.21	-	5,217,391	-	5,217,391	1.15p
20.09.18	20.09.21	-	34,782,608	-	34,782,608	2.00p
15.03.19	14.03.22	-	16,666,666	-	16,666,666	0.45p
Options						
07.12.13	07.12.18	6,000,000	-	(6,000,000)	-	2.00p
05.06.15	05.06.18	34,344,865	-	-	34,344,865	0.40p
Consolidation		(39,537,968)	-	5,880,000	(33,657,968)	
01.10.18	01.10.23	-	36,000,000	-	36,000,000	2.00p
		28,181,519	**98,666,665**	**(865,009)**	**125,983,175**	

Grant Date	Expiry Date	1 May 2019	Issued	Expired	30 April 2020	Exercise Price
Warrants						
13.05.16	13.05.21	42,000,000	-	-	42,000,000	0.20p
31.01.17	31.01.22	10,000,000	-	-	10,000,000	0.20p
31.01.17	31.01.22	8,000,000	-	-	8,000,000	0.25p
31.01.17	31.01.22	6,666,666	-	-	6,666,666	0.30p
22.05.17	22.05.22	15,000,000	-	-	15,000,000	0.10p
22.05.17	22.05.22	35,000,000	-	-	35,000,000	0.10p
31.07.17	31.07.22	150,000,000	-	-	150,000,000	0.10p
19.08.17	19.08.22	90,769,231	-	-	90,769,231	0.06p

01.09.17	01.09.22	70,769,231	-	-	70,769,231	0.06p
06.12.17	06.12.22	638,569,604	-	-	638,569,604	0.05p
29.04.18	29.04.21	264,705,882	-	-	264,705,882	0.017p
03.08.18	02.08.21	300,000,000	-	-	300,000,000	1.00p
Consolidation		(1,598,851,001)	-	-	(1,598,851,001)	
20.09.18	20.09.21	5,217,391	-	-	5,217,391	1.15p
20.09.18	20.09.21	34,782,608	-	-	34,782,608	2.00p
15.03.19	14.03.22	16,666,666	-	-	16,666,666	0.45p
21.06.19	20.06.22	-	18,059,856	-	18,059,856	0.155p
21.06.19	20.06.22	-	10,833,334	-	10,833,334	0.155p
02.07.19	01.07.22	-	3,178,235	-	3,178,235	0.157p
03.07.19	02.07.22	-	833,334	-	833,334	0.157p
Options						
05.06.15	05.06.18	34,344,865	-	-	34,344,865	0.40p
Consolidation		(33,657,968)	-	-	(33,657,968)	
01.10.18	01.10.23	36,000,000	-	(30,000,000)	6,000,000	2.00p
01.02.20	01.02.25	-	68,750,000	-	68,750,000	0.30p
		125,983,175	**101,654,759**	**(30,000,000)**	**197,637,934**	

The options and warrants issued in the prior year were valued using the Black-Scholes valuation method and the assumptions used are detailed below. The expected future volatility has been determined by reference to the historical volatility:

Grant date	Share price at grant	Exercise price	Volatility	Option life	Dividend yield	Risk-free investment rate	Fair value per option
Prior year							
03.08.18	0.02p	0.02p	40%	3 years	0%	3%	0.397 cents
21.09.18	2.00p	1.17p	40%	3 years	0%	3%	0.204 cents
21.09.18	1.15p	1.17p	40%	3 years	0%	3%	0.481 cents
02.10.18	2.00p	1.04p	40%	5 years	0%	3%	0.265 cents
15.03.19	0.45p	0.17p	40%	3 years	0%	3%	0.011 cents

The Group recognised $nil (30 April 2019: $115,000) relating to equity-settled share-based payment transactions during the year arising from Option or Warrant grants, which was charged $nil (2019: $49,000) in respect of services performed in connection with the issue of new shares charged to share premium and $nil (2019: $66,000) as payment for professional fees to the income statement.

There are 734,115 (2019: 2,060,692) of unvested options at the year-end that are held by certain Directors and consultants, which vest in three equal tranches relating to acquiring an economic interest in a first concession, an interest in a second concession and gross production from its interests in projects exceeding 400 barrels of oil per day. As the triggers for the grant of the tranches have not occurred at the reporting date no share-based payment charge arises.

There are 68,750,000 of unvested options at the year-end that are held by the current Directors and consultants, which vest on 1 February 2021. Vesting of the options is subject to the option holder providing continuous service during the vesting period and there are no other performance conditions attached to the options.

For the share options and warrants outstanding as at 30 April 2020, the weighted average remaining contractual life is 3.42 years (30 April 2019: 3.30 years).

9 Employee benefits (including directors)

The group employed an average of 4 individuals during the year, including the directors (2019: 5).

	2020	2019
	US$'000	US$'000
Directors' remuneration (see below)	**(149)**	583
Share based payments	**-**	66
Directors' health insurance	**3**	-
Adjustment for over accrual	**-**	(22)
	(146)	627

Key management of the Group are considered to be the Directors.

The remuneration of the directors during the year ended 30 April 2020 was as follows:

	Short term employee benefits US$'000	**Social security payments US$'000**	**Pension contribution US$'000**	**Waiver of fees US$'000**	**Total 2020 US$'000**
Ross Warner	150	-	-	**(248)**	**(98)**
Simon Gorringe	135	-	-	**(227)**	**(92)**
Mark Rollins	15	-	-		**15**
Leslie Peterkin	30	-	-		**30**
Graham Smith	27	-	-		**27**
Robert Arnott	39	4	1		**44**
Daniel Jorgensen	12			**(87)**	**(75)**
Total Key Management	**408**	**4**	**1**	**(562)**	**(149)**

The remuneration of those in office during the year ended 30 April 2019 was as follows:

	Short term employee benefits US$'000	**Social security payments US$'000**	**Pension contribution US$'000**	**Total 2019 US$'000**
Daniel Jorgensen	120	14	1	**135**
Ross Warner	180	-	-	**180**
Simon Gorringe	180	9	1	**190**
Graham Smith	12	-	-	**12**
Robert Arnott	53	12	1	**66**
Total Key Management	**545**	**35**	**3**	**583**

10 Income taxes

The Company is resident for tax purposes in the Isle of Man and is subject to Isle of Man tax at the current rate of 0% (2019: 0%).

Taxation reconciliation

The charge for the year can be reconciled to the loss per the consolidated statement of comprehensive income as follows:

	2020	2019
	US$'000	US$'000
Loss before income tax	**(278)**	(3,930)
Tax on loss at the weighted average Corporate tax rate of 0% (2019: 0%)	-	-
Total income tax expense	-	-

The deferred tax asset has not been recognised for in accordance with IAS 12. The Group does not have a material deferred tax liability at the year end.

11 Financial assets at fair value through profit or loss

	2020	2019
	US$'000	US$'000
Fair value at beginning of year	**-**	207
Additions	**-**	317
Reclassification to associate investment	**-**	(524)
Fair value at year end	**-**	-

On 29 April 2018 the Company entered into a subscription agreement with Eagle Gas Limited, a UK private company. Under this agreement the Company acquired a 14.75% interest in Eagle Gas Limited in exchange for payment of $172,500 (£125,000) in cash and the issue of 147,058,824 nil par value shares in the Company equating to $34,500 (£25,000). In addition, the Company will pay contingent consideration of a further 147,058,824 ordinary shares in the Company upon Eagle Gas Limited continuing in the licence P2112.

During the year to 30 April 2019 the Company increased its holding in Eagle Gas Limited to a 25% interest. Management considered this to provide significant influence over the entity and the asset was reclassified to that of an associate investment.

The Company invested into Eagle Gas Limited for two reasons: one to access deal flow and the other to access Eagle's Badger Prospect which holds a gross mean prospective resource of 399 billion cubic feet of gas and 3.9 million barrels of natural gas liquids. The licence for Badger came with a "drill or drop" commitment well to the OGA. Eagle were actively pursuing a number of near-term development opportunities as well as pursuing a farmout strategy on Badger to find a 3rd party to drill the "drill or drop" commitment well.

Eagle Gas Limited, with support from its joint venture partner managed to secure a 3-month extension to the licence but failed in the end to secure a farminee. The licence was subsequently dropped, and the licence area has now been put back into the OGA's open acreage and will be available for application in the next licencing round. As such, the investment has been provided for in full during the prior year.

Eagle Gas Limited's wholly owned subsidiary Holwell Resources Limited ("Holywell") re-applied for acreage covering the Badger prospect as well as additional complementary areas in the 32nd Licence Round. The OGA announced the results of the 32nd Round in September 2020, with the Company's wholly owned subsidiary

Resolute Oil & Gas (UK) Limited and Holywell each being awarded, subject to documentation, a 50% working interest in block 43/25 and part-blocks 43/29, 43/30, 48/4 and 48/5. Accordingly, Advance Energy will hold a non-operated indirect 62.5% interest in these blocks once they have been formally issued.

During the year the Company entered into an Operating Services & Option Agreement for production on the Betun-Selo KSO field in Sumatra, Indonesia with PT Petroenim Betun-Selo and PT Celebes Artha Ventura. During the year, the Company had amounts due to it from this incremental production agreement and in the interim financial statements for the period to 31 October 2020 it recognised an amount of US$ 604,000 in relation to amounts owed under this agreement. However, since this date management determined that the Company was unlikely to receive amounts under this agreement and so this was fully impaired at 30 April 2020. In October 2020 the Company formally terminated the agreement, with no amounts received under this agreement, supporting the impairment at the year-end.

Equity investment in associate

	2020	2019
	US$'000	US$'000
Carrying value at beginning of year	**-**	-
Reclassification from FVTPL	**-**	524
Impairment	**-**	(524)
Carrying value at year end	**-**	**-**

12 Other investments

	2020	2019
	US$'000	US$'000
Value at beginning of year	**267**	-
Additions	**-**	267
Impairment	**(267)**	-
Value at year end	**-**	267

The capitalised cost in the period related to the acquisition of an 8% interest in the Colter project via a farm-in.

The agreement to farm-in to the Colter licences was entered into on 20 September 2018. The cost to Advance Energy of farming into the licence, included the funding of the back costs on the licence (£45,000), together with the obligation to fund 10.67% of the forward costs related to this well, capped at a gross cost of £8.0 million. Advance Energy was responsible for funding its 8% share of incremental costs above this cap. The Operator estimated the well cost to be £7.5m (£800,000 net to Advance).

The licence in respect of this area renews in January 2021, however, due to disappointing results from this area including a failed well, management of the Company have decided not to extend this licence and as such all historic capitalised expenditure in relation to this amount has been written off in the year.

13 Capital and reserves

All shares are Nil Coupon fully paid and each ordinary share carries one vote. No warrants have been exercised at the reporting date.

Allotted, called-up and fully paid:	**Number**	**Pence per share**	**Share premium US$'000**
Balance at 30 April 2018	**9,662,162,387**		**13,377**
Over accrual for Cost of Issue from previous placing			11
10/07/2018 - Equity Placing	5,000,000,000	0.020	1,297
Cost of issue	-	-	(126)

25/07/2018 - Consideration shares*	2,941,176	-	45
Consolidation of ordinary shares at 9 August 2018	(14,368,919,140)	-	-
01/10/2018 - Equity Placing	69,565,217	1.150	1,048
Cost of issue	-	-	(118)
17/12/2018 - Consideration shares*	15,998,439	-	118
27/02/2019 - Equity Placing	222,222,222	0.450	1,324
Cost of issue	-	-	(98)
Balance at 30 April 2019	**603,970,301**		**16,878**
Adjustment in shares issued	(131)	-	-
02/07/2019 – Equity Placing	373,333,333	0.150	705
Cost of issue	-	-	(73)
11/07/2019 – Equity Placing	66,666,666	0.150	126
Cost of issue	-	-	(6)
23/12/2019 – Equity Placing	166,666,667	0.150	320
Cost of issue	-	-	(16)
04/02/2020 – Equity Placing	349,999,998	0.150	683
Removal of warrants			48
Balance at 30 April 2020	**1,560,636,834**		**18,665**

14 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value, and subsequently measured at amortised cost using the effective interest method.

	2020	2019
	US$'000	US$'000
Trade payables	**299**	512
Accruals and other payables	**24**	341
	323	853

15 Risk Management

Financial Risks

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency exchange risk and interest rate risk), credit risk and liquidity risk. The Board of Directors seek to identify and evaluate financial risks.

Market risk

A. Foreign currency exchange risk

Foreign exchange risk arises because the Group entities enter into transactions in currencies that are not the same as their functional currencies, resulting in gains and losses on retranslation into US Dollars. It is the Group's policy to ensure that individual Group entities enter into local transactions in their functional currency wherever possible and that only surplus funds over and above working capital requirements should be transferred to the treasury of the Parent Company. The Group and Company considers this policy minimises any unnecessary foreign exchange exposure. Despite this policy the Group cannot avoid being exposed to gains or losses resulting from foreign exchange movements, at the reporting date a 10% decrease in the strength of the US Dollar would result in a corresponding reduction of $1,000 (2019: $18,000) in the net liabilities of the Group.

B. Cash flow interest rate risk

The Group's cash and cash equivalents are invested at short term market interest rates. As market rates are low the Group is not subject to significant cash flow interest rate risk and no sensitivity analysis is provided. The Group is also not subject to significant fair value interest rate risk. No interest rate sensitivity has been presented in respect of the outstanding convertible loan note as it is considered not material.

	2020 US$'000	2019 US$'000
Cash & Cash Equivalents		
USD	**11**	-
GBP	**551**	258
Total Financial Assets	**562**	**258**
Trade & other payables		
USD	**310**	672
CHF	**1**	-
GBP	**12**	190
Other	**-**	(9)
Total Financial Liabilities	**323**	**853**

Credit risk

Credit risk arises on investments, cash balances and receivable balances. The amount of credit risk is equal to the amounts stated in the Statement of Financial Position for each of these assets. Cash balances and transactions are limited to high-credit-quality financial institutions. There are no impairment provisions as at 30 April 2020 (2019: nil).

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group has adopted a policy of maintaining surplus funds with approved financial institutions.

Management of liquidity risk is achieved by monitoring budgets and forecasts against actual cash flows. Where the Group entered into borrowings during the year management monitor the repayment and servicing of these arrangements against the contractual terms and reviewed cash flows to ensure that sufficient cash reserves were maintained.

Capital Risks

The Directors determine the appropriate capital structure of the Group, specifically, how much is raised from shareholders (equity) and how much is borrowed from financial institutions (debt), in order to finance the Group's business strategy. The Group's policy in the long term is to seek to maintain the level of equity capital and reserves is to maintain an optimal financial position and gearing ratio which provides financial flexibility to continue as a going concern and to maximise shareholder value. The capital structure of the Group consists of shareholders' equity together with net debt (where relevant). The Group's funding requirements are met through a combination of debt, equity and operational cash flow.

16 List of subsidiaries and associates

The parent of the Group has shareholdings in the following entities:

Name	Interest 2020	Interest 2019	Country of incorporation	Nature of business
Corvette Energy Services (Singapore) Pte. Ltd	N/A	100%	Singapore	Dissolved
Resolute Oil & Gas (UK) Limited	100%	100%	UK	Trading subsidiary
Eagle Gas Limited	25%	14.75%	UK	Gas Exploration

17 Commitments

There were no capital commitments authorised by the Directors or contracted other than those provided for in these financial statements as at 30 April 2020 (30 April 2019: None).

At the period end the Company has the obligation under the Corsair assignment agreement (dated 4 June 2015 and updated on 27 April 2017) to issue a further 1,875,000 shares subject to the milestones described below being achieved:

- (i) the acquisition by the Company of one concession in Indonesia;
- (ii) the acquisition by the Company of a second concession in Indonesia; and
- (iii) gross production from projects in which the Company has an economic interest exceeding 400 barrels of oil per day for a period of 30 days

Of the 1,875,000 shares each of Ross Warner and Simon Gorringe would receive 25% of this amount. At the reporting date the Company had not recorded these as a liability. Other than the Corsair consideration options and the Corsair consideration shares there were no other obligations to Corsair at 30 April 2020.

18 Related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence.

Related parties may be individuals (being members of key management personnel, significant shareholders and/or their close family members) or other entities and include entities which are under significant influence of related parties of the Group where those parties are individuals, and post-employment benefit plans which are for the benefit of employees of the Group or of any entity that is a related party of the Group.

Details of Directors remuneration are disclosed in Note 9 Directors Remuneration. For details of any related party transactions entered into after the year-end please refer to Note 19 Subsequent Events.

As at 30 April 2020 the following balances were included in trade and other payables and were outstanding in respect of Directors remuneration or remuneration incurred prior to their appointment as a Director at the year end.

	Outstanding at 30 April 2020 US$'000	Outstanding at 30 April 2019 US$'000
Daniel Jorgensen	**12**	87

Ross Warner	**-**	113
Simon Gorringe	**-**	93
Graham Smith	**2**	-
Total Key Management	**14**	293

19 Subsequent events

On 1 June 2020 the Company appointed Mr Stephen West as Chief Financial Officer and Executive Director of the Company Board and the resignation of Mr Graham Smith as Non-Executive Director with effect from 1 June 2020. In addition, Mr Ross Warner stepped down from his Executive Director position and assumed the role of Non-Executive Director on the same date.

On 8 July 2020 the Company announced the granting of share options to subscribe for 25,000,000 new ordinary shares in the Company. The Options were granted to Chief Financial Officer and Executive Director Stephen West under an unapproved scheme. The Options have an exercise price of 0.3 pence per share, being a 66.7 per cent premium to the closing price immediately prior to the date of grant, with 50% of the Options vesting on the date of grant and the remaining 50% of the Options vesting on 1 February 2021. Vesting of the Options is subject to the option holder providing continuous service during the vesting period and there are no other performance conditions attached to the Options.

On 14 September 2020 the Company announced the following in an operations update in relation to the Company's wholly owned subsidiary Resolute Oil & Gas (UK) Limited's 8% non-operated working interest in the P1918 Licence: further to the completion of an earlier appraisal drilling programme the Operator of the licence, Corallian Energy Limited, has completed an evaluation of the P1918 Licence and has recently recommended to the joint venture that the licence not be renewed when the second term expires on 31 January 2021 based on the conclusion that the Colter South discovery could not be commercially developed. Advance Energy agrees with the Operator's recommendation.

On 7 October 2020 the Company announced that it had entered into a Deed of Termination and Release with PT Petroenim Betun-Selo and PT Celebes Artha Ventura in relation to the Operating Services & Option Agreement for production on the Betun-Selo KSO field in Sumatra, Indonesia.

Statement of Compliance with the QCA Corporate Governance Code

(The information contained in this document was last reviewed on 30 October 2020)

In addition to information given in this Statement the Board of Advance Energy Plc (the “Company”) are continually monitoring the position regarding the COVID-19 pandemic and will provide Company updates via the RNS service as appropriate.

Introduction

The Board of Advance Energy Plc fully endorses the importance of good corporate governance and applies the QCA Corporate Governance Code, published in April 2018 by the Quoted Companies Alliance (the “QCA Code”), which the Board believes to be the most appropriate recognised governance code for a company of the Company’s size with shares admitted to trading on the AIM market of the London Stock Exchange.

As Chairman, I am responsible for leading an effective board, fostering a good corporate governance culture, maintaining open communications with the major shareholders and ensuring appropriate strategic focus and direction for the Company.

Notwithstanding the Board’s commitment to applying the QCA Code, we will not seek to comply with the QCA Code where strict compliance in the future would be contrary to the primary objective of delivering long-term value for the Company’s shareholders and stakeholders. However, we do consider that following the QCA Code, and a framework of sound corporate governance and an ethical culture, is conducive to long-term value creation for the Company’s shareholders.

All members of the Board believe strongly in the importance of good corporate governance to assist in achieving objectives and in accountability to the Company’s stakeholders. In the statements that follow, the Company explains its approach to governance in more detail.

Principle One
Business Model and Strategy
The board of directors of the Company (the “Board”) completed a strategic review announced on 4 March 2020 with a new strategy for the Company based on growth through acquisition or farm-in to non-operated interests in upstream projects where there is an opportunity to add significant value in the short to medium term.

Unlocking hidden value is the Company’s main objective - to the benefit of shareholders as well as our joint venture partners, host governments, and broader stakeholders.

Many upstream assets present challenges to existing operators. These difficulties may be technical in nature, mis-alignment in the partnership, suboptimal commercial arrangements, or simply funding constraints.

One, or a combination, of these issues can present the opportunity for realisation of added value. The Company looks to identify such assets and maximise their value using unique insights from original technical work, commercial acumen or advantaged relationships.

The Company seeks to take non-operated interests in joint ventures, ideally with only two parties, with the ability to exert a significant degree of influence.

The Company only works with established operators eliminating many of the execution risks present for typical early stage, high growth companies, and can focus on what really adds value rather than day-to-day operational concerns. There is no need to build a large and complex organisation, keeping overheads low and preserving value for shareholders.

Principle Two

Understanding Shareholder Needs and Expectations and Build Trust

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. Institutional shareholders and analysts have the opportunity to discuss issues and provide feedback at meetings with the Company. The Company is required to hold an Annual General Meeting ("AGM") in each year, which gives investors the opportunity to enter into dialogue with the Board and for the Board to receive feedback and take action if and when necessary. Where voting decisions are not in line with the Company's expectations the Board intends to engage with those shareholders to understand and address any issues as appropriate. Investors also have access to current information on the Company though its website.

Shareholders can engage with the Company through its email address info@advanceplc.com and @advanceplc on Twitter.

Investors also have access to current information on the Company through its website, www.advanceplc.com.

Principle Three

Considering wider stakeholder and social responsibilities

The Board is aware that engaging with its stakeholders strengthens relationships and assists it to make better business decisions to deliver its commitments. The Company's stakeholders include shareholders, members of staff, suppliers, contractors, regulators, and the surrounding communities where its projects are located.

The Board is regularly updated on wider stakeholder views and issues concerning its projects both formally at Board meetings and informally through conversations. Engagement in this manner enables the Board to receive feedback and equips them to make decisions affecting the business.

The Board recognises the importance of its social responsibilities concerning its investment decisions, and the Company will develop projects that seek to make a contribution to the development of communities in which they are located. In planning its activities, the Company will give consideration to evaluating the social impact of proposed developments with a view to promoting where possible local employment and the delivery of other local benefits and mitigating negative impacts to the extent possible.

Principle Four

Risk Management

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

The Company's focus on near term value creation means it is easier to control risks, limiting exposure to long term commodity price trends, as well as the potential for value to be stranded as the result of a future changing world energy mix or climate change initiatives.

The Group's operations expose it to a variety of risks that include volatility of commodity prices, foreign currency volatility, operational risks, availability of finance and funding.

The Group has a risk management programme in place that seeks to limit the adverse effects on the financial performance of the Group by monitoring levels of debt finance and the related finance costs.

Risk is monitored, assessed and managed by the Board as a whole who are responsible for ensuring that the financial performance of the Company is properly monitored and reported. This process includes reviews of annual and interim accounts, results announcements, internal control systems, procedures and accounting policies.

The Board identifies and evaluates financial risks in close co-operation with the managers who are a highly experienced team who can focus on the key issues to maximise value and de-risk Company projects.
The key risk factors for the Company are contained in pages 29-30 of the Company's 2020 Annual Report and Accounts ("2020 Accounts").

Principle Five

A Well Functioning Board of Directors

The Board comprises, Mark Rollins non-executive Chairman and director, Leslie Peterkin Chief Executive Officer and executive director, Stephen West Chief Financial Officer and executive director and Ross Warner non-executive director. Executive and Non-Executive Directors are subject to re-election at the Company's AGM in accordance with the Company's Articles of Association. The letters of appointment of all Directors are available for inspection at the Company's registered office during normal business hours. The Directors are expected to provide as much time to the Company as is required. The Board elects a Non-Executive Chairman to chair every meeting.

All the Directors biographies are published on the Company's website and outlined below: https://www.advanceplc.com/about-us/board-management/

The function of the Board is supported by an audit committee and a remuneration committee. These committees were formed and constituted on the 7 October 2020 by a Board resolution. The Company will monitor and review the need to form any further committees as required.

The Board has also agreed that appointments to the Board are made by the Board as a whole and so has not created a Nominations Committee. The Board shall review further appointments as scale and complexity grows.

The Board aims to hold monthly meetings. A schedule of attendance at Board meeting is outlined as follows:

Board Meetings Attendance

Board Meetings	Date	Simon Gorringe[1]	Graham Smith[3]	Ross Warner	Robert Arnott[1]	Mark Rollins[2]	Leslie Peterkin[2]
1	2 May 2019	X	X	X	-		
2	29 May 2019	X	X	X	-		
3	25 Jun 2019	X	X	X	-		
4	2 Jul 2019	X	X	X	-		
5	24 Sept 2019	X	X	X	X		
6	4 Oct 2019	X	X	X	X		
7	29 Oct 2019	X	X	X	X		
8	23 Dec 2019	X	X	X	-		
9	24 Dec 2019	X	X	X	-		
10	20 Jan 2020	X	-	X	X		
11	3 Feb 2020	X	X	X	X		
12	4 Feb 2020	X	X	X	X		
13	7 Feb 2020	-	X	X	-	X	X
14	10 Mar 2020	-	X	X	-	X	X
15	7 Apr 2020	-	X	X	-	X	X

[1] Resigned 4 Feb 2020
[2] Appointed 4 Feb 2020
[3] Resigned 1 June 2020

Principle Six

Appropriate Skills and Experience of the Directors

The Board currently consists of four Directors. On the 4 February 2020, the Company announced Board changes, with the appointment of Mark Rollins as the non-executive Chairman and Leslie Peterkin as the Chief Executive Officer and executive director. On the same day Simon Gorringe and Robert Arnott stepped down from their roles as CEO and Chairman respectively.

Furthermore, on the 1 June 2020, the Company announced a further Board re-organisation with the appointment of Stephen West as the Chief Financial Officer and executive director and the resignation of Graham Smith as non-executive director of the Company.

The Board believes that the current balance of skills of the Directors reflects a very broad range of commercial and professional skills across geographies and industries that is necessary to ensure the Company is equipped to deliver is strategy and notes that each of the Director's has experience in public markets.

The Directors keep their knowledge and expertise current through their intensive involvement in industry affairs. Additionally, the Directors receive ad hoc guidance on certain matters concerning the AIM Rules for Companies from the Company's Nomad as well as receiving updates on the regulatory environment from FIM Capital Limited ("FIM").

Full Biographies of the Board are available on the Company's website www.advanceplc.com

The Company has engaged the outsourced services of FIM to provide Company secretarial, specialist administration and accounting services to the Company.

Aside from FIM performing the role of Company Secretary, administrator and accountant, the Board does not have any other particular internal advisory responsibilities.

On the 4 February 2020 the Company announced the appointment of John Battrick as the Company's Technical Manager. John is a geoscientist and has worked in the E&P sector for five decades for a number of international oil companies.

On the 1 May 2020 the Company announced that it had entered into a Master Service Agreement with Xodus Group Limited ("Xodus") for technical and advisory services. Xodus provides engineering and advisory services to clients in the oil and gas, LNG, renewables and utilities industries worldwide and provides evaluation and due diligence work related to ongoing Company projects.

Principle Seven

Evaluation of Board Performance

There is no formal Board or director evaluation system in place, however, there is an internal evaluation of the Board and individual directors undertaken on an ad hoc basis in the form of peer appraisal and discussions to determine the effectiveness and performance as well as the directors' continued independence. This process can be regular as part of the board meeting process or ad hoc when the director or Board deem it necessary.

The results and recommendations that come out of the appraisals for the directors shall identify the key corporate and financial targets that are relevant to each director and their personal targets in terms of career development and training. Progress against previous targets shall also be assessed where relevant.

Principle Eight

Corporate Culture

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.

The Company maintains an open and respectful dialogue with employees, partners 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 Directors consider that at present the Company has an open culture facilitating comprehensive dialogue and feedback and enabling positive and constructive challenge.

The Company has put policies in place that communicate disciplinary policies clearly; ensures every employee knows the consequences of unethical behaviour; ensures its employees can report misconduct anonymously and has a confidential complaint process in place.

The Company has adopted, with effect from the date on which its shares were admitted to AIM, a code for Directors' and employees' dealings in securities which is appropriate for a company whose securities are traded on AIM and is in accordance with the requirements of the Market Abuse Regulation.

Principle Nine
Maintenance of Governance Structures and Processes
Ultimate authority for all aspects of the Company's activities rests with the Board and the respective responsibilities of the Non-Executive Chairman. The Board has adopted appropriate delegations of authority which set out matters which are reserved to the Board.

The Non-Executive Chairman is responsible for the effectiveness of the Board together with the responsibility to oversee the Company's corporate governance practices.

As previously stated in Principle 5 above, the Board formed an audit committee and remuneration committee on 7 October 2020. In view of the size of the Company, it was deemed unnecessary to form a nominations committee at this time. Instead, the Board as a whole carries out the duties that would sometimes be delegated to a Nominations Committee. The Company will monitor and review the need to form a Nominations Committee to support the function of the Board.

Role of the Audit Committee: the Audit Committee comprises Ross Warner, as Chairman and Mark Rollins. The Audit Committee receives and reviews reports from management and from Lubbock Fine relating to the interim and annual accounts and to the system of internal financial control.

The Audit Committee is responsible for assisting the Board's oversight of the integrity of the financial statements and other financial reporting, the independence and performance of Lubbock Fine, the regulation and risk profile of the Group and the review and approval of any related party transactions. The Audit Committee may hold private sessions with management and Lubbock Fine without management present. Further, the Audit Committee is responsible for making recommendations to the Board on the appointment of Lubbock Fine and the audit fee and reviews reports from management and Lubbock Fine on the financial accounts and internal control systems used throughout the Company and the Group.

The Audit Committee will aim to meet at least three times a year and is responsible for ensuring that the Group's financial performance is properly monitored, controlled and reported. The Audit Committee is responsible for the scope and effectiveness of the external audit and compliance by the Group with statutory and other regulatory requirements. FIM prepares the minutes and circulates agendas for meetings. The auditors will be invited to meetings when required, at least once annually ahead of the approval of the annual financial statements.

With respect to Lubbock Fine, the Audit Committee:

- monitors in discussion with Lubbock Fine the integrity of the financial statements of the Company and the Group, any formal announcements relating to the Company's and Group's financial performance and reviews significant financial reporting judgments contained in them;

- reviews the Group's internal financial controls and reviews the Group's internal control and risk management systems;

- considers annually whether there is a need for an internal audit function and makes a recommendation to the Board;

- makes recommendations to the Board for it to put to the shareholders for their approval in the general meeting, in relation to the appointment, re-appointment and removal of Lubbock Fine and to approve the remuneration and terms of engagement of Lubbock Fine;

- reviews and monitors Lubbock Fine's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant professional and regulatory requirements;

- develops and implements policy on the engagement of Lubbock Fine to supply non-audit services, taking into account relevant external guidance regarding the provision of non-audit services by Lubbock Fine; and

- reports to the Board, identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken.

The Audit Committee also reviews arrangements by which the staff of the Company and the Group may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters and ensure that arrangements are in place for the proportionate and independent investigation of such matters with appropriate follow-up action. Where necessary, the Audit Committee will obtain specialist external advice from appropriate advisers.

Role of the Remuneration Committee: the Remuneration Committee comprises Ross Warner, as Chairman and Mark Rollins.

The Remuneration Committee is responsible for considering all material elements of remuneration policy, the remuneration and incentivisation of Executive Directors and senior management (as appropriate) and to make recommendations to the Board on the framework for executive remuneration and its cost. The role of the Remuneration Committee is to keep under review the Company's remuneration policies to ensure that the Company attracts, retains and motivates the most qualified talent who will contribute to the long-term success of the Company. The Remuneration Committee also reviews the performance of the CEO and CFO and sets the scale and structure of their remuneration, including the implementation of any bonus arrangements, with due regard to the interests of shareholders.

The Remuneration Committee is also responsible for granting options under the Company's share option plan and, in particular, the price per share and the application of the performance standards which may apply to any grant, ensuring in determining such remuneration packages and arrangements, due regard is given to any relevant legal requirements, the provisions and recommendations in the AIM Rules and the QCA Code.

The committee will aim to meet up to two times per annum. Appointments to the committee will be made by recommendation of the Board. No further appointments are expected until the number of NEDs on the Board increases.

The Remuneration Committee:

- determines and agrees with the Board the framework or broad policy for the remuneration of the CEO and CFO;

- determines the remuneration of Non-Executive Directors;

- determines targets for any performance-related pay schemes operated by the Company and the Group;

- ensures that contractual terms on termination and any payments made are fair to the individual, the Company and the Group, that failure is not rewarded and that the duty to mitigate loss is fully recognised;

- determines the total individual remuneration package of the CEO and CFO, including bonuses, incentive payments and share options;

- is aware of and advises on any major changes in employees' benefit structures throughout the Company and the Group;

- ensures that provisions regarding disclosure, including pensions, as set out in the (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019, are fulfilled; and

- is exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Remuneration Committee.

The services of each of the Board members as directors are provided under the terms of their letters of appointment. The responsibilities of the board members are outlined in the Accounts and summarised below.

The directors are responsible for maintaining proper 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 Isle of Man Companies Act 2006. They are also responsible for the system of internal control, 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 the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the Isle of Man governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Whilst there are no formal adoption of matters reserved for the Board, the Directors review and approve the following:

- Strategy and management
- Policies and procedures
- Financial reporting and controls
- Capital structure
- Contracts
- Shareholder documents / Press announcements
- Adherence to Corporate Governance and best practice procedures

The structures and risk appetite disclosures on the website and the Accounts are deemed sufficient in relation to the size and strategy of the Company.

Non-Executive Directors

The Board has adopted guidelines for the appointment of Non-Executive Directors which have been in place and which have been observed throughout the year. These provide for the orderly and constructive succession and rotation of the Non-Executive Chairman and non-executive directors insofar as both the Non-Executive Chairman and non-executive directors will be appointed for an initial term of three years and may, at the Board's discretion, believing it to be in the best interests of the Company, be appointed for subsequent terms. Mark Rollins will be submitted for re-election as a director and Ross Warner who retires by rotation at the commencement of the 2020 AGM will submit himself for immediate reappointment to the Board, as will all directors at subsequent AGMs in accordance with the Company's articles of association. The Non-Executive Chairman may serve as a Non-Executive Director before commencing a first term as Non-Executive Chairman.

Principle 10

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

The information provided to shareholders regarding updates on the Company via regulatory announcements are also considered to be sufficient, taking into consideration the size and low activity level of the Company.

The Company communicates with shareholders through the Accounts, full-year and half-year announcements, the shareholders meetings and investors can email the directors and Company Secretary with any queries they may have. The Company maintains an enquiries email address (info@advanceplc.com) and has a twitter account (@advanceplc), details of which are displayed on its website.

All historical information is maintained on the website along with shareholder updates.

The Company's financial reports and notices of General Meetings of the Company for the last five years can be found here http://www.advanceplc.com/investor-relations/corporate-documents/

The outcome of all resolutions tabled at general meetings are to be posted on the Company's website and also announced via RNS.

If a significant proportion of independent votes were to be cast against a resolution at any general meeting, the Board's policy would be to engage with the shareholders concerned in order to understand the reasons behind the voting results.

CORPORATE INFORMATION

Directors	Mark Rollins Leslie Peterkin Ross Warner Stephen West
Company Number	010493V
Registered Office	55 Athol Street Douglas Isle of Man IM1 1LA
Independent Auditors	Lubbock Fine Paternoster House 65 St Paul's Churchyard London EC4M 8AB
Administrator	FIM Capital Limited 55 Athol Street Douglas Isle of Man IM1 1LA
Stock Exchange Listing	AIM, London Stock Exchange Ticker code: ADV
Nominated Advisor	Beaumont Cornish Limited Building 3 566 Chiswick High Road London W4 5YA
Joint Brokers	Optiva Securities Limited 49 Berkeley Square London W1J 5AZ Novum Securities Limited 10 Grosvenor Gardens London SW1W 0DH