

# Predator Oil & Gas Holdings Plc

Annual Report for the Year ended 31 December 2020



ESG focussed with substantive progress on three continents in Energy Transition to reduce carbon emissions

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## Chairman's statement

Dear Shareholder,

On behalf of the Board of Directors, I hereby present the consolidated financial statements of Predator Oil & Gas Holdings Plc (the "Group", "Predator" or the "Company") for the year ended 31 December 2020.

2020 has been dominated by the global public health emergency caused by the spread of the Covid 19 virus. This has created significant operational challenges and has at times adversely impacted the global economy, financial and equity markets and oil and gas commodity prices. During these uniquely challenging times we moved quickly and dealt comprehensively with the potential impact of coronavirus on our business operations and business development strategy.

As a result of the Company's swift response to the rapid spread of coronavirus and the medium-term uncertainty this created, we were able to maintain and, indeed, expand the level and effectiveness of our business operations compared to 2019.

We continued to develop and implement our Environmental, Social and Governance ("ESG") focussed strategy, with substantive progress in "energy transition" projects to reduce carbon emissions on three continents.

Onshore Trinidad, the Enhanced Oil Recovery pilot project - injecting anthropogenic carbon dioxide to recover additional oil ("CO2 EOR") from the Inniss-Trinity field - was successfully operated and executed by the Company. 458.1 metric tonnes (458,100 kg) of CO2, that would otherwise have been vented into the atmosphere by one of Trinidad's ammonia plants, were injected intermittently during the year under review without any increase in background CO2 readings at the surface. 2,928 barrels of cumulative enhanced oil production was achieved from a single monitoring well after one month following the cessation of CO2 injection, due to the subsurface migration of the CO2 towards the monitoring well. One additional well was also returned to production for a short period to assess enhanced oil production rates. If burned, this oil would produce 1,257,895 kg of CO2. The combined effect of CO2 injection with the additional oil it produced for this period resulted in a net CO2 emissions reduction of 458,100 kg of CO2 and "greener" oil (799,795 kg taking into account CO2 sequestration credits) closer to the CO2 emissions level of natural gas.

The success of the CO2 EOR pilot project demonstrates the potential for Trinidad's onshore mature oil fields to become sinks for the large-scale sequestration of anthropogenic CO2. At the same time, it provides the commercial model whereby Energy Transition can ensure that local economies and communities, which are very heavily dependent upon the oil and gas sector in Trinidad, are at the same time financially supported. The Trinidadian Ministry of Energy and Energy Industries has now established a carbon capture and CO2 EOR steering committee. Your Company's successful operations have been significant in showing the way for the large-scale reduction of CO2 emissions, for carbon capture and carbon sequestration as envisaged by the steering committee.

In northern Morocco, preparations for the drilling of the MOU-1 exploration well in the Guercif Licence were advanced with the ratification of the Environmental Impact Assessment by the Ministry of Energy and Mines and Environment. This is valid for three well locations for five years from the effective date of issue of 29 January 2020. We have entered into a rig option agreement, without incurring any financial liabilities, with Canadian drilling contractor Star Valley Drilling Ltd. They were undertaking an extensive drilling programme

for SDX Energy Plc in the Rharb Basin west of Guercif using its Rig No. 101. Subsequently MOU-1 well planning was suspended as the impact of the rapid spread of Covid 19 led to international travel restrictions and national lockdowns. The focus of the Company's activities then moved to technical studies which resulted in the identification of the new MOU-4 Prospect. This led to a 92% increase in best estimate prospective gross recoverable gas resources for the primary Tertiary reservoir targets, based on a new independent competent persons report by SLR Consulting (Ireland) Ltd. A review of gas development options was also undertaken, with priority being given to an early option to monetise gas through a pilot compressed natural gas development at Guercif. It was concluded that supplying the Moroccan gas market with compressed natural gas to replace imported fuel oil would reduce CO2 emissions by up to 33% annually for the substituted volume equivalent of fuel oil. In the longer term, our gas could support the conversion of Morocco's heavily coal-reliant power generation capacity to gas firing. This could lead to a 50 to 60% reduction in CO2 emissions for the older coal-fired power plants.

In Ireland, during the year we have continued with engineering studies to develop an engineering solution that would allow liquified natural gas ("LNG") to be imported via existing infrastructure at the site of the Kinsale gas field after decommissioning has been completed. The proposed Floating Storage and Regasification Unit ("FSRU") design concept involves no new infrastructure but utilises the existing Inch terminal and Kinsale subsea gas pipeline. Importantly there will be no ship-to-ship transfer of LNG offshore Ireland and therefore the unique design concept developed for Ireland has minimal environmental impact. It will operate with the minimum possible ecological and environmental footprint, reducing and potentially eliminating CO2 emissions from its operation. Financing for the project is under discussion and will be assisted by an application for an exemption from rights of third party access.

Ireland is one of the very few European Union ("EU") countries that has no LNG facilities and no gas storage capacity to address security and diversity of gas supply. Security of energy supply is considered by the Irish regulators to be "in the public interest", a fact recognised indirectly by there being no ban on LNG in Ireland's recently approved Climate Bill.

The EU is reported to be expanding the role of gas in green finance by defining it as a sustainable source of energy. In this context we also remain focussed on seeking to secure a successor authorisation for our Ram Head geological gas storage conceptual project off Cork in the Celtic Sea. Ram Head offers opportunities to store natural gas, hydrogen and CO2. Most importantly, development of Ram Head for storage is a commercial proposition, given the ability to generate revenues from gas sales to create substantial storage capacity. There is no other competing commercial gas storage proposition for offshore Ireland. Additional gas supplies should make it possible to completely eliminate any residual coal-fired and oil-fired power generation in Ireland and to replace the use of heating and fuel oil, through substitution with affordable compressed natural gas.

Your Company's CO2 sequestration experience in Trinidad, management's extensive 40 years of experience and understanding of the gas sector offshore Ireland and the Company's unique portfolio of gas projects in Ireland puts it at the forefront of the development of a greener energy hub in the Celtic Sea. This would integrate energy sourced from interruptible renewables and from gas with the capability for subsurface offshore storage, in reservoirs understood

## Chairman's statement (continued)

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by the Company, to provide a near-term viable solution to Ireland's security and diversity of energy supply issues.

In Ireland the Single Electricity Market Operator on 6 January 2021 issued an "amber warning". The market supervisor issues amber warnings where there is enough available generating capacity to meet likely demand for electricity but where the amount held in reserve is less than ideal. Gas will be needed as the Irish State decarbonises: to ensure continuity of electricity supply and to avoid a failure of the Irish power system which would have "a catastrophic effect on normal economic life", an Irish Academy of Engineering (IAE) report has found. EirGrid, the state-owned operator of the electricity transmission network, has admitted that it will rely on fossil fuels to maintain stable power supply. Against this background, your Company's decision in 2019 to prepare for this situation has ensured that we are now the leader in terms of having a viable solution which can inform the strategically important decisions that must be taken by the Irish regulatory authorities and government to prevent this disruption of normal economic life. Reduced reliance on imported gas through the UK Interconnector, as Corrib Gas Field production declines further, is also desirable and is compensated for by providing an alternative source of LNG from a transparent origin where there is no fracking to produce shale gas.

At a corporate level the Board was restructured with the appointment of myself as permanent Non-executive Chairman and Mr Louis Castro as Non-executive Director. The Board and governance is significantly strengthened by the appointment of Louis, who has 30 years in the industry and the City. Interim Chairman Carl Kindinger retired from the Board; we would like to thank Carl for his contribution to the Company.

During the year the Company strengthened its finances through two over-subscribed Placings to raise an aggregate of £4.008 million (before expenses). As a result we were able to eliminate debt by settling in full the outstanding Arato Convertible Loan Notes. The Company repaid the outstanding £746,000 of the Loan Notes together with redemption fees in cash. Swift decisions to avail ourselves of these opportunities demonstrates the Board's commitment to maintaining adequate levels of working capital as a precaution against unforeseen events. With the benefit of hindsight, the development of the global COVID-19 pandemic justified this prudent proactive approach to financing opportunities. This served, and continues to serve, our shareholders' interests well as the full impact of COVID-19 escalated throughout the year. It has allowed us to deliver a level of operational success and business development activity that is resilient to the impact of COVID-19 and which should provide a solid foundation for share price appreciation in the coming year.

In conclusion, despite the immense challenges presented by the COVID-19 pandemic, your Company's management has made good progress towards implementing its business development strategies. This has included the successful execution of CO2 EOR and sequestration in Trinidad and the identification of additional prospective gas resources in Morocco together with a route to their early monetisation and their substitution for higher carbon intensity energy sources. In addition, Predator has developed a technically and commercially viable FSRU LNG engineering solution to contribute in the short-term to addressing Ireland's security of energy supply problems. Through the development of these projects on three continents your Company is building the foundation for meaningful corporate ESG credentials. We have sought to do this through building

innovative, pragmatic solutions to national energy transition issues in a timely but socially just and equitable manner.

As I write, the outlook for the coming year is positive; with investor sentiment, financial markets and commodity prices recovering after the shock of the COVID-19 pandemic. We are well-funded to implement and expand our operational programmes – and to do so on schedule. This includes the drilling of the first of our many gas prospects in the Guercif Licence, onshore Morocco, which we believe will de-risk potentially transformational prospective gas resources that have a clear near-term path to early monetisation and for a reduction in Morocco's CO2 emissions.

I should like to thank our shareholders for their continued support over the year. I expect the coming months to be busy and exciting ones for Predator's investors.

**Dr Stephen Staley**  
**Chairman**  
27 May 2021

## Strategy

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The Company's core strategy is to focus on an accelerated Energy Transformation Scenario to greener energy based on expanding the pragmatic role of gas as a "sustainable" source of energy, collaboration with renewable energy project developers, and utilisation of existing infrastructure to determine a common route to achieve a timely and socially just energy transition.

The Board believes that the Company's medium-term future relies on focussing on gas as being the flexible energy source to replace coal and oil as a fuel for power generation, thereby reducing CO<sub>2</sub> emissions as gas by comparison is less CO<sub>2</sub> pollutant.

Reducing current high levels of CO<sub>2</sub> emissions by replacing carbon-intensive fuels in the jurisdictions chosen by the Company to apply its business development strategy is a realistically achievable near-term target. The Company has assembled material and influential equity positions in a portfolio of assets combining existing gas discoveries and new gas prospects adjacent to infrastructure owners seeking new opportunities to utilise spare capacity. CO<sub>2</sub> sequestration forms a key element of the business development strategy with production opportunities for enhanced "greener" oil providing the commercial model for CO<sub>2</sub> sequestration and a socially just and equitable protective umbrella for local communities and economies largely dependent on the oil and gas sector for their livelihoods.

The Company's business plan is being executed to minimise where possible capital expenditures through:

- prudent low-cost investment in existing mature oil fields for CO<sub>2</sub> EOR production revenues to offset against the cost of CO<sub>2</sub> sequestration;
- leveraging with third parties our management's gas experience, industry relationships and the Company's licence positions around gas-gathering infrastructure to validate our commercial understanding of the gas marketing potential and the potential of our exploration and appraisal assets;
- through providing a commercial, technical and engineering framework for gas-focussed M & A transactions and farmouts to defray CAPEX for subsequent appraisal drilling/development.

Geological risk mitigation has been enacted through screening suitable projects for the Company's portfolio using management's extensive and relevant industry experience. Farm-out transaction risk is being addressed by improving development economics and lowering commercial risk by assembling projects close to infrastructure and in areas where there is a high demand for indigenous gas to improve security of energy supply and reduce CO<sub>2</sub> emissions from more carbon-intensive energy sources.

The Company's strategy recognises our opportunities for becoming an innovative catalyst for collaborative symbiotic relationships with the renewable energy and gas storage sectors that accelerates energy transition whilst maintaining and enhancing security of energy supply that protects against the "economic shock" of accelerated Energy Transformation. Combining gas production with gas and hydrogen storage capacity and providing back-up for interruptible wind power together with subsurface CO<sub>2</sub> sequestration in former oil and gas reservoirs provides the commercial and financing structure for green energy hubs around existing under-utilised infrastructure.

## Group Strategic Report for the year ended 31 December 2020

The directors have voluntarily disclosed the Group Strategic Report for the year ended 31 December 2020 although this is not required under Jersey regulations.

### PRINCIPAL ACTIVITY

The Group was formed for the purpose of acquiring assets consistent with the Company's business development strategy. These may comprise businesses, import licences for LNG, material ground floor equity positions in principally gas licences, or the targeting of companies that have operations in the oil and gas exploration and production sector. It will then look to develop and expand such assets where there is an opportunity for reducing CO2 emissions. The Group seeks to develop and provide sources of greener energy that contribute to reducing CO2 emissions and accelerate energy transition to less carbon-intensive fuels.

### FAIR REVIEW OF THE BUSINESS

#### Morocco

The Guercif Petroleum Agreement ("Guercif PA") is an onshore licence awarded to Predator in 2019. It is operated by the Company's wholly owned subsidiary Predator Gas Ventures Ltd. ("PGVL"). PGVL (75%) operates the Guercif PA in joint venture with the Office National des Hydrocarbures et des Mines ("ONHYM") acting on behalf of the State (25%).

During the early part of the year the Environmental Impact Assessment was ratified by the Ministry of Energy and Mines and Environment. It is valid for three wells for five years from the effective date of issue of 29 January 2020.

A rig option agreement was entered into, without incurring any financial liabilities, with Canadian drilling contractor Star Valley Drilling Ltd., who were undertaking an extensive drilling programme for SDX Energy Plc in the Rharb Basin west of the Guercif Basin using its Rig No. 101. The rig option agreement allows for one initial well and up to six contingent wells.

The Company appointed a highly experienced Project Drilling Manger (Moyra Scott) to oversee well planning and drilling operations.

The Company's executive management team put together the draft geological programme and draft well design and drilling programme for the newly designated MOU-1 well as the basis for seeking quotes for third party well services and logistical field support. These were received and reviewed by the end of Q1 2020.

On the basis of the quotes received a preliminary drilling budget for MOU-1 was put together and later approved by ONHYM.

Most of the well inventory required for the drilling of MOU-1 was identified as being available in Morocco, which allowed a drilling schedule to be developed that facilitated drilling commencing in Q2 2020.

A Moroccan branch company was set up to create the fiscal entity to avail of the VAT exemption benefit for companies operating in the oil and gas sector in Morocco.

Discussions with several insurance providers were initiated to begin the process of putting in place operator's well insurance for the MOU-1 drilling programme.

The MOU-1 well location was selected at a point 1.7 kms northwest of the existing well GRF-1, drilled in 1972 by Elf Aquitaine. This location will test an interval between 1,000 and 1,100 metres drilling depth interpreted to be equivalent to the gas producing reservoirs in the Miocene (Tortonian) Guebbas formations of the Rharb Basin, which is on trend to the west of and geologically coeval with the

Guercif Basin. Defining trap and seal integrity at this location will de-risk the seismic amplitude-supported MOU-2 Prospect to the north for appraisal drilling. Best Estimate and High Estimate prospective gross recoverable gas resources for the MOU-2 Prospect are 426 and 879 BCF respectively based on a Competent Persons Report by SLR Consulting (Ireland) Ltd. completed in Q1 2020.

GRF-1 also had dry gas shows within an interval equivalent to the gas producing reservoirs in basal Guebbas and top Hoot formations of the Rharb Basin. This fact combined with evidence of thermogenic dry gas in soil samples collected immediately to the northwest of GRF-1 by TransAtlantic, a previous operator, and the presence of a strong seismic amplitude anomaly consistent with structural closure within the interpreted Guebbas equivalent at the MOU-1 proposed well location, dictated that the selection of the MOU-1 well location represented the lowest risk opportunity to find gas in reservoirs equivalent to those of the Rharb Basin. Trap size and evidence of the possibility of an extensive Lower Jurassic thermogenic gas kitchen are reasons for anticipating potentially larger individual gas prospects than have so far been encountered in the Rharb Basin (but do exist in the offshore as evidenced by Repsol's Anchois gas discovery in 2009). Basal Guebbas and Hoot equivalent reservoir targets are forecast to occur between 1,200 and 1,500 metres depth in MOU-1 and take up to 15 days to reach.

The well will be continued to 2,000 metres depth or to the top of the Jurassic, whichever occurs first, and will evaluate secondary targets that were interpreted as gas-bearing on conventional historical petrophysical logs for GRF-1. The well is conservatively anticipated to take up to 30 days to drill to reach its commitment depth or the top of the Jurassic. Well completion and rigless testing is included in the well evaluation programme.

The Company's executive management team and country manager, project drilling manager and rig contractor made a site visit in March 2020 to the MOU-1 well location at Guercif to survey in the well location, assess the scope of civil works required for the well pad construction and access road, evaluate the availability of water and electricity supplies for drilling, identify any permitting issues (on agricultural lands), and to review local infrastructure (services, highways, railroad and Maghreb gas pipeline). No issues were identified that would impact well planning and the drilling schedule.

At the end of Q1 2020 MOU-1 well planning was suspended to avoid any unnecessary commitment of working capital as the impact of the rapid spread of the coronavirus led to international travel restrictions and national lockdowns.

At this point the Company re-focused on evaluating additional prospectivity in its Guercif asset and the ability for near-term monetisation of gas yet to be discovered to minimise the commercial longer term impact of COVID-19 on raising large amounts of development finance for complex gas-to-power projects that could be delayed by ongoing COVID-19 inertia. These studies resulted in the identification of a new MOU-4 Prospect covering 31.7km<sup>2</sup> and located 6 kilometres northeast of the MOU-1 well location. As a result, a 92% increase in Best Estimate prospective gross recoverable gas resources for the primary Tertiary reservoirs was reported in a new independent Competent Persons Report by SLR Consulting (Ireland) Ltd. announced in December 2020. Houston-based NuTech completed a new petrophysical study of the GRF-1 well which determined that the gross interval between 1,386 and 1,413 metres TVD KB (27 metres) had interpreted gas saturations in the range 37 to 51%, whilst a gross interval between 1,635 and 1,925 metres TVD KB (290 metres) had gas saturations ranging from 30 to 77%. The new petrophysical

analysis supports the presence of a gas charge and is consistent with thermogenic gas shows (mainly methane, but with traces of ethane and propane) recorded on the GRF-1 mud logs and the small volume of gas recovered on a Formation Interval Test at the time of drilling in 1972.

The modern NuTech petrophysical analysis has identified the upper part of the interval between 1,386 and 1,413 metres TVD KB in GRF-1 as a new additional deeper primary target for the MOU-1 well at approximately 1,400 metres drilling depth. As a result, MOU-1 will also now present an opportunity to evaluate the extreme western edge of an interpreted Tertiary fan complex forming the new MOU-4 Prospect. Best Estimate and High Estimate prospective gross recoverable gas resources for the MOU-2 Prospect are 393 and 944 BCF respectively based on a Competent Persons Report by SLR Consulting (Ireland) Ltd. completed in December 2020.

The same studies also moved the MOU-3 Prospect, 5 kilometres to the southeast of the MOU-1 well location, to “drill ready” status. Additional gas prospectivity has been identified at the base of the Tertiary immediately above the Jurassic and within the Jurassic in several large structural features requiring new seismic acquisition to enable maturing into firm drilling targets. The prospect and lead inventory within the Guercif PA have therefore been significantly increased as a result of an enforced period of operational downtime due to COVID-19 restrictions.

A review of gas development options was also undertaken following COVID-19 lockdown, with a specific focus on developing a capital and operating cost model for transport by road of compressed natural gas (“CNG”) to Morocco’s lucrative industrial market, where significantly higher gas prices can be obtained. The scoping criteria for the pilot CNG project was a delivery profile of 10 mm cfm for a minimum of 5 years with scoping after tax net-back profit of at least US\$ 5/mcf based on a sales price of US\$ 10 – 12 /mcf. Critically CNG replacing imported fuel oil would reduce CO2 emissions by up to 33% annually for the substituted volume equivalent of fuel oil.

### Trinidad

At the beginning of the year the Company-operated CO2 delivery and injection system was successfully installed, commissioned and tested at its dedicated site in the AT-4 Block in the Inniss-Trinity oil field onshore Trinidad. CO2 was injected into the AT-5X well at variable initial injection pressures and volumes to test the effectiveness and reliability of the injection equipment. The integrity of the Company’s AT-5X downhole re-completion method for CO2 injection was also successfully validated. The surface CO2 monitoring system was calibrated and tested for any potential leakage of CO2. The data gathering network and real-time Vsat equipment and remote access links were also tested. All systems, including HSE protocols, functioned successfully, as predicted by the Company’s executive management team’s meticulous pre-injection project planning, engineering design solutions and installation oversight.

During Q2 2020 the necessary regulatory approvals were received to allow continuous CO2 injection over a period of one month from May 18 to June 17, 2020. The objective was to vary injection pressures and CO2 volumes in order to determine optimum parameters for maximum cost-effective static reservoir pressure build-up. During the year 458.1 metric tonnes of CO2 were injected in several phases of trial CO2 injection, equivalent to 458,100 kg. Anthropogenic CO2 was trucked in liquid state from one of Trinidad’s ammonia plants under the terms of an exclusive agreement with Massy Gas Products (Trinidad) Ltd. AT-5X static reservoir pressure for the injected Herrera #2 Sand stabilised at 84.561 psi above pre-

injection bottom hole pressure by 29 July 2020, encouragingly consistent with the Company’s pre-Pilot desktop reservoir engineering model. There was no increase in background CO2 around the surface facilities.

During Q3 2020 several monitoring wells in the AT-4 Block, specifically AT-4, AT-6, AT-7, AT-8 and AT-10, showed evidence of a CO2-induced pressure effect at surface, beginning approximately one month after the cessation of CO2 injection at AT-5X. CO2 injection also provided pressure support for the AT-12 production monitoring well as demonstrated by increasing surface pressure with enhanced oil production beginning again approximately one month after the cessation of CO2 injection at AT-5X.

Continual monitoring of the single producing well AT-12 showed enhanced oil production from mid-July through August averaging 21.3 bopd. This was 69% higher than the pre-Pilot reservoir engineering forecast, calibrating pro-rata to the 12.4% volume of CO2 actually injected to date versus that to be injected to reach the pre-pilot forecast plateau for enhanced oil rates from the Herrera #2 Sand in AT-12.

The data collected from the initial period of continuous CO2 injection and the ensuing period of well monitoring, to observe well responses to CO2 injection, facilitated a commercial decision to seek regulatory approval to move to the next stage of the pilot CO2 EOR project. This involves at least 9 months of continuous CO2 injection to allow for increasing reservoir pressure build-up to a level close to the pre-pilot reservoir engineering maximum safe limits, subject to any operational constraints that may or may not develop during continuous CO2 injection.

By the end of the year, 2,928 barrels of enhanced oil production had been achieved and AT-5X had been returned to production in order to assess its relative merit as a production well versus a CO2 injection well. AT-13 was the subject of a workover to convert to a CO2 injection well and CO2 was injected to test its injection attributes.

Pursuant to the Well Participation Agreement (“WPA”) dated 17 November 2017 as amended by Supplemental Agreement No.1 dated 31 May 2018, Supplemental Agreement No.2 dated 21 January 2019 and Supplemental Agreement No.3 dated 26 September 2019 between FRAM Exploration (Trinidad) Ltd (“FRAM”) and Predator Oil & Gas Trinidad Ltd (“POGT”), POGT served notice on 14 July 2020 of its intent to exercise its option under Recital B of the WPA to make a lower opportunistic cash offer of US\$1.75 million (the “Offer”) to enter into a Share Purchase Agreement to acquire the entire outstanding issued share capital of FRAM, assuming zero net debt at the time of Completion, and Subject to Contract, certain Conditions Precedent, technical, legal and commercial due diligence. The validity of the Offer expired at 5pm UK GMT on Tuesday 21 July 2020 without a response from FRAM. The Company subsequently decided not to pursue acquiring ownership in line with its prudent policy of managing cash resources through the then re-emerging COVID-19 crisis. The WPA was amended by Supplemental Agreement No.4 effective 22 September 2020 whereby the deadline to making an offer to acquire FRAM was extended to 30 April 2021. Subsequently it has been decided not to pursue the option to acquire FRAM under the original commercial terms, but the Company might still seek an acquisition of FRAM if new commercial terms were to be negotiated at any time in the future.

The Heads of Agreement (“HOA”) for the CO2 Gas Supply Contract with Massy Gas Products (Trinidad) Ltd. (“Massy”) was amended by Supplemental Agreement No.7 dated 30 September 2020 to extend the Exclusivity Period given under the terms of the HOA until 31 March 2022.

## Group Strategic Report for the year ended 31 December 2020 (continued)

The operational success of the early stages of the Inniss-Trinity pilot CO2 EOR project allowed the Company to meet with the Ministry of Energy and Energy Industries (“MEEI”) at the highest level to present the results and to discuss future CO2 EOR initiatives. These included VAT relief for CO2 EOR operations and investment and the development of a “CO2 EOR Services Licence” for qualified CO2 EOR service providers, the potential future terms of which only the Company could meet at present, that would enable other operators to engage such services secure in the knowledge that the service provider had been given regulatory and environmental approval by the MEEI to operate CO2 injection equipment.

The Company opened discussions with several in-country operators concerning the provision of its CO2 EOR experience and know-how covering a number of mature onshore oil fields held under Incremental Production Services Contracts. The extension of such contracts now requires a commitment for an investment in secondary oil recovery (waterflood, less effective in Trinidad’s onshore fields, and/or CO2 EOR).

### Ireland

During the year the Company incorporated a new subsidiary Predator LNG Ireland Ltd. (“PLIL”) to avail itself of an opportunity introduced by the executive management team through their historical network of downstream business relationships developed over 40 years in the oil and gas sector. Without these long-standing working relationships, the Company would not have had credible substance and a track record necessary to be taken seriously in the very competitive international LNG market. In recognition of this fact and the exclusivity granted the Company in relation to the executive management team developing an offshore LNG import facility for Ireland, the Non-executive Directors approved a related party transaction whereby the aforementioned would receive performance incentives, through their wholly owned service company Hamilton Fox Holdings Ltd., comprising of up to a maximum of 20% of the issued share capital of PLIL split into four separate tranches each of 5%. Performance Conditions for allotment of each tranche of 5% are defined as the signing of Collaboration Agreements in each case between PLIL and *bona fide* international entities in the downstream LNG and gas infrastructure and distribution business. Allotment of the final 5% tranche is conditional on a Financial Investment Decision (“FID”) being made in respect of developing an LNG import facility for Ireland. In order to maintain good governance, the two Non-executive Directors of Predator Oil & Gas Holdings Plc were appointed to the Board of PLIL to assure a casting vote in all PLIL Board decisions involving any perceived conflicts of interest.

PLIL is continuing to develop an offshore LNG import solution for Ireland based on non-shale gas LNG feedstock and which is compatible with the reported comments of the European Commission in relation to expanding the role of gas in green finance by defining it as a “sustainable” source of energy.

The change in the Irish government’s future energy policy during this period, as reflected in the proposed Climate Bill, has shifted the focus away from traditional and historical offshore oil and gas exploration in favour of a reliance on a renewable energy strategy. The Kinsale gas field has now ceased production, whilst the Corrib gas field continues to decline at a significant rate. With the change in government policy no new gas fields are likely to be developed offshore Ireland in the foreseeable future. Ultimately and inexorably Ireland will become wholly dependent on gas through the UK interconnectors for security of gas supply. Any interruption to supply whether political, operational or through a form of natural disaster would result in an inability to supply flexible “on demand” energy.

In this context the Company executed confidentiality agreements with two leading international companies in the LNG business to develop an offshore engineering solution for LNG facilities and LNG supply to allow for the import of LNG into Ireland using a Floating Storage and Regasification Unit (“FSRU”).

The preliminary design concept has been completed and costed for delivery of between 250 to 275 mm cfcpd to the Irish gas market from late 2024, subject to all regulatory consents being granted. A source of potential financing has been identified for this element of the project, which represents by far the largest component of all capital costs.

PLIL is applying for an LNG import licence and, in order to optimise the commercial conditions for the financing of the project, PLIL is also seeking an exemption from rights of third party access (“rTPA”).

At the end of the year the Company is reviewing the opportunity of making a submission to the Public Consultation on the expert advisory group report entitled “Expanding Ireland’s Marine Protected Area Network”, published by the Department of Housing, Local Government and Heritage. Deadline for submissions is 30 July 2021. This is likely to be in conjunction with the Company applying for Marine Area Consent for the FSRU project as part of conforming to new regulations put in place to replace some of the complicated existing regulations that do not allow for security of energy supply to be an important consideration.

The purpose of the submissions and applications would be to demonstrate that the FSRU and LNG project is very much in the public interest, as it is the only viable near-term offshore solution actively being worked on to address diversity and security of gas supply with gas storage options. Security of energy supply is accepted by regulators as being of public interest.

PLIL continues to develop its niche position for offshore LNG import and is making excellent progress on raising regulatory awareness of the above substantive strategic issues to ensure that its FSRU LNG project remains the only viable engineering and commercial option to potentially contribute to Ireland’s security of energy supply by the end of 2024. Of particular relevance is the fact that the FSRU LNG import design concept involves no new infrastructure but utilises the existing Inch terminal and subsea Kinsale gas pipeline. Importantly there will be no ship-to-ship transfer of LNG product offshore Ireland and therefore the unique design concept developed for Ireland will operate with the minimum possible ecological and environmental footprint, reducing and potentially eliminating CO2 emissions from its operation, for which currently there is no obvious competitor even amongst onshore renewable energy projects.

In addition to being one of the few European countries lacking an LNG import facility, Ireland also lacks any gas storage capacity. The Company therefore continues to work to meet the criteria required by the regulatory authorities, including financial substance, to seek to secure a successor authorisation for our Ram Head gas storage conceptual project off Cork in the Celtic Sea. Based on the Company’s previous third party reservoir engineering studies, Ram Head offers opportunities to store gas in reservoirs with potentially high gas withdrawal rates suited for supplying “peak demand” for gas-fired back-up electricity generation required by data centres when the wind does not blow. The commercial case for developing storage capacity at Ram Head is under-pinned by the fact that it is an undeveloped gas field that has been left fallow without further activity for some 35 years since first discovered by then Kinsale-owner Marathon Oil (along with some members of the Company’s executive



management team), despite the more recent demand for gas in Ireland. SLR Consulting (Ireland) Ltd has previously indicated in their Competent Persons Report that gas resources could potentially be larger than those proven for the Corrib gas field. This makes Ram Head the ideal candidate for the development of gas storage based on initial sale of gas to create storage capacity to support the equity component of development costs, and the security of a large volume of undeveloped cushion gas available to address security of gas supply and to provide security for debt finance for a storage development. 2021 is possibly a pivotal year for the Company in terms of production income from Trinidad and the high impact of any drilling success in Morocco. These factors could potentially very much enhance the Company's financial credentials to finally secure the Ram Head successor authorisation.

### FINANCIAL REVIEW

The Company reported an operating loss for the period to 31 December 2020 of £1,689,521 (£1,279,243 for the period to 31 December 2019). The increase in operating loss is largely attributable to an increase in finance expense to £225,359 (£74,791 for the period to 31 December 2019) as a result of expenses related to the conversion and repayment in full of the principal amount outstanding of the Arato Convertible Loan Notes and to increased operating activity related to costs incurred attributable to installing, commissioning and operating the Company's pilot CO<sub>2</sub> EOR project in the Inniss-Trinity field onshore Trinidad.

Administrative expenses for the period to 31 December 2020 were £1,464,162 (£1,204,464 for the period to 31 December 2019) and include £202,424 (£93,461 for the period to 31 December 2019) fair value adjustment to share options and warrants. Executive directors' fees have increased to £161,000 (£144,000 for the period to 31 December 2019) as a result of the significant increase in the Company's corporate activities in the period to 31 December 2020 to maintain business growth in preparation for the anticipated rebound in global economic activity, energy demand and commodity prices in 2021 and the strengthening of ESG credentials to attract future green energy investors.

The Company is finishing the reporting period with cash reserves of £1,325,751 (£109,716) for the period to 31 December 2019) and restricted cash of USD1,500,000 (USD1,500,000 for the period ended 31 December 2019) in the form of the security deposit for the Guercif Bank Guarantee in favour of ONHYM. The balance outstanding of the loan by the Company to FRAM Exploration Trinidad Ltd. for the investment in the Pilot CO<sub>2</sub> EOR Project was £468,000 (£201,000 for the period to 31 December 2019) at the end of the period.

During the period to 31 December 2020 we have completed two over-subscribed Placings to raise £4.008 million (before expenses). Novum Securities and Optiva Securities acting as Joint Brokers and placing agents to the Company placed 89,000,000 new ordinary shares of no par value in the Company at a placing price of 4 pence to raise £3.56 million (before expenses). In addition to the Placing Shares and in order to maximise cash resources the Company issued to Brokers, subject to approval given at a General Meeting convened by the Company on 25 March 2020, 4,875,000 new ordinary shares of no par value in settlement of placing fees together with warrants over 4,450,000 new ordinary shares at 4p per share expiring on 28 February 2023.

Novum Securities acting as sole Broker and placing agent to the Company subsequently placed 22,438,842 new ordinary shares of no par value in the Company at a placing price of 2 pence to raise £0.448 million (before expenses).

The Company also issued 15,192,506 shares to repay £269,000 of the outstanding principal balance on the Arato Convertible Loan Note inclusive of 5% conversion fee for the amount of the Loan Note being converted.

Some Placing funds were used for redemption in full of the outstanding principal balance on the Arato Convertible Loan Notes of £746,000 (£ nil for the period to 31 December 2020) and the remainder of the Placing funds are to provide the working capital to fully fund the Company's planned operations in Morocco and Trinidad.

As a result of these transactions 131,506,348 new shares have been issued and the issued share capital increased to 239,678,517 by the end of the period to 31 December 2020.

Following the transactions successfully concluded during the period under review, the Company is well-capitalised to fund its drilling and production activities in Morocco and Trinidad and is free of debt. Prudent levels of administrative and operating expenditures are necessary to maintain the acceleration of the Company's long-established business development strategy to a greener energy business. This is based on expanding the pragmatic role of gas as a "sustainable" source of energy for reducing CO<sub>2</sub> emissions, future collaboration with renewable energy project developers, and utilisation of existing infrastructure to determine a common route to achieve a timely and socially just energy transition. Attracting investment in the energy sector will now inevitably require being able to show a practical commitment to the requirement for sustainability and the Company must therefore ensure that its level of spending is adequate for this purpose to maintain its competitive advantage.

### COVID-19

The Company has taken all commensurate steps to minimise unnecessary capital expenditures and operating costs whilst COVID-19 restrictions continue to impact the industry's business operations worldwide. It is likely that international travel restrictions will remain in force during 2021, posing a more complex logistical challenge to moving essential oil field personnel across international borders. The Company believes that this is manageable in its case and should not pose a significant impediment to executing its planned operations during 2021.

Maintaining adequate cash reserves, protecting future production from CO<sub>2</sub> EOR operations in Trinidad, and securing a high impact risk-reward proposition in Morocco for our shareholders, together with maintaining responsible management of our mature portfolio of separate and diverse businesses focussed on climate change awareness and reducing CO<sub>2</sub> emissions, has been essential for navigating the Company through the COVID-19 pandemic and for ensuring a springboard to future appreciation of shareholder value at the earliest practical opportunity.

### BREXIT

The longer-term outcome to the completion of Brexit in 2021 may still pose new challenges in terms of creating continuing instability in the financial and currency markets, increasing bureaucracy for importing oil field equipment and services from the EU, and in creating conditions liable to weaken investor sentiment and decision-making processes. The Company has some protection in that it does not operate in the UK and is intending to generate revenues in United States Dollars, which has traditionally been a more stable currency for business, from production in Trinidad. Accordingly, the Company always maintains the majority of its cash reserves in United States Dollars.

## Group Strategic Report for the year ended 31 December 2020 (continued)

### BOARD CHANGES

At the Company's GM held on 29 June 2020, our interim chairman Carl Kindinger retired from the Board. Dr Stephen Staley was appointed permanent Non-executive Chairman.

Louis Castro was appointed as Non-executive Director on 14 July 2020. In addition to restoring the balance of the Board from the governance perspective, Louis has 30 years in the industry and the City and was most recently Chief Finance Officer at Eland Oil and Gas plc. He has worked in corporate finance and the capital markets in diverse geographic areas from the UK to the Far East, South America and Africa, including the execution of complex M & A transactions from initiation through due diligence to negotiating and financing.

Louis is experienced in audit, tax and financial analysis and strategic planning and marketing and has chaired audit committees and remuneration and nomination committees in several public companies, where he has also advised on corporate governance. He is a Fellow of the Institute of Chartered Accountants and formerly a London Stock Exchange Nominated Advisor, including FCA registrations.

### ESG METRICS

ESG is fundamental to the growth of our business and is based on both expanding the pragmatic role of gas as a "sustainable" source of energy for reducing CO<sub>2</sub> emissions, future collaboration with renewable energy project developers, and the utilisation of existing infrastructure and subsurface reservoirs for cost-effective CO<sub>2</sub> sequestration. Through this strategy we can determine a common route to achieve a timely and socially just, fair and equitable energy transition.

Currently 100% of our assets are focussed on either gas, which has a much lower carbon intensity compared to oil, or "greener" oil, where sequestration of anthropogenic CO<sub>2</sub> can be shown to be safe and effective for reducing CO<sub>2</sub> emissions from industrial plants currently venting CO<sub>2</sub> into the atmosphere.

### Morocco and Trinidad

Up to 33% of current CO<sub>2</sub> emissions generated by that part of the Moroccan industry that uses fuel oil could be saved by switching to cleaner natural gas. From 2017 to 2020 cumulative tonnes of carbon saved by the current end users of gas versus imported fuel oil, representing less than 20% of the easily accessible imported fuel oil industrial market suitable for conversion to natural gas, was approximately 200,000 metric tonnes. There is significant scope to increase the carbon saved by expansion of the gas market in Morocco. The Company successfully piloted 458 metric tonnes of anthropogenic CO<sub>2</sub> sequestered in Trinidad in the year under review to confirm the potential for a significant expansion of subsurface storage of CO<sub>2</sub> in the years ahead.

Current efforts to grow the gas market in Morocco have been hampered by lack of sufficient indigenous gas resources. The Company's drilling programme in Morocco is targeting material gas resources that could potentially transform the Moroccan gas market in a success case. The conservative option being progressed initially by the Company is to develop compressed natural gas for the industrial market. The anticipated dry gas from the Moroccan reservoirs targeted for drilling will require minimal processing creating the potential for a low carbon intensity operation forecast to be in the order of 2.2 kg CO<sub>2</sub>e /boe.

The Company's medium-term development options for larger gas finds include gas-to-power to replace coal burned in Morocco's existing coal-fired power stations. Approximately 85% of Morocco's

power generation (approximately 4,800 MW) is from carbon intensive coal and oil, which contributed materially to Morocco's CO<sub>2</sub> emissions of 1.68tCO<sub>2</sub>/capita in 2018. Switching to sustainable gas is estimated to cut annual CO<sub>2</sub> emissions by up to 49%.

In Trinidad for the period under review CO<sub>2</sub> sequestration operations resulted in a net CO<sub>2</sub> emissions reduction of 458,100 kg of CO<sub>2</sub> relative to producing the same volume of oil without any sequestration credit. This strategy helps to maintain local services, jobs and communities dependent on the oil and gas sector for their economic livelihoods to assist with a fair, equitable and just energy transition.

### Ireland

The Company's ESG strategy for Ireland is focussed on developing an offshore LNG import facility with reduced ecological impact compared to onshore LNG terminals and wind farms. The ESG rationale is that such a facility, as are found in many countries of the EU, would result in security and diversity of energy supply, which is in the public interest as defined by current regulatory definitions and in the context of the energy transition.

Through the optionality of replacing 250 to 275mm cfm of imported gas throughput via Ireland's gas interconnector with the UK, ESG transparency is being enhanced and CO<sub>2</sub> emissions potentially reduced. The Floating Storage and Regasification Unit ("FSRU") proposed for Ireland by the Company will operate with the minimum possible ecological and environmental footprint, reducing and potentially eliminating CO<sub>2</sub> emissions from its operation. The FSRUs will be supplied with LNG feedstock only from transparent sources not linked to shale gas or fracking operations. The origin of gas currently transported through the UK interconnector to Ireland cannot be established as clearly from an ESG perspective.

### ESG performance criteria

Whilst investing in projects that contribute to reducing CO<sub>2</sub> emissions in the countries identified by the Company as having maximum impact per capita, there are other performance metrics that need to be adhered to as follows:

- Where practical and pragmatic use renewable energy (particularly solar) to power operations
  - Reduce carbon intensive air travel by substituting virtual meetings aided by real-time Vsat transmission of data and drone and camera technology for site inspections and directing operations
  - Promote remote access working from home to minimise carbon footprint with the virtual office concept
- Where operating in onshore areas, including agricultural lands
  - Ecological impact must be low – all produced water is evaporated and/or treated before disposal offsite
  - No water discharges or oil spills from operations
  - Community liaison enacted to maintain local support and understanding for those impacted by the Company's operations
  - Utilise local services wherever practical and pragmatic to support local economies
- An ESG Board committee is to be established in 2021 to formalise better the substantive initial progress made in the year under review and a new ESG policy is to be drafted to reflect the rapidly changing business environment
  - Increase focus on social elements

- Sustainability Accounting Standards Board disclosure included in FY reporting

#### Future developments

The Company's CO<sub>2</sub> sequestration experience in Trinidad, management's extensive 40 years of experience and understanding of the gas sector, including transport infrastructure and gas storage potential, and its ESG focussed portfolio of gas projects, creates the opportunity for it to be a leading motivator and innovative catalyst in the energy transition through working with others to develop greener energy hubs in the jurisdictions where it operates. This would integrate energy sourced from interruptible renewables and from gas with the capability for subsurface CO<sub>2</sub> sequestration and gas storage (including hydrogen) in reservoirs understood by the Company. The ability to use its inexpensive gas production for on-site micro-power generation to provide electricity to supply interruptible power to wind farms and cheap electricity for hydrogen plants that can generate clean fuel for local industries is a near-term viable solution for security and diversity of greener energy supply. CO<sub>2</sub> generated by operations could be combined with hydrogen for Methanisation and re-use in micro gas-fired power generation thereby forming a "closed loop" for CO<sub>2</sub> emissions.

#### POST PERIOD EVENTS

##### 18 January 2021

The Company announced an Operations Update indicating that very encouraging Pilot CO<sub>2</sub> EOR results at Inniss-Trinity supported commencing CO<sub>2</sub> injection at new rates determined by the results of the Pilot CO<sub>2</sub> EOR Project. Maintaining these for up to twelve months would potentially allow the Company to reach, by cumulative monthly growth, target plateau production for the Herrera #2 Sand in the AT-4 Block in the range 243 to 547 bopd, in alignment with pre-Pilot CO<sub>2</sub> EOR model forecasts. The pre-Pilot CO<sub>2</sub> EOR success de-risked CO<sub>2</sub> EOR in Trinidad and provided the commercial, environmental and technical model for the further expansion of operations.

The Company also indicated that Guercif exploration well planning was targeting a well to be drilled in Q 2 2021.

##### 3 February 2021

The Company noted, in the context of its long-standing applications for successor authorisations to its Corrib South and Ram Head licensing options offshore Ireland, the renewed commitment by the Irish Government to honour existing licences issued by the State for oil and gas.

##### 15 February 2021

The Company announced that the Warrant Instrument with Novum Securities Ltd dated 15 February 2019 granting the right to subscribe in cash for 2,000,000 ordinary shares exercisable at a price per share equal to the subscription price (12p per share) was being amended to allow the exercise date of the warrants to be extended by one year to the third anniversary of the date of the Warrant Instrument.

Similarly, the Warrant Instrument with Novum Securities Ltd and Optiva Securities Ltd dated 24 May 2018 granting the right to subscribe in cash for 2,231,248 and 160,714 ordinary shares respectively exercisable at a price per share equal to the subscription price (2.8p per share) was being amended to allow the exercise date of the warrants to be extended by one year to the fourth anniversary of the date of the Warrant Instrument. This is in recognition of the fact that COVID-19 has played a part in extending the Company's original timelines for executing some of its projects.

These existing warrants have previously been factored into the fully diluted share capital of the Company.

The Warrant Instrument with Arato Global Opportunities pursuant to the Convertible Loan Note dated 15 February 2019 granting the right to subscribe in cash for 2,000,000 ordinary shares exercisable at a price per share equal to the subscription price (12p per share) has expired without the warrants being exercised resulting in a reduction of the Company's fully diluted share capital.

Well swab tests and investigations in the AT-4 Block at Inniss-Trinity confirmed the potential for realising pre-injection production plateau desktop forecasts in the range 243 -547 bopd from Herrera #2 Sand.

The Company also announced that the MOU-1 well pad construction was scheduled to be prepared for April 2021.

##### 12 March 2021

The Company announced that it had conditionally placed 17 million new ordinary shares of no-par value in the Company at a placing price of 10.5 pence each to raise £1,785,000 (before expenses).

Timing of the MOU-1 Moroccan exploration well was reconfirmed as being scheduled for Q2 2021. Some of the placing funds were to provide a contingency for the increase in certain MOU-1 well costs occasioned by the 12-month long COVID-19 pandemic which has led to an additional potential expense burden to re-mobilise services and equipment previously immediately available in Morocco.

Further expansion of the Inniss-Trinity CO<sub>2</sub> EOR project was being considered and new business development opportunities were actively being reviewed.

Potential for developing an integrated project plan designed to help meet security of energy supply concerns; options for CO<sub>2</sub> sequestration; and options for back-up power for data centres using greener energy was highlighted.

The potential for utilising the Ram Head gas discovery in the Celtic Sea, still the subject of the Company's application for a successor authorisation, for gas storage and security of supply, and in the longer term for CO<sub>2</sub> sequestration, was outlined in the context of a coordinated infrastructure project with green energy options.

##### 17 March 2021

The Company announced that it had received an exercise notice in respect of warrants issued pursuant to a warrant agreement with the Company dated 24 May 2018 (in connection with the Placing carried out by the Company in May 2018 on admission of the Company to the Official List (standard listing segment) of the London Stock Exchange's main market for listed securities) to subscribe for 267,750 new shares of no par value each in the Company at 2.8p per share following receipt of the aggregate £7,497 subscription price.

##### 18 March 2021

The Company announced scoping development and operating costs for a Pilot Compressed Natural Gas ("CNG") Project at Guercif in Morocco based on a 10 mm cfm profile for 10 years, net scoping and provisional capital costs to the Company of £8.2 to 8.6 million and estimated operating costs of US\$2.79 to 4.24/mcf with an example net-back of US\$7.21/mcf after taxes based on a sales price to the Moroccan industrial market in the range of US\$ 10 to 12/mcf.

In the context of the Company's Floating Storage and Regasification Unit ("FSRU") and LNG project offshore Ireland, the Company announced that it is making a submission to the Public Consultation on the expert advisory group report entitled "Expanding Ireland's Marine Protected Area Network", published by the Department of

## Group Strategic Report for the year ended 31 December 2020 (continued)

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Housing, Local Government and Heritage. Deadline for submissions is 30 July 2021. This will be in conjunction with the Company applying for Marine Area Consent for the FSRU project.

### 25 March 2021

The Company announced that further to its announcement of 12 March 2021, it did not have sufficient headroom shares to enable the issue and admission of all of the 17,000,000 Placing Shares which are required to be issued pursuant to the Placing without the production of an FCA approved prospectus. The Company is therefore issuing 5,215,155 new ordinary shares (up to its existing headroom) and for a director, Paul Griffiths, to make up the shortfall with a transfer of 11,784,845 existing shares held by him to Novum Securities.

When the Company has the ability to issue further shares it intends to issue Paul Griffiths 11,784,845 new Ordinary Shares and will take all necessary steps required in order to make the necessary listing and admission hearing applications. This will put Paul Griffiths back into the position that existed, in terms of his aggregate shareholding in the Company, had he not made the transfer of Ordinary Shares. For the avoidance of doubt the transfer of shares to Novum Securities Ltd from Paul Griffiths involves no consideration being paid to Paul Griffiths.

### SUMMARY

During the period, despite the global impact of the COVID-19 pandemic, we have reached an important milestone in successfully executing and operating the Inniss-Trinity pilot CO<sub>2</sub> project and de-risking our business strategy based on reducing CO<sub>2</sub> emissions by facilitating CO<sub>2</sub> sequestration. With the emphasis now firmly on ESG and demonstrating energy sustainability, we are pleased to be able to provide a practical and pragmatic option for green energy finance from investors cognisant of their role in helping to ameliorate the effects of climate change whilst maintaining a fair, equitable and just social responsibility through the transition to green energy.

In Morocco we completed a significant part of the well planning for the MOU-1 exploration well at Guercif before COVID-19 restrictions forced national lockdowns and curtailed international travel. As a result, we were able to maintain a drill-ready status in preparation for the resumption of operations when COVID-19 restrictions are relaxed. The forced temporary postponement of drilling operations allowed us time to develop a new additional target for the MOU-1 well with which to upgrade audited prospective gas resources by 92% for primary Tertiary reservoir objectives. Further gas prospects were also matured for follow-up drilling. In addition, we built a technical and commercial case for compressed natural gas at Guercif to supply Morocco's industrial market, thereby paving the way for an early declaration of commerciality subject to successful drilling results.

In Ireland we have developed a technical and commercial solution for an LNG import facility that has reduced ecological impact relative to other onshore projects, including wind farms, provides security and diversity of gas supply, and provides greater ESG and sustainability transparency relative to a simple reliance on imported pipeline gas from the UK infrastructure. Importantly capital investment costs are manageable, and a potential source of financing has already been identified. There is no other similar offshore project in Ireland that currently can be operational by the end of 2024 and has the ability to meet increased gas demand at peak times. By the end of the reporting period concerns regarding the issue of security of gas supply have begun to come to the forefront in media coverage of the energy industry in Ireland.

During a year where the financial markets have been dominated by the impact of COVID-19 and commodity prices in our sector have fallen, we have eliminated debt and maintained adequate cash resources to continue to advance our operations and business development strategies in pursuit of attempting to achieve our near-term goals in a timely and cost-effective manner.

I would like to thank my fellow directors, our shareholders, our advisors and service providers, and our consultants in Trinidad, Morocco and Ireland for their continued and unwavering support of the Company through the COVID-19 crisis despite the impact of COVID-19 on all our lives. I also look forward to a brighter outlook over the next 12 months where the sacrifices made and firm foundations built in 2020 can be repaid through continuing successful application of the Company's business ethos and the creation of shareholder and stakeholder value.



**Paul Griffiths**  
Chief Executive Officer  
27 May, 2021

## Key Performance Indicators

At this stage in the Group's development, the Directors do not consider that standard industry key performance indicators are relevant. The Group currently estimates that during 2020 it has accumulated cumulative enhanced oil production from its initial pilot CO2 EOR activities in the Inniss-Trinity field onshore Trinidad of 2,928 barrels of oil. The Group does not expect to report profits until extraction costs and various other deductions are mutually agreed between POGT and FRAM Exploration Trinidad Ltd. as CO2 EOR operations are scaled up during 2021. The main KPI is therefore considered to be the conservation and prudent deployment of cash and the contribution to reducing CO2 emissions whilst the Group continues to undertake appropriate exploration activity as described as follows:

- Improving ESG and Sustainability in relation to the Group's operations

The Group has sequestered 458 metric tonnes (458,000 kg) of anthropogenic CO2 that would otherwise had been vented into the atmosphere from one of Trinidad's several ammonia plants.

- Expand total prospective, probable and proven resources and reserves.

These measure our ability to increase pre-drill prospective resources, discover and develop reserves, including through the acquisition of new licences or assets.

During the year under review new studies increased independently audited prospective gas resources for the primary Tertiary reservoirs in the Guercif Licence by 92%.

Enhanced oil production from the pilot CO2 EOR operations in the Inniss-Trinity field has de-risked the "pending development" recoverable resources classification of the AT-4 Block within the Inniss-Trinity field in respect of the 459,000 barrels of oil in the Herrera #2 Sand, from the production of which the Company is entitled to a 50% share of profits.

- Develop oil and gas projects which will result in positive cash flow within a short time horizon.

This measures our ability to assist the internal funding of projects with medium term time horizons, as demonstrated by our continued funding of the development of a CO2 EOR project in Trinidad and the proposed Compressed Natural Gas development option for future discovered gas in Guercif to support early monetisation of gas and to significantly reduce the quantum of development capital required.

- Enter into value-adding joint venture and farm-out transactions.

This measures our ability to mitigate risk, share capital expenditure with partners and assist in meeting licence commitments.

This objective is as yet only partially realised with the entering into of a confidentiality agreement with a specialist FSRU vessel owner to work together to develop an offshore LNG import facility solution for Ireland. Financing of the project would be largely provided by the FSRU owner if an FID decision were to be reached.

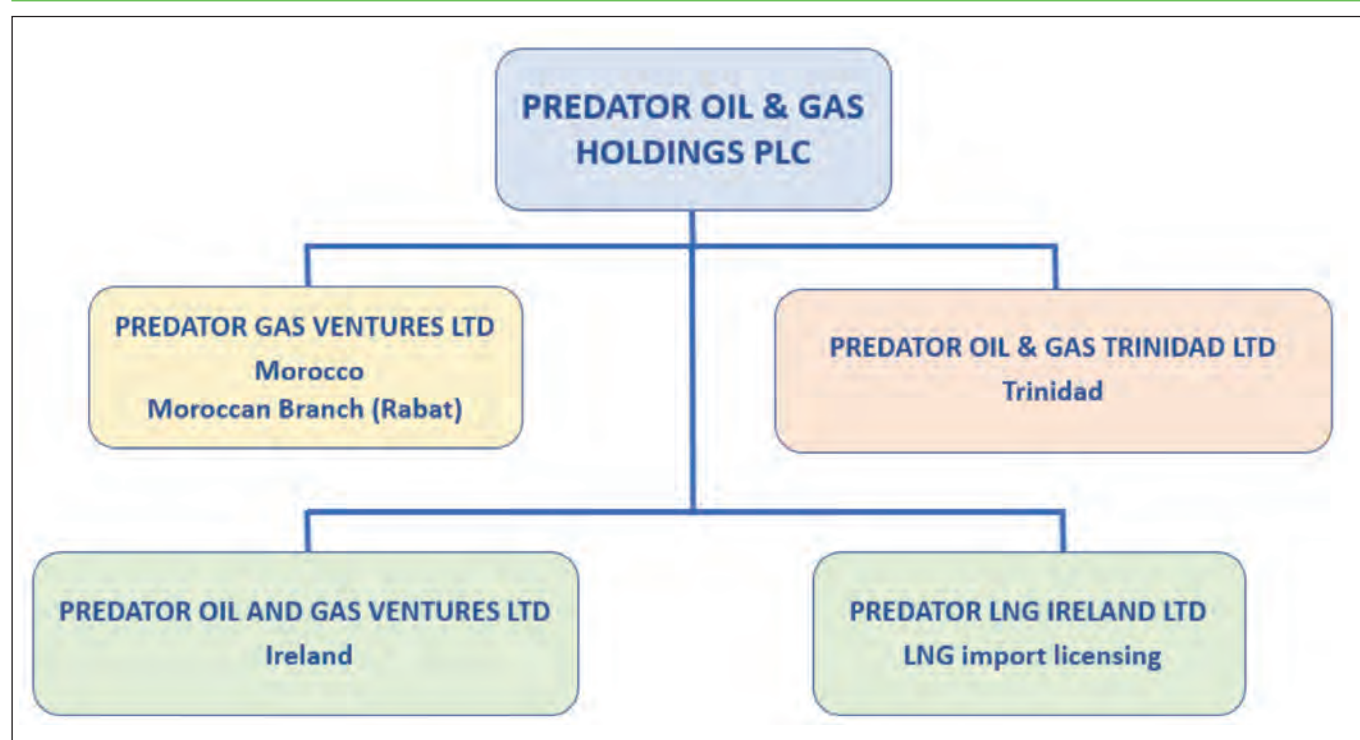
- Secure funding that minimises, as far as market conditions allow, shareholder dilution, cognisant of the potential for a judicious level of debt funding. This measures our ability to enhance shareholder value whilst securing the means to grow the business without unduly increasing risk.

Debt has been eliminated during the reporting year and an adequate quantum of equity funding has been secured to maintain sufficient working capital as we transition to a revenue-generating Group through a potential period of low commodity prices and the impact of COVID-19. Shareholders' interests are best protected by establishing sufficient liquidity to support going concern criteria during periods of adverse global market conditions.

- The rate of utilisation of the Group's cash resources. This measures our ability to plan expenditure and conserve cash to ensure a going concern and is addressed by reducing corporate costs and operating costs whenever and wherever prudent to do so, without impacting the timely execution of the Group's business development strategy, and by not entering into any discretionary new commitments and liabilities.

The Group has successfully achieved its performance indicator during the reporting year by increasing liquidity, delivering enhanced oil production from the pilot CO2 EOR project in Trinidad, and maintaining a "drill-ready status" in Morocco without incurring any financial liabilities.

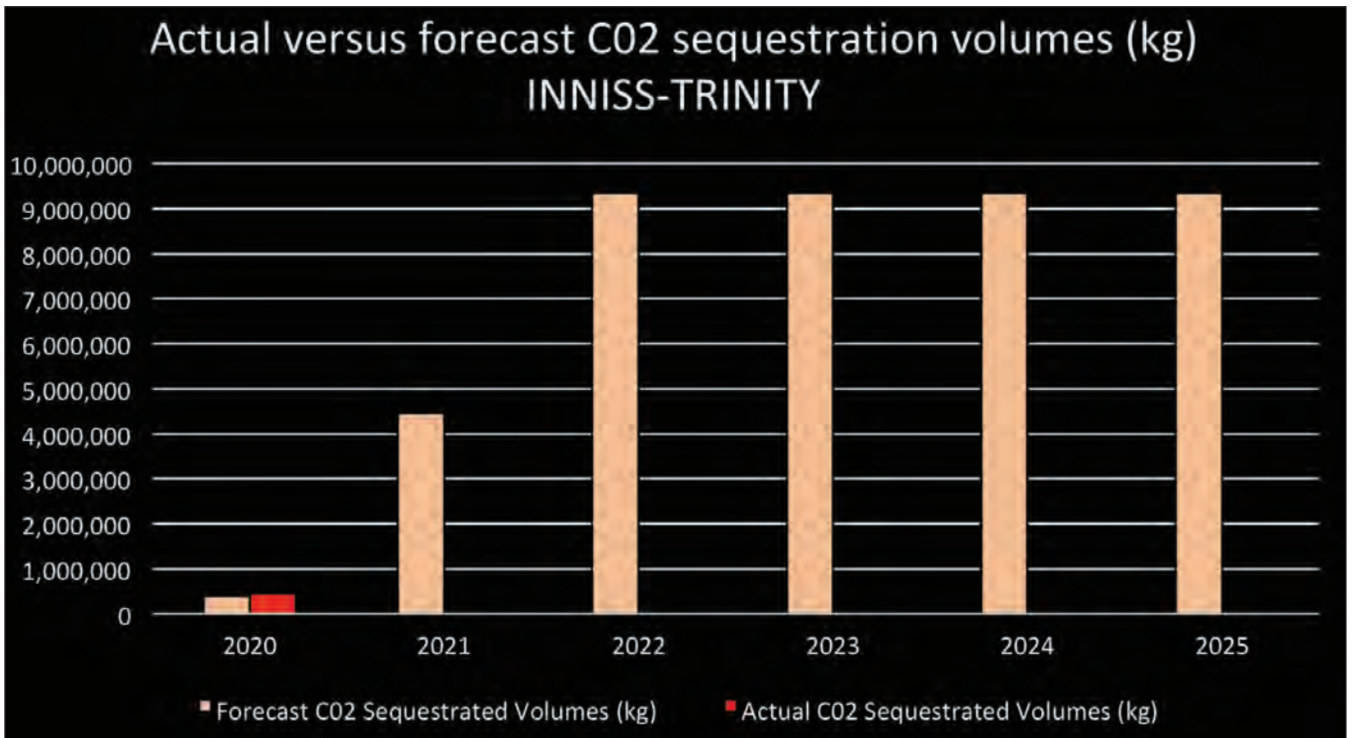
## Group Structure and List of Assets



Ref	Licence/Agreement	Issued	Asset	Operator	Partners	PRD%	Type
<b>ONSHORE TRINIDAD</b>							
1	Well Participation Agreement Profit split on production revenue 100% of profits until repayment of investment 50% of profits after repayment of investment	2017	Inniss-Trinity Pilot CO2 EOR	Fram Exploration (Trinidad) Ltd Predator Oil & Gas Trinidad Ltd (CO2 EOR Technical Operator)	Fram Exploration (Trinidad) Ltd	100 (50)	Producing Oil Field Pilot CO2 EOR
<b>OFFSHORE IRELAND</b>							
<b>Atlantic Margin Slyne Basin</b>							
2	LO 16/26 <sup>1</sup>	2016	Corrib South	Predator Oil and Gas Ventures Ltd	Theseus Ltd.	50	Gas exploration
<b>North Celtic Sea Basin</b>							
3	LO 16/30 <sup>2</sup>	2016	Ram Head	Predator Oil and Gas Ventures Ltd	Theseus Ltd.	50	Gas discoveries
<b>ONSHORE MOROCCO</b>							
4	Guercif Petroleum Agreement <sup>3</sup>	2019	Moulouya	Predator Gas Ventures Ltd	ONHYM	75	Gas exploration and appraisal
<sup>1</sup> Frontier exploration licence applied for:			First Phase 3 years 200 kms 3D seismic acquisition and processing				
<sup>2</sup> Standard exploration applied for.			Work programme under discussion				
<sup>3</sup> One year extension of Initial Period to 30/09/2022 applied for due to COVID-19							

DESCRIPTION OF ASSETS

Onshore Trinidad- Inness-Trinity CO2 sequestration funded by enhanced oil recovery



Background to the Inness-Trinity field and CO2 EOR project

## Group Structure and List of Assets (continued)

The producing Inniss-Trinity oil field (“Inniss-Trinity”) is located in the Southern Basin within onshore Trinidad’s largest oil province, approximately 10 km southeast of the Barrackpore-Penal oil field and approximately 75 km south of the capital Port of Spain.

The Inniss-Trinity Licence is held by the State company Heritage Oil Trinidad Ltd (“Heritage”), formerly Petrotrin, and covers an area of 23.35 km<sup>2</sup>.

It is operated under an Incremental Production Services Contract (“IPSC”) by FRAM Exploration Trinidad Ltd. (“FRAM”), a wholly owned subsidiary of Bahamas Petroleum Plc after the acquisition of Columbus Energy Resources Plc during 2020. The term of the IPSC was extended to 31 December 2021 as a result of the Company’s pilot carbon dioxide enhanced oil recovery (“CO<sub>2</sub> EOR”) project, which provided the work programme for FRAM to extend further the IPSC. The outstanding FRAM drilling commitment of 7 wells was replaced by the Company’s CO<sub>2</sub> EOR Pilot Project, giving the Company substantial negotiating leverage as the IPSC is now dependent on the Company’s exclusive provision of CO<sub>2</sub> EOR services. Positive results from the pilot CO<sub>2</sub> EOR during the year under review have formed the basis for implementing the next stage of CO<sub>2</sub> EOR operations which will be the basis for extending further the IPSC. Heritage and the Ministry of Energy and Energy Industries (“MEEI”) now require secondary recovery techniques (including CO<sub>2</sub> EOR) to be a key element of any work programme required to extend existing IPSC’s.

Under the IPSC there are currently 86 wells operated by FRAM of which many, but not all, may be suitable for CO<sub>2</sub> EOR operations based on previous production history and downhole well integrity. The pilot CO<sub>2</sub> EOR project operated by the Company is focussed on a fault compartment 0.268 km<sup>2</sup> in size within the Inniss-Trinity field, designated the “AT-4 Block”, and containing 11 wells. The Herrera #2 sand, a deep water turbidite, is one of five producing sands within the AT-4 Block that has been selected for initial pilot CO<sub>2</sub> EOR operations. This interval has been isolated for CO<sub>2</sub> injection in the AT-5X well by the Company to facilitate focussed and confined injection of CO<sub>2</sub> to evaluate reservoir pressure build-up, vertical and lateral communication between reservoirs and offset wells, and to facilitate the interpretation and calibration of real-time pressure data transmitted by the Company’s secure Vsat communication links. The Herrera #2 Sand has the lowest primary recovery factor of all the producing Herrera Sands in the AT-4 Block and the largest volume of original oil in place currently undeveloped. CO<sub>2</sub> EOR is anticipated to have greater sweep efficiency compared to waterflood due to CO<sub>2</sub>’s ability to lower the viscosity of oil, making it more mobile.

The Company’s independent Competent Persons Report (“CPR”) indicated Texaco’s estimate of OIIP in the Inniss-Trinity field, covering an area of 2.35 km<sup>2</sup> was 67.95 mmbbl, of which it is estimated that 22.768 mmbbl have been produced up to 30 April 2016. The CPR indicates that this figure is now revised upwards based on an increase in area to 2.53 km<sup>2</sup> and a better understanding of contributing net pay (approximately 140 feet for all the five Herrera producing sands) based on a long production history. OIIP is now estimated to be 89 mmbbl with cumulative production of about 23 mmbbl. Gross contingent CO<sub>2</sub> EOR oil resources are in the range 5.3 (low estimate) to 8.9 mmbbl (high estimate) and are classified as “pending development”. It is noted that these incremental CO<sub>2</sub> EOR recoveries can be re-classified as reserves after a favourable production response from the Herrera Sands, as was achieved during the reporting year (see below). Whilst the reserves are not attributable to the Company, who do not hold a licence interest in order to

minimise liabilities and obligations under the IPSC, they are significant for evaluating potential upside profits from the Company’s commercial arrangements with the IPSC operator FRAM.

### Commercial arrangements with FRAM AND Massy Gas Products Trinidad Ltd

Through its wholly-owned subsidiary, Predator Oil & Gas Trinidad Ltd (“POGT”), the Company currently holds an interest in a Well Participation Agreement (“WPA”) signed with FRAM on 17 November 2017 and relating to the Company’s entitlement to profits derived from its investment in the producing Inniss-Trinity field.

The IPSC allows for FRAM to invest in Inniss-Trinity by satisfying certain annual infill drilling commitments during the life of the IPSC. In return, FRAM receives 100% of the benefits of all incremental production achieved through the investment relative to the base line production established for the field prior to the investment being made. FRAM’s net incremental production revenues are after deduction of operating costs and certain royalties and taxes. Historical tax losses accumulated within FRAM are available for offset against Petroleum Profits Tax on operating profits. There is a 20% investment credit for capital items purchased for CO<sub>2</sub> EOR operations which can be offset against 18% Supplemental Petroleum Profit Tax (“SPPT”) where applied when the price of West Texas Intermediate crude is between US\$50.01/bbl and US\$90.00/bbl. During the year SPPT for CO<sub>2</sub> EOR operations was reduced to 14.4% and the threshold for paying SPPT was raised to a WTI spot price of US\$75. The relief granted for off-setting historical cumulative tax losses against operating profits was restricted to 75% of operating profits. This was mainly directed at the capital-intensive LNG industry.

Under the WPA, POGT is entitled to a portion of all profits generated from incremental enhanced oil production attributable to CO<sub>2</sub> EOR operations under the same commercial terms pertaining to the IPSC as are currently applicable to FRAM. Under the specific commercial terms of the WPA negotiated by POGT with FRAM, POGT has capped operating costs at US\$10/bbl and will also benefit from off-setting FRAM’s cumulative tax losses against 50% PPT. POGT is not a partner in the IPSC and therefore has no exposure to any of the FRAM commitments and liabilities relating to the IPSC. POGT will receive 100% of all operating profits until payback of its agreed investment of US\$1.5 million in CO<sub>2</sub> EOR operations. Thereafter after-tax operating profits will be split 50:50 between POGT and FRAM. Under the WPA, POGT also had an option up to 30 September 2020 to acquire FRAM for an agreed sum of US\$4.2 million.

During the year under review POGT reached its agreed investment of US\$1.5 million in the CO<sub>2</sub> EOR pilot project in Inniss-Trinity. POGT elected not to execute its option to acquire FRAM, preferring not to take on additional commitments and liabilities under the IPSC but to conserve cash and prevent potential shareholder dilution at a time when COVID-19 was continuing to impact negatively the financial and equity markets. The Board was of the opinion that the success of the pilot CO<sub>2</sub> EOR project (see below), the dependence of the IPSC work programme on the Company providing CO<sub>2</sub> EOR technical services and CO<sub>2</sub> supply (see below) and the public recognition by the MEEI and Heritage of the Company’s success by approving the next stage of POGT’s CO<sub>2</sub> EOR project plan created sufficient negotiating leverage to ensure the Company was well-positioned to realise its commercial objectives for minimum exposure to potentially onerous IPSC liabilities.



To further the initiation and continuance of CO2 EOR operations in Inniss-Trinity, a Heads of Agreement for CO2 Gas Sales (“CO2 HOA”) was entered into with the only in-country CO2 supplier, Massy Gas Products Trinidad Ltd (“MASSY”). This is of surplus, currently collected from one of Trinidad’s several ammonia plants that presently vent CO2 to the atmosphere. The CO2 HOA is based on a minimum scoping daily delivery of up to 60 Mt CO2 if required, depending on surplus quantities available. Supplemental Agreement No.7 dated 30 September 2020 extended the Exclusivity Period given under the terms of the CO2 HOA until 31 March 2022. Massy is a multi-conglomerate with a market capitalisation of approximately US\$1.5 billion. The Company and Massy were referenced in the context of CO2 EOR in the influential “Energy Now” (Issue 34 December 2020) by the Energy Chamber of Trinidad and Tobago.

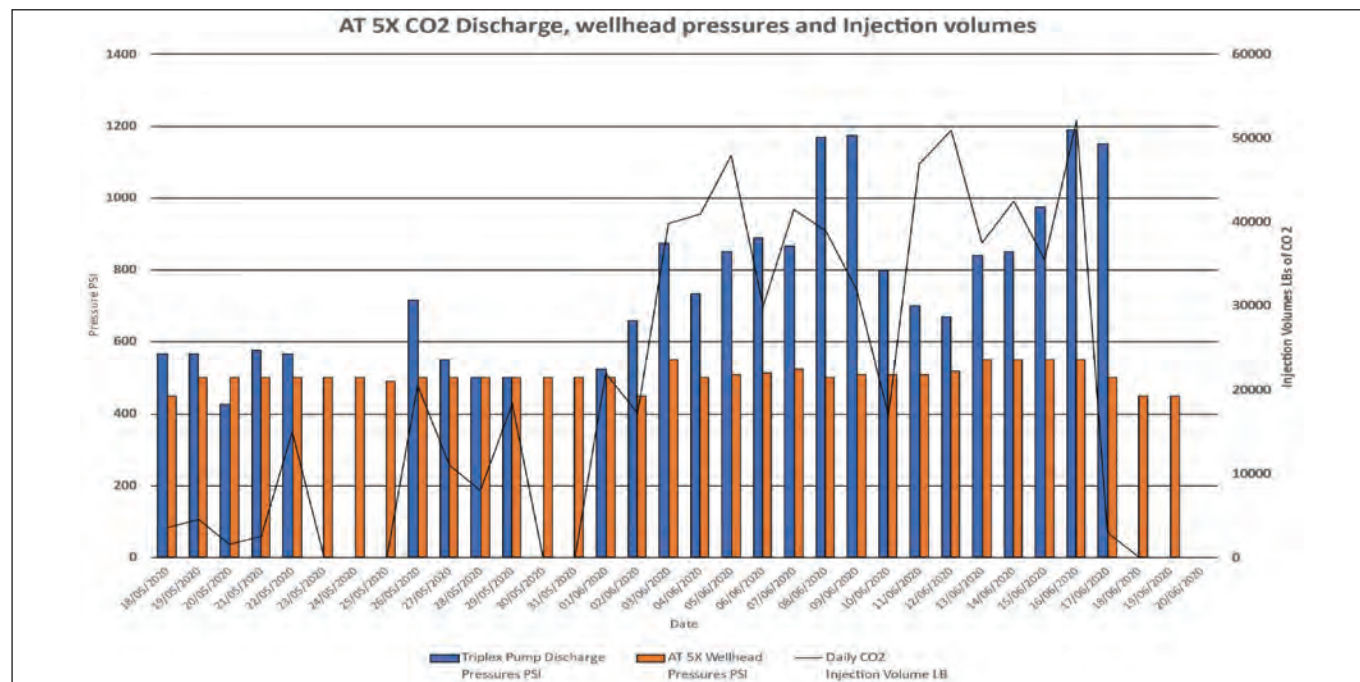
**Pilot CO2 EOR results**

During the year under review approval was received from the MEEI and Heritage to install, commission and test the Company’s CO2 delivery system at Inniss-Trinity. This represented the first CO2 EOR project of its specific design in Trinidad and the first large scale CO2 EOR operation for over 25 years.

Commissioning and testing was successfully completed by injecting a trial volume of CO2 at moderate pressures into the AT-5X well, which had been re-completed for CO2 injection into the Herrera #2 Sand. The CO2 injection system operated efficiently. Reservoir pressure build-up was observed and no CO2 escape to the surface was recorded.

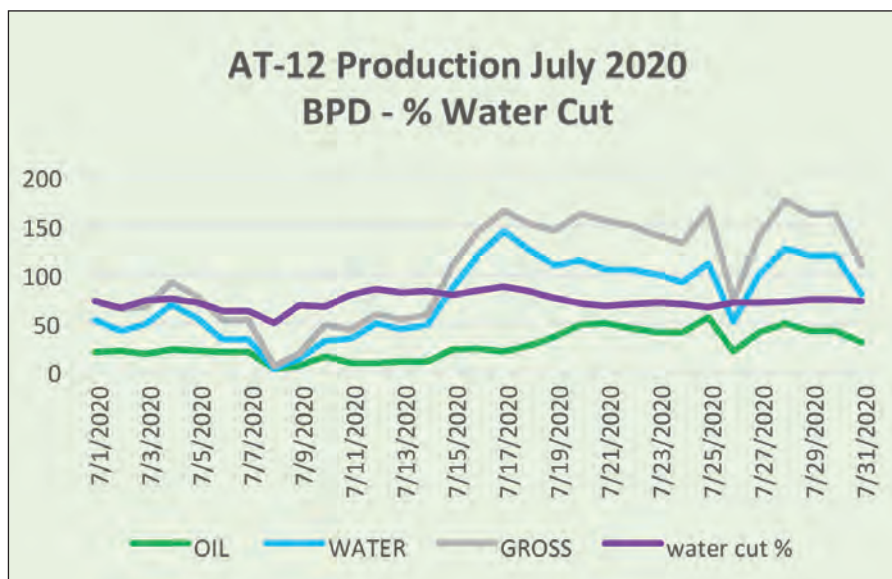
Approval was then given by the MEEI and Heritage for a period of continuous CO2 injection into AT-5X between 18 May 2020 and 17 June 2020. During this period 400 metric tonnes (400,000 kg) of CO2 were injected at varying daily volumes and injection pressures from 400 to 1200 psi to determine the impact of varying these parameters on the rate of reservoir pressure build-up in order to find the optimum parameters for cost-effective CO2 EOR operations.

The CO2 injection system operated as forecast during this period. Continuous reservoir pressure build-up was observed on Vsat transmitted real-time data and no CO2 escape to the surface was recorded by CO2 monitoring equipment.

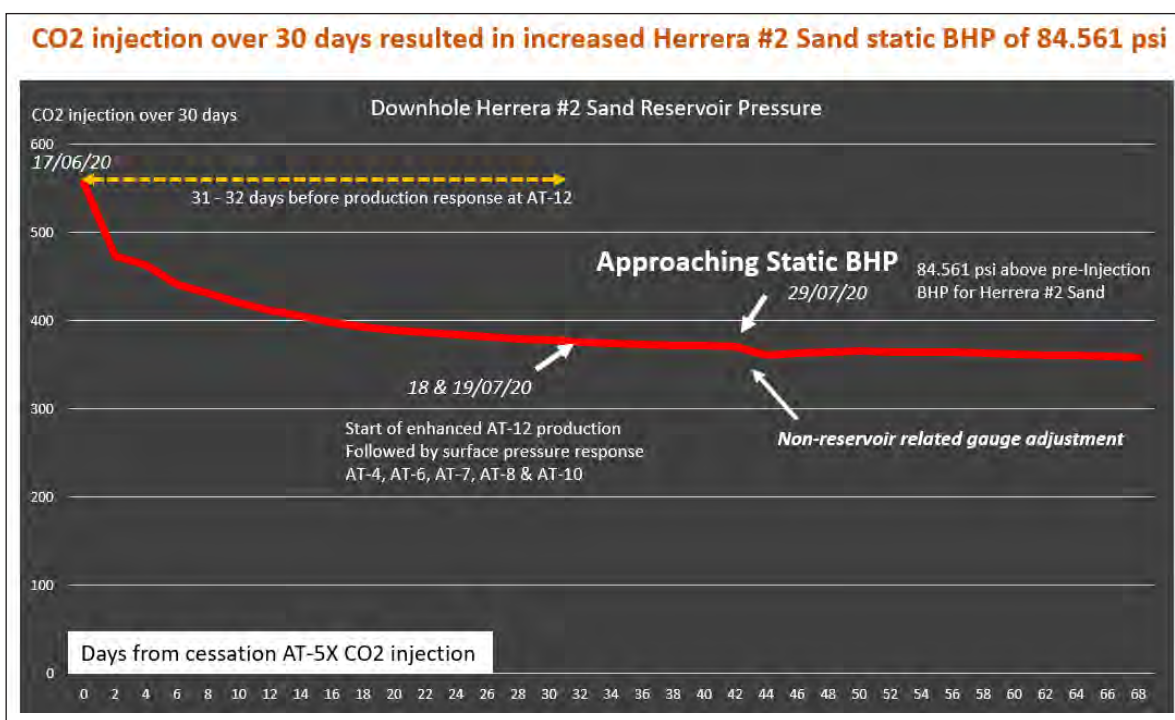


## Group Structure and List of Assets (continued)

Following the planned cessation of CO2 injection at AT-5X, enhanced oil production was observed approximately one month afterwards at monitoring well AT-12 at an enhanced rate of 21.3 bopd, representing approximately a 100% increase versus base line, pre-injection production rates.

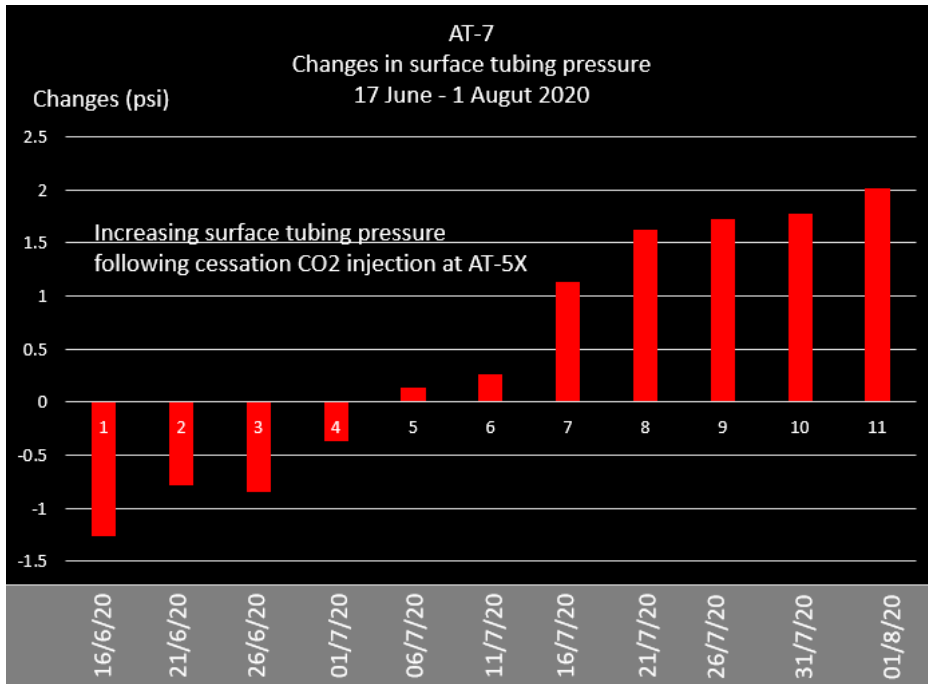


The increase in oil production was calibrated against an 84.561 psi increase in static Bottom Hole Pressure at AT-5X in the Herrera #2 Sand. Contemporaneously real-time surface pressure data, supported by changes in fluid level influenced by increased bottom hole pressures, showed a response to CO2 injection at AT-4, AT-6, AT-7, AT-8 and AT-10. 17 barrels of oil were collected at AT-7 despite this well never having previously produced oil for over two years.



At the end of the reporting year AT-5X was re-completed as a producer to collect oil samples, following CO2 injection, for analysis. Oil viscosity at AT-5X had been reduced by 37.7% as a consequence of CO2 injection.

AT-13 was re-completed as a CO2 injector to trial its effectiveness for that purpose versus AT-5X.

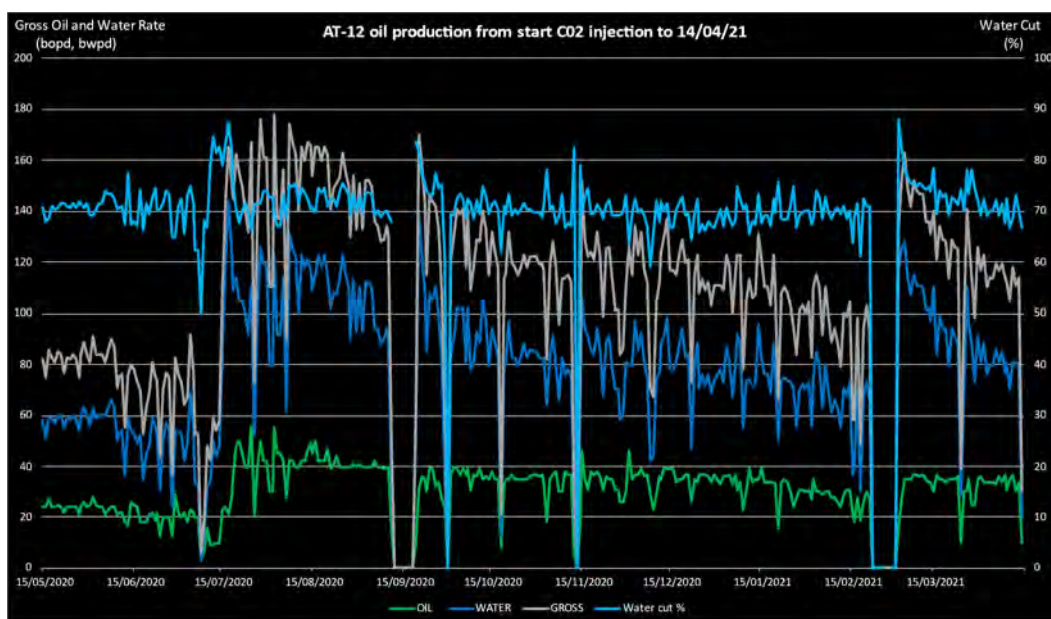


Calibration of the enhanced AT-12 oil rate with the observed increase in static bottom hole pressure in the Herrera #2 Sand at AT-5X for the volume of CO2 injected to date indicated the rate to be 69% higher than that predicted by the pre-pilot reservoir engineering model. Increasing bottom hole pressure incrementally at AT-5X to 1053 psi bottom through the next phase of continuous CO2 injection is now forecast to potentially increase enhanced oil production at AT-12 to between 142 – 192 bopd.

Based on cumulative enhanced oil production of 2,928 barrels by the end of the year from the AT-4 Block, the pilot phase of the CO2 EOR operations proved a technical success and laid the foundations for

developing the commercial model for scaling up to continuous CO2 EOR oil production. The downhole completion with reservoir isolation by packers for efficient containment of CO2 was successful and no CO2 leakage to surface was monitored. This confirmed the CO2 sequestration potential in reservoirs that were compartmentalised and sealed laterally against faults and vertically by shales despite injecting CO2 at higher pressures than reservoir pressure.

From 18 July 2020 AT-12 has continued to produce consistently at an enhanced oil rate as a result of the sustained impact of CO2 injection even during long periods when injection had ceased (see below).



## Group Structure and List of Assets (continued)

An environmental monitoring programme has been operating with the Environmental Monitoring Authority (“EMA”) and collection of samples is ongoing for comparison with pre-pilot CO2 EOR base line samples, in accordance with a Certificate of Environmental Clearance issued by the EMA for CO2 EOR operations in Inniss-Trinity.

Constant monitoring of background CO2 levels is practiced together with regular site inspections to check for evidence of any impact of CO2 leakage on vegetation.

To date no incidents have been reported.



The Health and Safety Plan for CO2 EOR operations in consultation with Massy and the EMA has been enacted successfully.

No incidents have been reported to date.

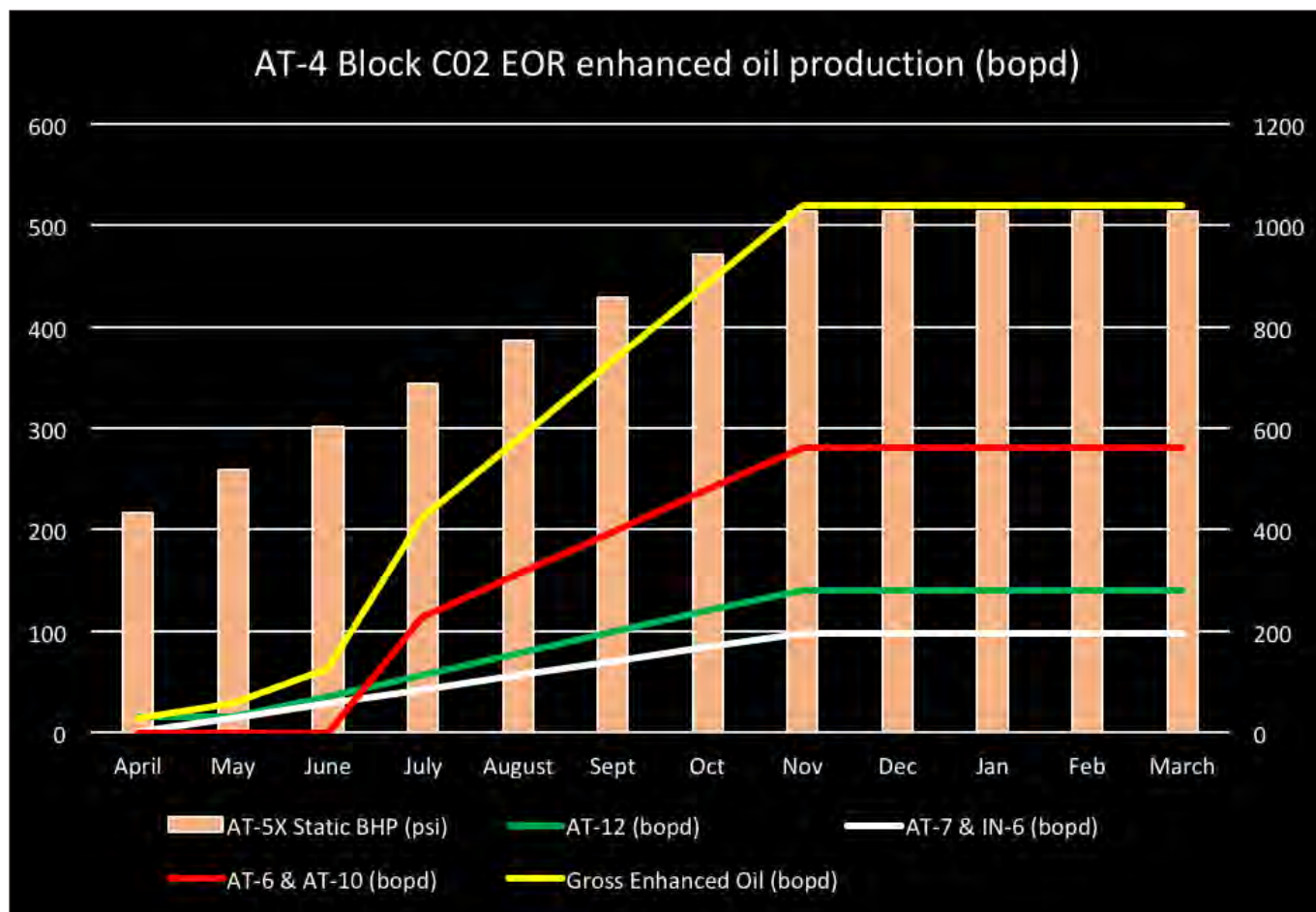
The Company is focussed on using local services and personnel and reporting frequently to the regulatory authorities.



*Forward plan*

Plans have been submitted to the MEEI and Heritage for approval to start injecting CO2 continuously again in AT-5X, the preferred CO2 injector well, beginning in April 2021 and continuing throughout the year.

It is estimated that 2,750 metric tonnes (2.75 million kg) of anthropogenic CO2 will be injected, depending on operational uptime and any evidence of CO2 absorption in produced reservoir fluids. It is estimated that by the end of 2021 the plateau production targets described below will be reached.



Production plateau guidance based on the recalibrated pre-pilot reservoir engineering model is 243 to 521 bopd. The range reflects the potential for operational downtime, variability of individual well performance, variations in reservoir quality within the Herrera #2 Sand, and the ability, subject to investigating downhole well and casing integrity, to add additional production wells AT-6, AT-7 and AT-10 and IN-6 (perforating the Herrera #2 Sand required).

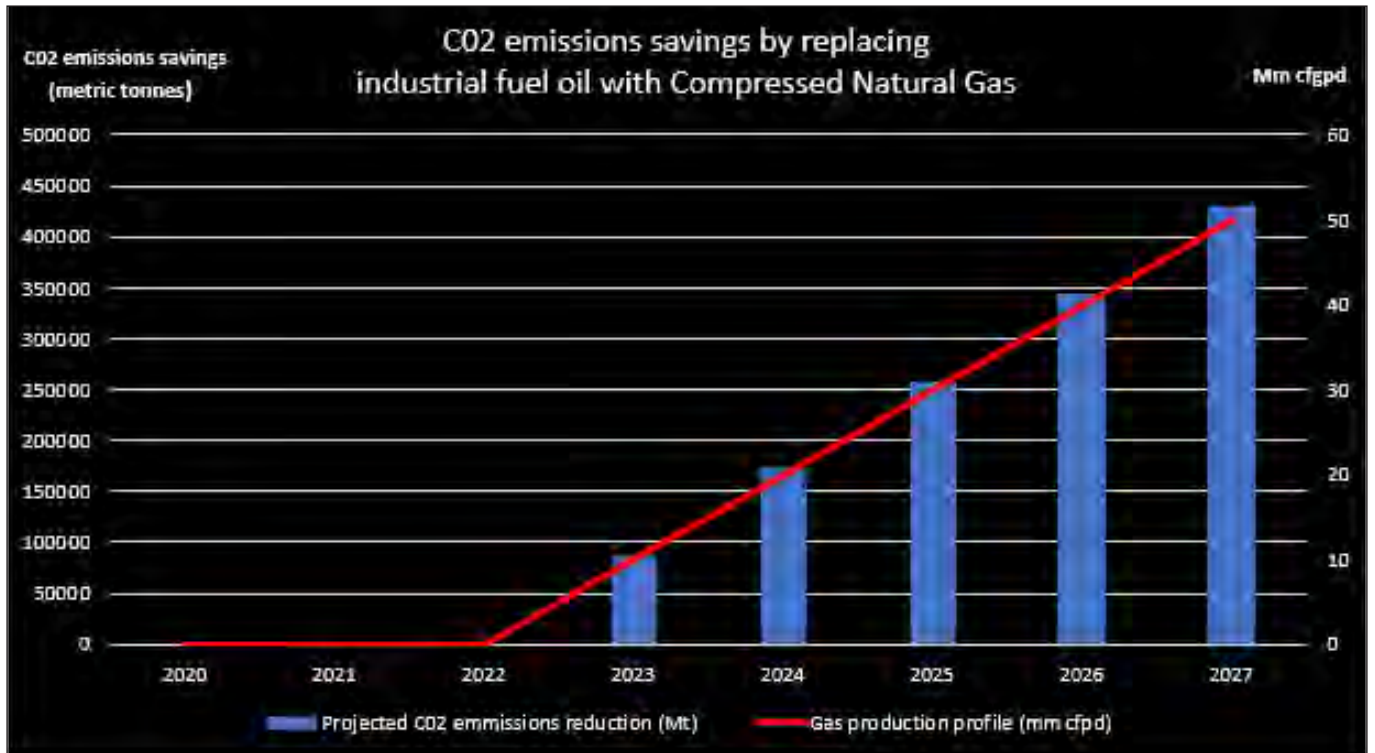
The Company estimates that at the maximum plateau production level of 521 bopd being reached and maintained until the end of Q1 2022 for example and based on a constant WTI Spot Price of US\$63.56/bo, after tax undiscounted net-back is estimated to be US\$27.69/bo with cumulative net after tax Company revenues of US\$2.373 million from the profit sharing arrangements under the WPA including recovery of 100% of the Company's investment. This

represents an IRR of 66.9%. At 120 bopd plateau production at WTI US\$59.45/bo and 243 bopd plateau production at WTI US\$25/bo for example the CO2 EOR project breaks even or makes a small operating profit respectively. A combination of low oil price and low production rate could make the CO2 operations uneconomic. The above forecasts illustrate that there is a wide range of possible outcomes for project economics that will only be narrowed as production data and reservoir performance are calibrated against CO2 injection volumes during the next 12 months.

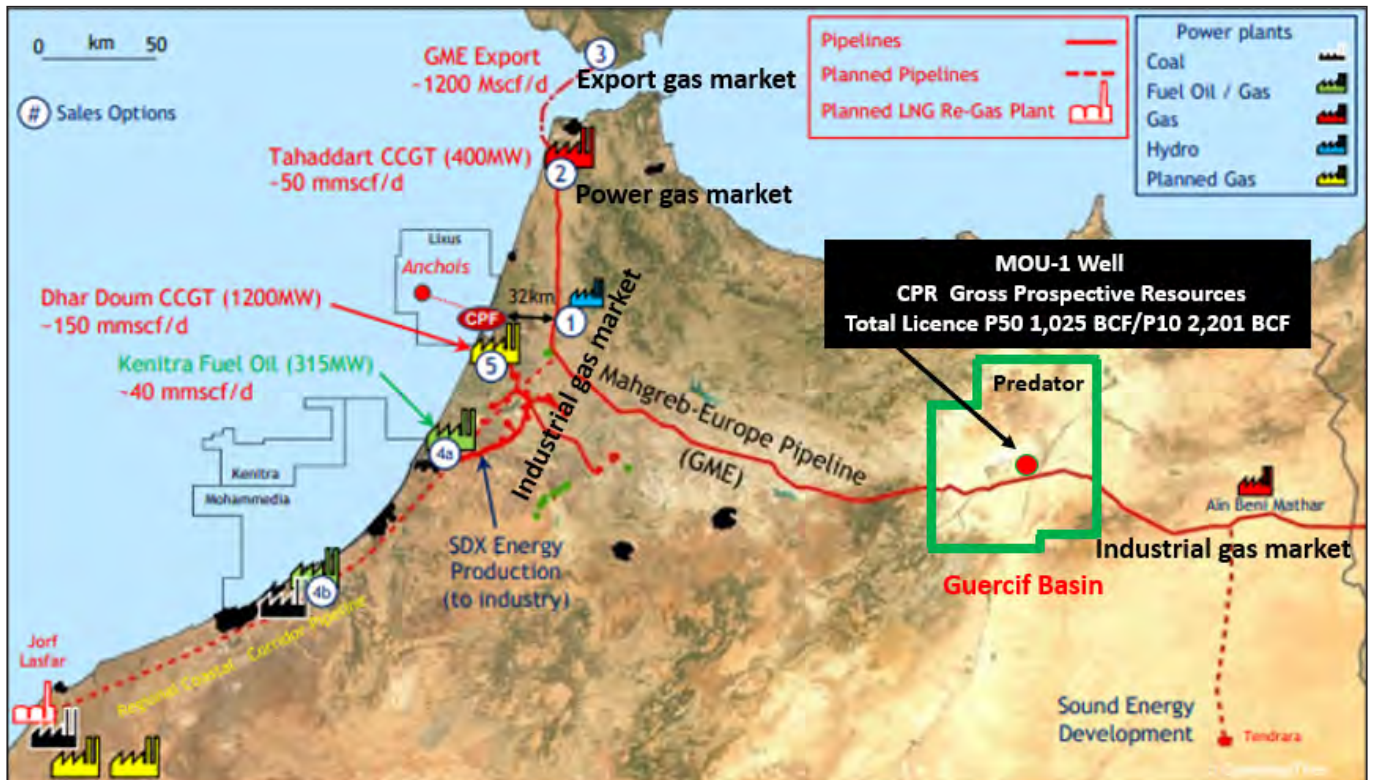
The gross firm budget for the work programme for the next 12 months is estimated to be approximately £126,000. Following these firm expenditures CO2 EOR operations are anticipated to be funded out of the Company's share of profits from production revenues.

## Group Structure and List of Assets (continued)

### DESCRIPTION OF ASSETS Onshore Morocco

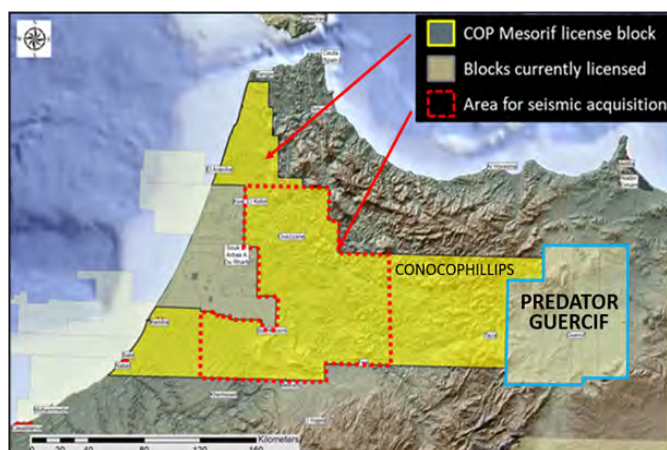


Onshore Morocco – Guercif Petroleum Agreement



The Guercif Petroleum Agreement (“Guercif PA”), comprising the Guercif Permits I, II, III and IV located in the Guercif Basin in northern Morocco, covers an area of 7,269 km<sup>2</sup>. It lies approximately 250 km due east of and on trend with the geologically coeval Rhab Basin, where shallow commercial gas production has been established by SDX Energy Plc and its predecessor Circle Oil for several years. Guercif also lies approximately 180 km due north-west of Tadrara, where deep gas is currently being appraised and potentially developed by Sound Energy Plc. During the year under review ConocoPhillips were awarded contiguous licences adjoining the Company’s acreage in the Guercif Basin (see map below).

The Guercif licence area straddles the Maghreb gas pipeline to Europe, which also serves Morocco’s current inventory of gas-fired power plants. It is therefore well-positioned relative to infrastructure for the potential early monetisation of yet to be discovered gas.



Through its wholly owned subsidiary Predator Gas Ventures Ltd. (“PGVL”), the Company holds a 75% working interest in and is the operator of the Guercif PA. ONHYM, the State oil company, holds 25% and is carried through exploration, but funds its pro-rata share of all costs upon a Declaration of Commerciality. ONHYM is owned by the Moroccan government and is involved in oil and gas exploration, appraisal, development and production within Morocco. In addition to mining activities, ONHYM is the regulatory authority for all oil and gas licences.

The Guercif PA is for 8 years and is split into an Initial Period of 30 months, commencing on 19th March 2019; a First Extension Period of 36 months duration; and a Second Extension Period also of 30 months. After each Licence Period there is an opportunity to withdraw from the Licence, without entering the next Licence Period.

In the Initial Period the work programme comprises 250 kilometres of 2D seismic reprocessing and AVO analysis and the drilling of one exploration well to a minimum depth of 2,000 metres or to the top of the Jurassic, whichever occurs first. Desk-top geological and gas marketing studies will also be carried out. The Minimum Exploration Commitment is US\$3,458,000.

#### Fiscal terms and commercial opportunity

The fiscal terms in Morocco, which are some of the best in the World, are restricted to a 5% State royalty for gas, applicable after the first 10.6 BCF of net production to the operator, and corporation tax charged at 31%. However, there is a 10-year “holiday” before corporation tax will be charged and any unused tax losses can be

offset against the tax due. There are no signature bonuses but production bonuses in the form of cash payments exist with a maximum one-off payment of US\$5,000,000 on production greater than 30,000 BOE/day. A discovery bonus of US\$1,000,000 is also payable. Significantly each individual gas field can be fiscally ring-fenced under the terms of an application for an Exploitation Concession. Award of an Exploitation Concession is not dependent upon fulfilling the work programme for the exploration phases of the Guercif PA.

Gas prices for producers in Morocco are currently higher than UK National Balancing Point (“NBP”) prices for domestic delivery. The highest prices are paid by industrial users, substituting for expensive carbon intensive fuel oil imports, and ranged from US\$ 10 – 12/mcf during 2020. It is this market that the Company will initially target with trucked Compressed Natural Gas (“CNG”), which by substitution of more carbon intensive imported fuel oil will potentially reduce CO<sub>2</sub> emissions by up to 33%.

During the year under review an application by the Company and ONHYM for an extension of the Initial Period of the Guercif Petroleum Agreement to 18 September 2022 was submitted to the Ministry for approval. The extension is to reflect the impact of the COVID-19 pandemic on the postponement of normal oil and gas operations due to national and international lockdowns in response to public health advice.

The Company’s previous independent Competent Persons Report (“CPR”), re-published in February 2020, indicated Best Estimate and High Estimate recoverable gross prospective gas resources for only two prospects in the area defined by the Guercif PA in the range 632 to 1,257 BCF respectively. These are for a Tertiary Prospect, now defined as the “MOU-2 Prospect”, and a Triassic prospect with reservoir objectives equivalent to the TAGI of the Tadrara appraised gas discoveries and the producing Meskala gas field. During the year under review an additional Tertiary gas prospect was matured, defined as the “MOU-4 Prospect” (see map). The results of a CPR by SLR Consulting (Ireland) Ltd were announced in December. Best Estimate and High Estimate recoverable gross prospective gas resources for only the MOU-4 Prospect were in the range 393 to 944 BCF respectively, reflecting a 92% increase in gross prospective Best Estimate Tertiary gas resources. The proposed MOU-1 exploration well (see below) is designed to test the section with gas shows in GRF-1, 1.7 kilometres to the southeast. It will also test the MOU-2 and MOU-4 prospects at the distal limits of maximum closure.

#### History of exploration in Guercif

Guercif has been very lightly explored with only 4 deep exploration wells drilled by Elf in 1972 (GRF-1), Phillips in 1979 (TAF-1X), ONAREP (the forerunner of ONHYM) in 1985 and 1986 (MSD-1 and KDH-1) and 2 shallow stratigraphic wells drilled by BRPM for coal exploration in the 1950s.

TransAtlantic re-entered, logged and tested the MSD-1 well, originally drilled in 1985, in 2008 but the logging and testing failed to establish the presence of hydrocarbons in the Jurassic.

The seismic inventory includes 3,291 kilometres of 2D seismic data acquired between 1968 and 2003, including a new 300-kilometre ONAREP 2D seismic survey acquired in 2003, which were reprocessed in 2006 by TransAtlantic when Pre-Stack Time Migration was applied for the first time to the seismic inventory. TransAtlantic also acquired an aeromagnetic and aerogravity survey in 2006, comprising 10,000 line kilometres.

## Group Structure and List of Assets (continued)

Historical exploration focus was entirely on the Jurassic and was completed before the shift in emphasis took place that resulted in shallow (Tertiary) gas production in the Rharb Basin and successful deep (Triassic) gas appraisal drilling at Tendirra.

In this context therefore Guercif has never attracted new exploration to evaluate the Tertiary targets encountered in the gas producing Rharb Basin and the offshore gas discovery well Anchois-1. Recently published new academic research (*Capella et. al. 2017*) confirmed for the first time the geological continuity of the section containing the producing Miocene (equivalent to the Tortonian Hoot and Guebbas formations) gas reservoirs in Rharb Basin with geological outcrops in the Guercif Basin. During the year under review ConocoPhillips were awarded licences contiguous to those of the Company. PGVL's well-established "first mover" strategy was reinforced with the growing appreciation of the hydrocarbon potential of the previously overlooked Guercif Basin and its contiguous area to the west.

### MOU-1 Prospect

The Company has picked the MOU-1 Prospect from its extensive inventory of prospects, on the basis of it having the lowest risk of finding dry gas with sufficient potential volumes to meet its threshold for early monetisation through a simplified commercial gas development. The MOU-1 well will also test the limits of closure for the upside cases for gross recoverable prospective gas resources for the MOU-2 and MOU-4 prospects.

The MOU-1 well has multiple potential reservoir objectives:

- Sands equivalent to the upper Guebbas of the Rharb Basin (TGB-3 and TGB-4 PGVL nomenclature)
- Sands equivalent to the lower Guebbas of the Rharb Basin (TGB-2 PGVL nomenclature)
- Sands equivalent to the lower Hoot of the Rharb Basin (TGB-2A PGVL nomenclature)

The above reservoir objectives are prognosed to occur between 1,000 and 1,500 metres drilling depth. Below 1,500 metres to the planned total depth of the well at 2,000 metres (or top Jurassic, whichever occurs first) there are additional potential reservoir objectives:

- Sands equivalent to those encountered in SDX Energy's LMS-2 well in the Rharb Basin ("onlap surface" PGVL nomenclature) – SDX to flow-test in Q4 2021, after operational delays due to COVID-19 in 2020.
- Basal reservoirs on top of the Jurassic equivalent to those gas-bearing on logs in offset well GRF-1 (Red Beds or TGB-1a PGVL nomenclature)

The TGB-2 reservoir objective is considered to have the highest chance of finding gas (very conservatively estimated at 34% by SLR Consulting (Ireland) Ltd.s CPR) given:

- Seismic amplitude brightening (seismic line 84 GR 05 below) that conforms to structural closure

- Dry gas shows in the equivalent section 1.7 kilometres to the southeast in GRF-1 (drilled in 1972)
- Evidence for thermogenic dry gas in soil samples northwest of GRF-1

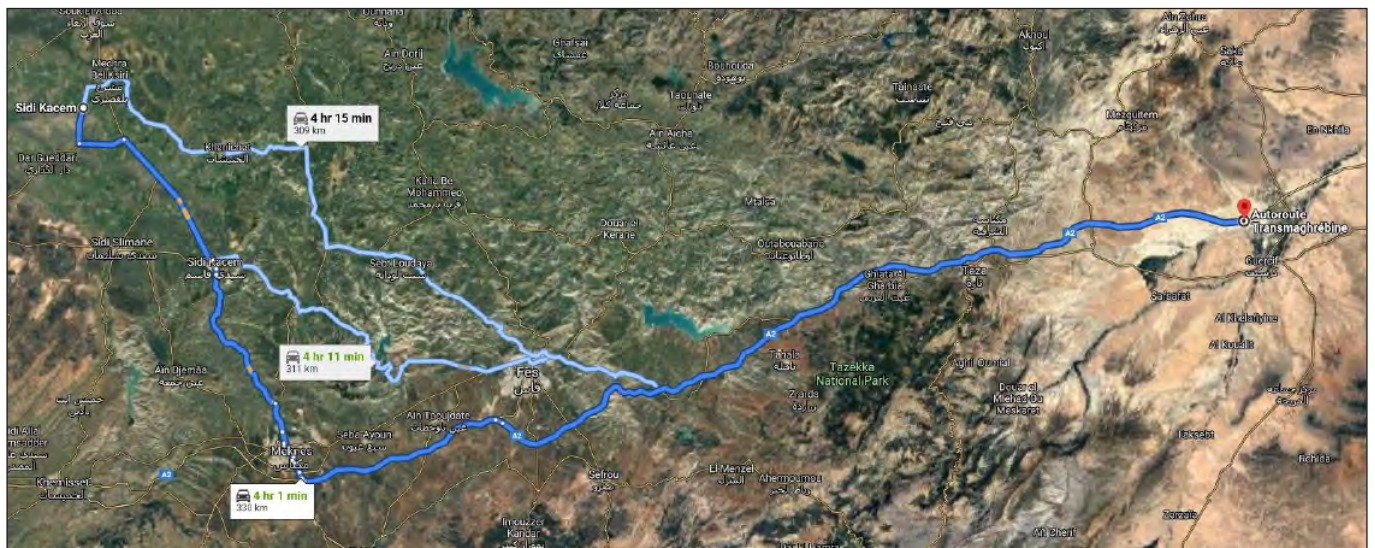
During the year under review the draft geological and drilling programmes for the MOU-1 well were completed. Regulatory approval for the Environmental Impact Assessment was received and ONHYM approved the MOU-1 well budget and well location.



Well planning progressed with the receipt of most of the bids for well services and logistical support. A site visit to the drilling location was made and to the Star Valley Rig 101 on location in the Rharb Basin for SDX Energy (see above).

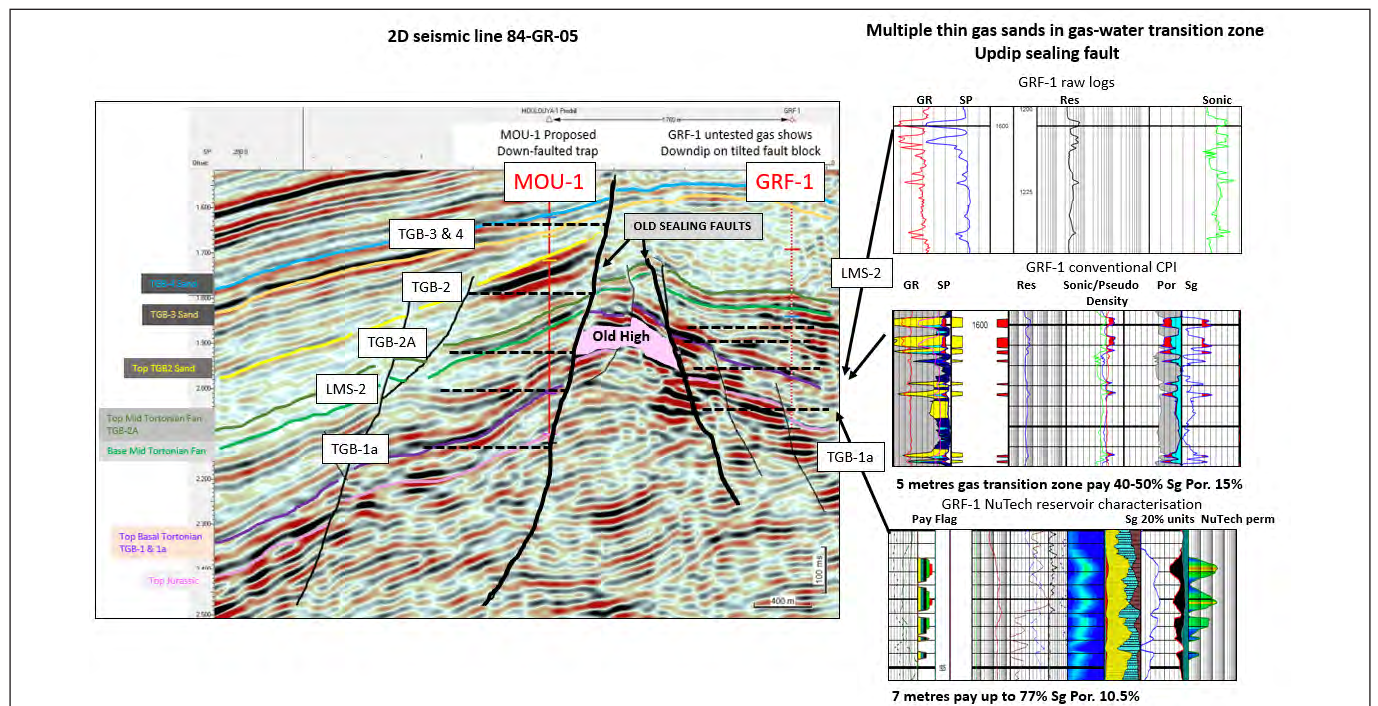


The MOU-1 well preliminary surface coordinates were surveyed in together with the location of the 1972 GRF-1 well for reference. The possible routes for mobilising the Star Valley rig to Guercif from the Rharb Basin were investigated (see below).



During Q1 2020 in-country field operations were required to be deferred due to the COVID-19 pandemic which introduced public health restrictions, national lockdowns and restrictions to international travel.

The MOU-1 reservoir targets are shown below together with the well's structural relationship to the GRF-1 well.

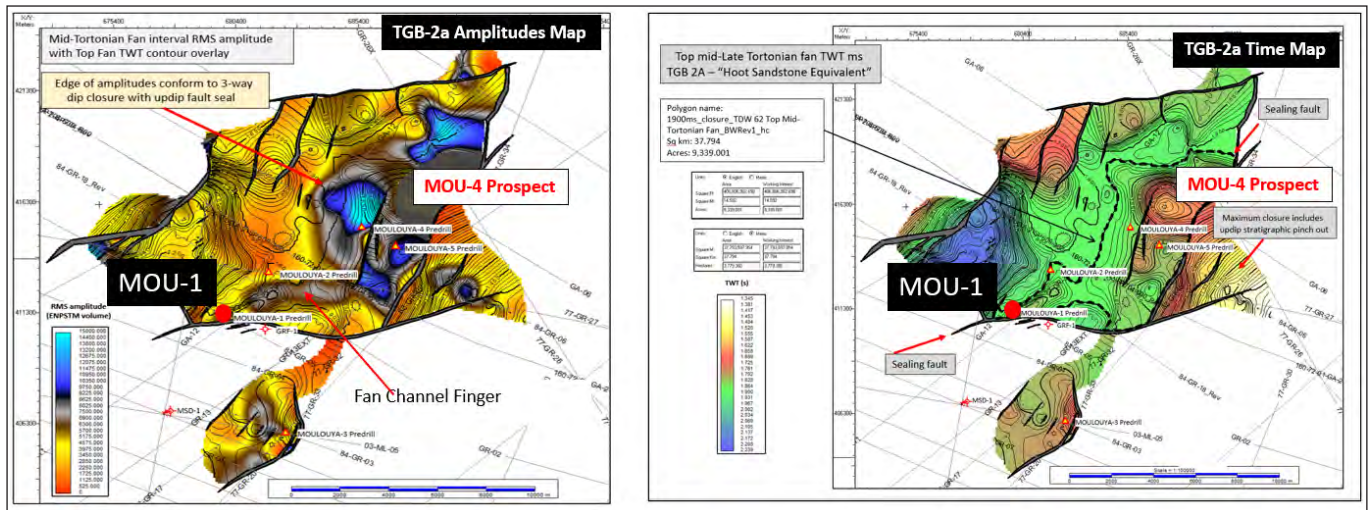


Houston-based NuTech's modern petrophysical study of the GRF-1 well had determined that the gross interval (equivalent to the lower Hoot sand, or TGB-2a) between 1,386 and 1,413 metres TVD KB (27 metres) had up to 16.2% porosity and interpreted gas saturations in the range 37 to 51%. This interval is a new additional deeper gas target for the MOU-1 well at approximately 1,400 metres drilling depth. MOU-1 will create an opportunity to evaluate the extreme western edge of the MOU-4 Prospect.

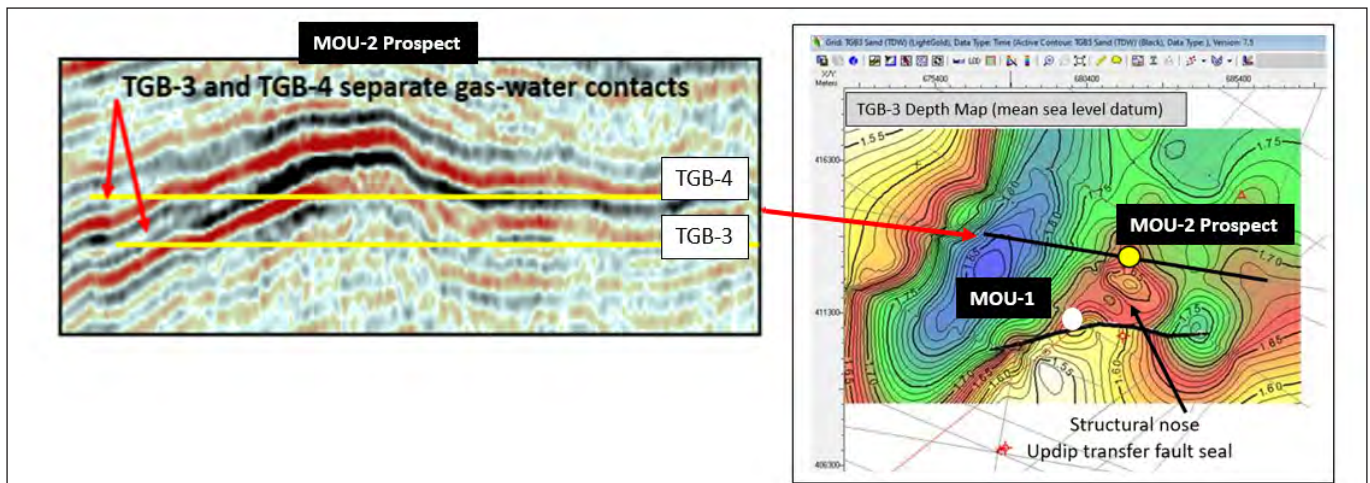
A gross interval between 1,635 and 1,925 metres TVD KB (290 metres) had gas saturations ranging from 30 to 77%. The NuTech petrophysical analysis supports the possibility of GRF-1 being mis-located on old 1972 seismic in a gas-water transition zone downdip from an updip gas-bearing structure.

## Group Structure and List of Assets (continued)

The location of the proposed MOU-1 well to the MOU-4 Prospect for the TGB-2A (Hoot) objective is shown below (Best and High Estimate gross prospective recoverable gas resources of 393 and 944 BCF respectively).



The location of the proposed MOU-1 well to the MOU-2 Prospect for the TGB-3 and TGB-4 (Guebbas) reservoir objectives is shown below (Best and High Estimate gross prospective recoverable gas resources of 426 and 879 BCF respectively).



Forward Work Programme

Preparations for commencing MOU-1 well operations in Q2 2021 will be progressed as COVID-19 restrictions become manageable. It is anticipated that the MOU-1 well could take up to 30 days to drill but the well is likely to reach total depth significantly earlier based on current projections (20 days or less).

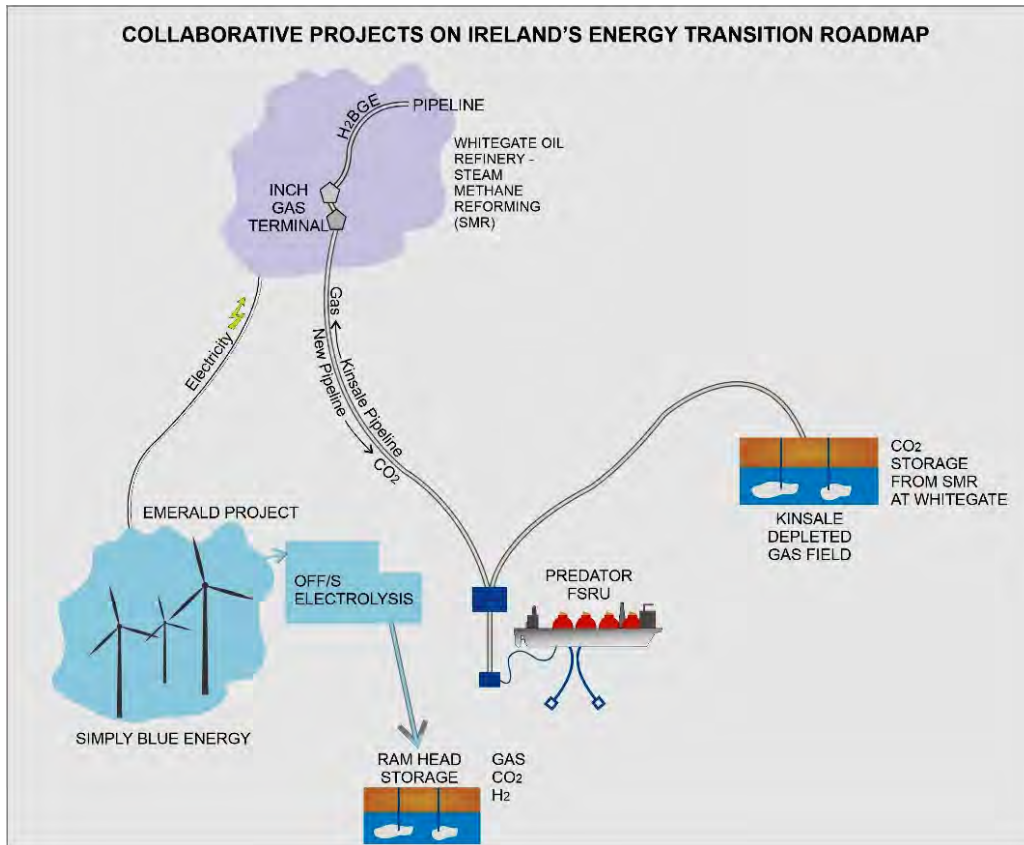
The Star Valley Rig 101 will be mobilised from the Rharb Basin after completing up to three analogous wells for SDX Energy.

If warranted, rigless testing will be performed and, depending on results, appraisal drilling may be approved for Q4 2021 in order to fast-track an early gas development in 2022 for the Compressed Natural Gas market.

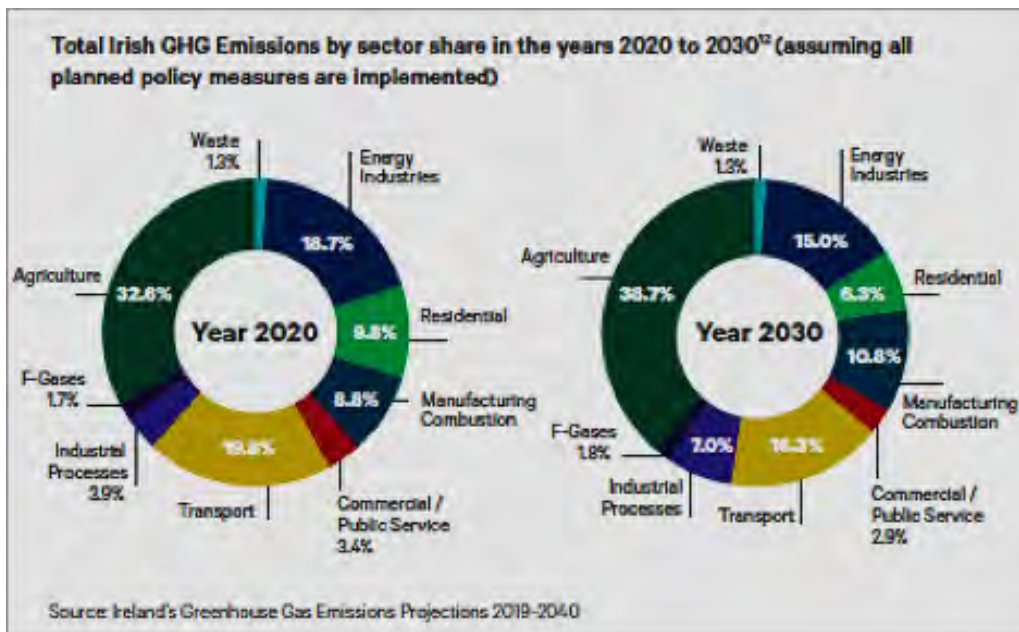
The gross budget estimate for 2021 expenditures is currently £2,132,223.

### Offshore Ireland – Floating Storage and Regasification Unit ("FSRU")

The Company's Energy Transition Roadmap (see below) for Ireland is focused on utilising a technological solution for offshore LNG imports to satisfy security and diversity of energy supply. It is based on gas being compatible with the reported comments of the European Commission in relation to expanding the role of gas in green finance by defining it as a "sustainable" source of energy. The FSRU solution proposed would not use LNG sourced from fracked gas, has a much reduced ecological and environmental footprint compared to other onshore energy projects (including renewables), and the potential to reduce and potentially eliminate CO2 emissions from its operation.

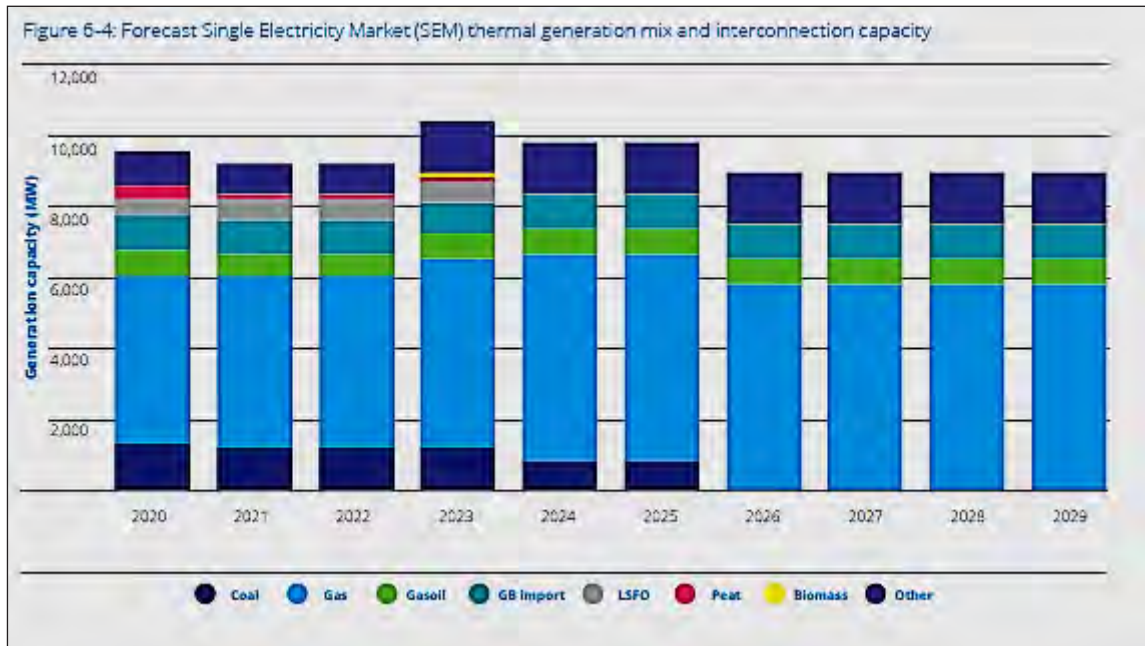


As can be seen from the illustration below, forecasting Irish GHG Emissions by sector share in the years 2020 to 2030, a presumed reduction in fossil fuel use in the Energy Industries, Residential and Commercial sectors is exceeded by emissions increasing from the Industrial Processes, Manufacturing Combustion and Agricultural Sectors. It serves to emphasise that no single sector of the economy should be singled out in the context of climate change concerns, rather it requires a collaborative effort for a just, equitable and socially fair energy transition that avoids “economic shocks” that invariably are absorbed preferentially by the vulnerable in society.



## Group Structure and List of Assets (continued)

The Predator FSRU concept has a pivotal role to play in developing the strategy of the Energy Transition Roadmap (see above) towards 2030 and beyond, based on collaboration between different sectors (wind power, natural gas and hydrogen storage, CO2 sequestration and hydrogen production) to maximise the use of existing infrastructure to develop commercially viable and financeable “green energy hubs”.



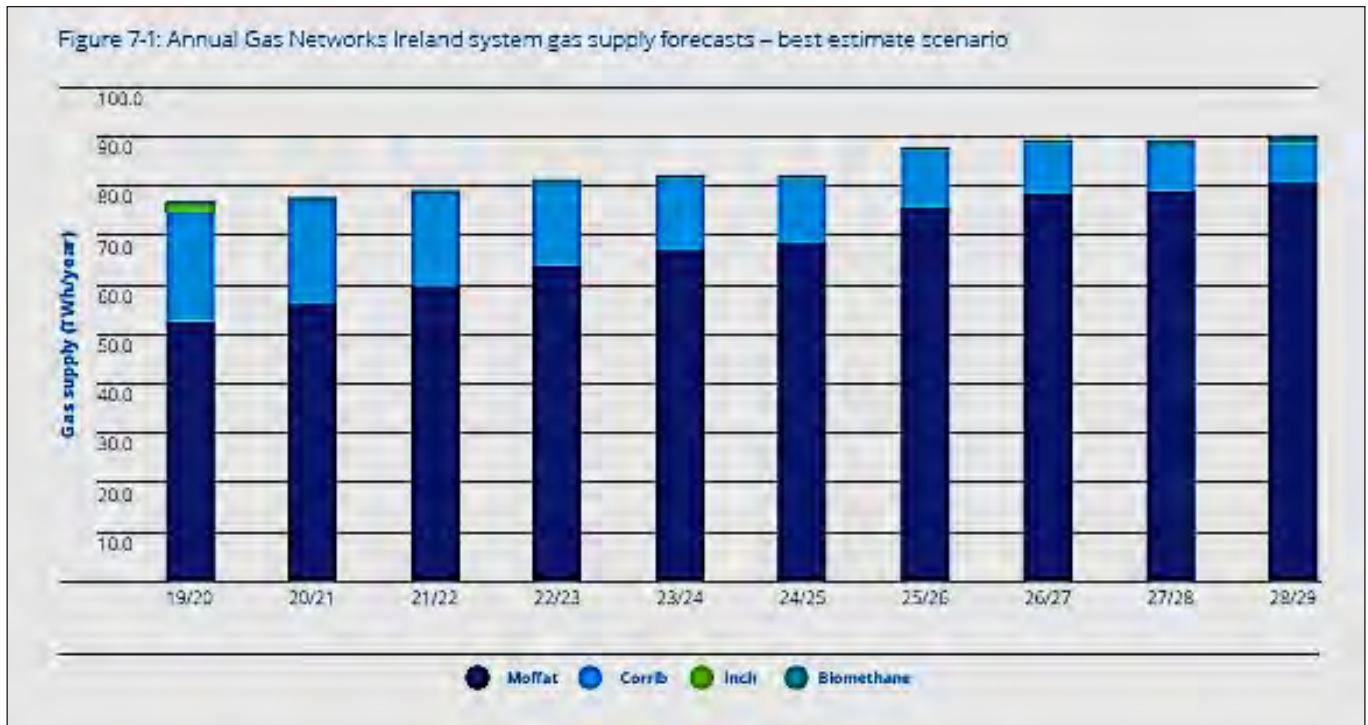
During the year under review Irish government energy policy has shifted inexorably towards promoting renewable energy (particularly wind power) in order to cut high levels per capita of CO2 emissions and move towards green energy dominance and net zero CO2 emissions by 2050.

As can be seen from the above Forecast Single Electricity Market (“SEM”) thermal generation mix and interconnection electricity capacity (Source: Gas Networks Ireland Network Development Plan 2020), natural gas remains a critical contributor to the thermal generation mix, at least until 2030, in order to satisfy the demand represented by the SEM.

The decision to ban the award of new oil and gas licences and the diminishing levels of existing indigenous gas production (with the decommissioning of the Kinsale gas field and the natural decline of the Corrib gas field) has ensured that Ireland becomes increasingly dependent on imported gas through the interconnectors with the UK (see chart below). In addition to being one of the few European countries lacking an LNG import facility, Ireland also lacks any gas storage capacity. As a result security and diversity of energy supply, as required by the European Union, has been fundamentally compromised during 2020 to the extent that a government department “Request for Tenders dated 2 November 2020 for the provision of Consultancy Services to undertake a Technical Analysis to inform a Review of the Security of Energy Supply of Ireland’s Electricity and Natural Gas Systems” tender invitation was released by the end of the year. Some of the elements of the scope of the Technical Analysis were defined as follows (emphasis given by the Company in bold type):

- “The timeframe covered by the Review (i.e. the period to 2030) will cover a period of major **transition of the energy systems in Ireland**, including a doubling of the electricity generated from renewable sources (principally wind and solar) to 70% of Ireland’s final consumption. This target was set in the Climate Action Plan with the majority of the remaining 30% of electricity likely to be generated from natural gas. It is imperative that, as Ireland makes this energy transition following the phasing out of peat and coal use for electricity generation, **Ireland’s security of electricity supply is expected to become much more dependent on natural gas** which is likely to be the principal source of non-variable generation supporting variable renewable sources such as wind and solar;
- there will be a significant reduction in indigenous supplies of natural gas due to production at the Kinsale fields having ceased in July 2020, and the planned tapering decline in production from Corrib over the next decade;
- Ireland’s gas import dependency is predicted to increase from over 50% in 2019 to circa 80% by the middle of the decade and to **over 90% import dependency by 2030**;
- all of Ireland’s natural gas imports are sourced (via the two pipelines) from a single supply point at Moffat in Scotland **with no alternative import routes**;
- there is no natural gas storage in Ireland; and
- the UK has left the European Union which will lead, at the end of the withdrawal period, to **difficulties for Ireland in meeting the requirements of EU law in relation to gas security of supply including potential challenges for future compliance with EU law**”

The increasing dependence on a single source of imported gas is emphasised below (Source: *Gas Networks Ireland Network Development Plan 2020*).



Based on the government’s developing perception of Ireland’s security of energy supply looking forwards to 2030, the Company executed confidentiality agreements with two leading international companies in the LNG business. In collaboration it developed a bespoke commercial and technical concept to develop an offshore engineering solution for an LNG import facility for Ireland using a Floating Storage and Regasification Unit (“FSRU”). This would utilise the existing Kinsale subsea gas pipeline, after decommissioning of the gas field’s production facilities, and the onshore gas terminal at Inch

in County Cork, where there is already a connection to the Gas Networks Ireland gas distribution grid.

Utilisation of existing gas infrastructure and an innovative and simplified offshore FSRU LNG import facility (see below), requiring relatively low capital investment with no need for additional fixed infrastructure, is an attractive near-term solution for addressing Ireland’s security and diversity of energy supply for the period up to and potentially even beyond 2030.

**An FSRU vessel with mooring and loading system**



Source: APL Offshore

## Group Structure and List of Assets (continued)

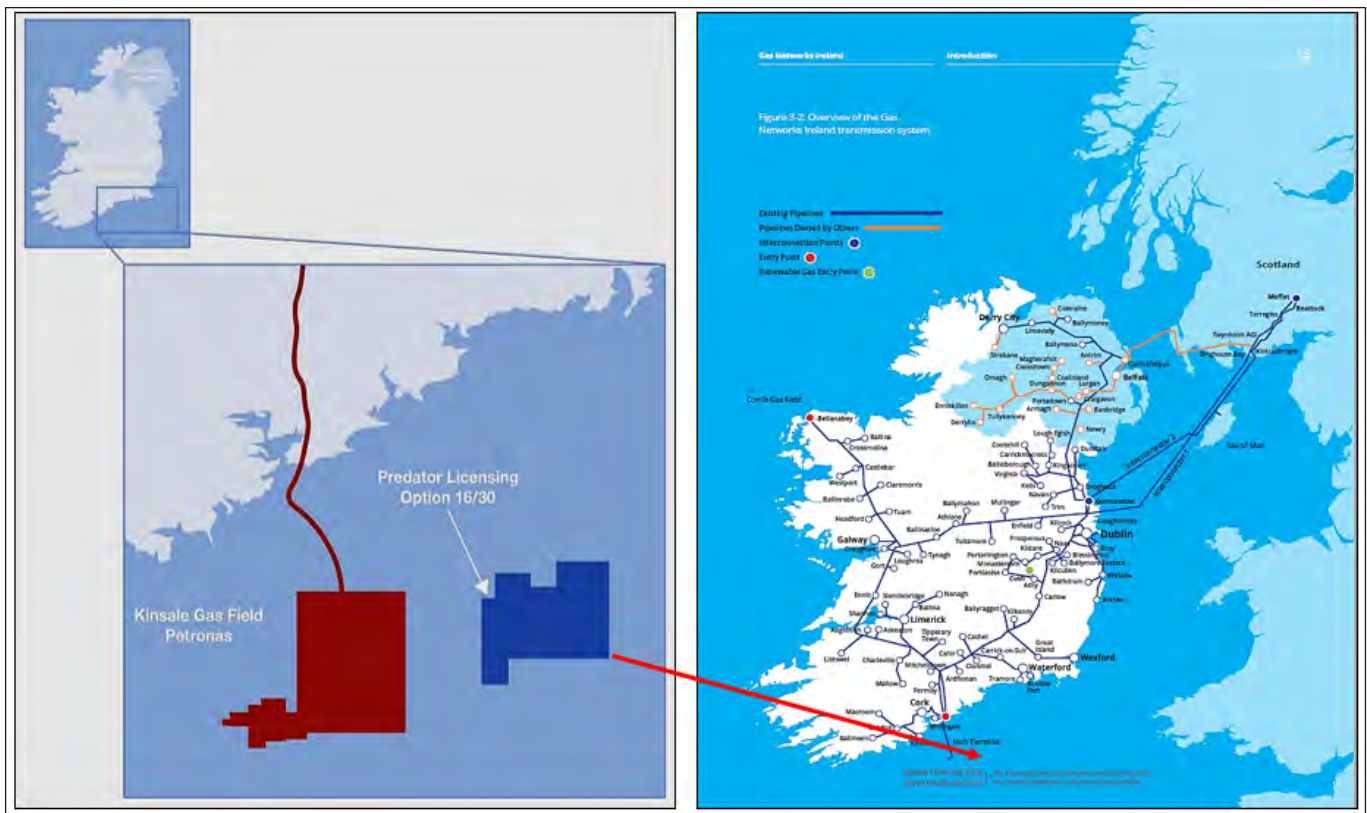
The preliminary design concept was completed and costed for delivery of between 250 to 275 mm cfm to the Irish gas market from late 2024 onwards, subject to all regulatory consents being granted.

PLIL is applying for an LNG import licence and, in order to optimise the commercial conditions for financing of the project, PLIL is also seeking an exemption from rights of third-party access (“rTPA”).

The Company reviewed the opportunity of making a submission to the Public Consultation on the expert advisory group report entitled

“Expanding Ireland’s Marine Protected Area Network”, published by the Department of Housing, Local Government and Heritage.

The Company continued to work to meet the criteria required by the regulatory authorities, including financial substance, to seek to secure successor authorisations for the Ram Head project off Cork in the Celtic Sea and for Corrib South (see below). No additional technical work was undertaken. Joint venture partnerships and percentage interests and asset descriptions remain unchanged from the 2019 Annual Report.



(Source: Gas Networks Ireland Network Development Plan 2020)



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The commercial and technical case for developing gas storage capacity at Ram Head was reviewed in the context of Ireland's security of energy supply and a potential ability to store FSRU summer gas volumes when gas demand and gas prices are traditionally lower.

#### Forward Work Programme

The Company will continue with the regulatory process of applying for Marine Area Consent for the FSRU project as part of conforming to new regulations put in place to replace some of the complicated existing regulations that do not allow for security of energy supply to be an important consideration.

In tandem the Company will continue with a submission to the Public Consultation on the expert advisory group report entitled "Expanding Ireland's Marine Protected Area Network", published by the Department of Housing, Local Government and Heritage. Deadline for submissions is 30 July 2021.

The purpose of these submissions will be to demonstrate that the FSRU LNG project can be considered to be very much in the public interest.

The LNG import licence will continue to be pursued with the focus on defining the criteria for an exemption from rights of third party access ("rTPA").

Dialogue will be maintained with the regulatory authorities regarding the applications for successor authorisations to the Corrib South and Ram Head licensing options.

The gross firm budget estimate for 2021 expenditures is currently £83,435.

## Principal Risks and Uncertainties

### Exploration industry risks

Oil and gas drilling and operations is a speculative activity and involves numerous risks and substantial and uncertain costs that could adversely affect the Group.

*Mitigation:* Where possible the Board aims to build a diversified portfolio of assets so that an adverse outcome is mitigated by the prospects of favourable outcomes.

Oil and gas exploration and development activities are dependent on the availability of skilled personnel, drilling and related equipment in the particular areas where such activities will be conducted. Demand for such personnel or equipment, or access restrictions may affect the availability to the Group, particularly relevant when taking into consideration the global impact of COVID-19.

*Mitigation:* Management through many years of experience has a network of independent contractors with skilled personnel and equipment which it can access.

Oil and gas prices are highly volatile, and lower oil and gas prices will negatively affect the Group's financial position, capital expenditures and results of operations.

*Mitigation:* By balancing projects with near-term cash inflow prospects with projects that require long-term funding the risk is mitigated. Planning includes simulation of downside risk scenarios.

Reserve and resource data and estimated discounted future net cash flows are estimates based on assumptions that may be inaccurate and on existing economic and operating conditions that may change in the future.

*Mitigation:* The Group has considerable experience in project evaluation. It may resort from time to time to independent expert consultants to verify assumptions. The Group focusses on projects that require relatively low capital investment but can potentially generate very high rates of return as a means of mitigating against reduction in discounted future net profits.

The Group is dependent on the successful development of its oil and gas assets.

*Mitigation:* The Group has diversified its profile away from regular oil and gas exploration by undertaking a CO2 EOR project.

The principal sub-surface geological risks that have been identified specific to the Group's portfolio are as follows:

*Risk 1:* In the immediate area of focus for drilling, which is the MOU-1 Prospect in Morocco, the 2D seismic database is sparse and the quality and completeness of the well logs in old offset wells pertinent to understanding the geology of the previously drilled GRF-1 and MSD-1 wells is poor.

*Risk 2:* GRF-1 provides evidence of over-pressuring of some potential reservoirs which will have to be taken into consideration for the purposes of safe well planning.

*Risk 3:* The existing sparse 2D seismic data demonstrate the presence of seismic amplitude anomalies. There is a risk that these may not be related to the presence of gas reservoirs or the presence of gas in commercial quantities. The size of the potential gas-generating source kitchen is unknown and therefore there is a risk that traps may not be efficiently filled to spill. In such circumstances gas resources could be significantly reduced.

*Mitigation:* Extensive use of offset well data for the geologically analogous, gas-producing Rharb Basin and information from the Anchois-1 Tertiary gas discovery in the offshore is used to improve the overall knowledge base.

Independent consultants are used to help validate geological and seismic interpretations.

*Risk 4:* Forecast maximum production rates for CO2 EOR rely on modelled calculations and actual pilot CO2 EOR oil flow rates and have not been tested yet by continuous CO2 EOR operations. The pilot CO2 EOR operations have so far calibrated the desktop production forecasts in line with anticipated rates, however there is no guarantee that production will increase exponentially in line with these predictions as more CO2 is injected over time. The technical and commercial success of the CO2 EOR project is dependent therefore on a comparison of the actual operational results versus the pre-injection desktop forecasts.

*Risk 5:* The volumes of CO2 required to be injected to increase reservoir pressure from its currently low level in order to enhance oil production have been estimated using reservoir models. These models assume limited vertical and lateral communication of the five Herrera reservoir sand intervals controlled by faulting and intervening vertical seals. If this is not the case then significantly more CO2 will be required to increase reservoir pressure and potentially enhance oil production should CO2 escape into other geological formations or adjacent fault compartments. Results of the pilot CO2 EOR confirm limited lateral and vertical communication across potentially sealing faults. However there is no guarantee that this situation will be maintained as reservoir pressure increases with continuous CO2 injection.

*Risk 6:* The volume of CO2 to be injected has also been estimated on the basis of the remaining volume of oil in place in the reservoirs using historical estimates made by other operators. If this volume has been under-estimated, then the volume of CO2 required for injection will be larger and the commerciality of the project may therefore be impacted.

*Mitigation:* All modelling of analytical data is reviewed and evaluated by the relevant technical teams in Heritage and the MEEI as part of the regulatory approval process. Satellite communications and data logging were installed at the Inniss-Trinity CO2 EOR site to allow the Group's management real-time remote-control monitoring of operational procedures to intervene if required to vary the volume of CO2 being injected and the injection pressure.

### Political risks

All of the Group's operations are located in a foreign jurisdiction. As a result, the Group is subject to political, economic and other uncertainties, including but not limited to, changes in policies or the personnel administering them, terrorism, nationalisation, appropriation of property without fair compensation, cancellation or modification of contract rights, foreign exchange restrictions, currency fluctuations, export quotas, royalty and tax increases and other risks arising out of foreign governmental sovereignty over the areas in which these operations are conducted, as well as risks of loss due to civil strife, acts of war, guerrilla activities and insurrection.

*Mitigation:* The Group only conducts operations in those countries with a stable political environment and which have established acceptable oil and gas codes. The Company adheres to all local laws and pays heed to local customs.

### Corporate risk

*Risk:* The Group's success depends upon skilled management as well as technical and administrative back-up. The loss of service of critical members of the Group's team could have an adverse effect on the business.



The Group is dependent on the executive Directors to identify potential business and acquisition opportunities in Trinidad, Morocco and Ireland and to oversee and execute its oil and gas operations. The loss of services of the executive Directors could materially adversely affect it.

*Mitigation:* The Group periodically reviews the compensation and contract terms of its consultants and service providers to ensure that they are competitive, but subject to the working capital available to the Group from time to time.

The executive Directors are material shareholders in the Group and committed to developing shareholder value.

#### Financial and liquidity risks

The Group's business involves significant, but moderate by comparison with the oil and gas sector in general, capital expenditure and given the current liquidity position of the Group as at the date of this report the Group will require additional funding to meet all of its future work programmes if the business of the Group is to grow. There is no guarantee that such additional funding will be available on acceptable terms at the relevant time.

*Mitigation:* Management has demonstrated and continues to demonstrate an ability to raise funds. Through timely and regular cash flow projections pro-active action is capable of being taken to pre-empt cash deficits. Such actions may include farm-outs, debt-financing and equity fund raises.

Instability in the global financial system may have impacts on the Group's liquidity and financial condition that currently cannot be predicted.

*Mitigation:* Pre-emptive cut back of new potential licence commitments; careful financial planning, currency hedging and economic evaluation of opportunities with simulation of risks mitigate against these risks. The Directors also maintain tight budgetary and financial controls to ensure cash is spent in the most efficient manner.

#### Foreign exchange risks

The Group operates internationally and is exposed to foreign exchange risk arising from various currency transactions, primarily with respect to the Moroccan Dirham, Trinidadian dollar, Euro and US Dollar.

Risks to exchange movements are mitigated by minimising the amount of funds held overseas. All treasury matters are handled centrally in Jersey. All requests for funds from overseas operations are reviewed and authorised by Board members. The Group endeavours to reduce its exposure to foreign currencies by holding cash balances in the currency of intended expenditure and recognises the profits and losses resulting from currency fluctuations as and when they arise.

As the Group may undertake some project activity offshore Ireland under the terms of agreements with the Irish regulatory authorities, the Directors currently anticipate that the impact on the business of the UK's exit from the European Union will be limited to the effects of potential increased foreign exchange fluctuations. As a result of these fluctuations, it is expected that the reported results of the Group may decline in the short- to medium-term. However, the Directors do not expect there to be any significant lasting impact. The Group does not anticipate any long-lasting impact on accessing overseas services and importing equipment, although due to increased regulatory processing in such cases, project timelines may be negatively impacted.

#### Liquidity risks

The Group's liquidity risk is currently considered to be insignificant and not material.

The Group does not enter into binding commitments for exploration expenditure unless supported by adequate cash reserves and working capital. Cash forecasts are updated continuously, and contingencies are allowed for. The financial exposure of the Group will reduce as it is the intention of the directors to partner with third parties at the appropriate time in the appraisal and development cycle. The Group structure facilitates investment in individual projects at the subsidiary company level. The after-tax project economics for the Group's portfolio of projects are very robust and support the potential payment of royalties and dividends to a company wishing to buy equity in a specific project or projects. The Directors believe that the ability to monetise parts of its portfolio of projects to improve liquidity is viable given the pivotal market position the Group has established in the jurisdictions within which it operates in respect of developing CO<sub>2</sub> EOR and CO<sub>2</sub> sequestration, a Compressed Natural Gas market and an LNG import option where currently no competitors exist in these sectors in the aforementioned jurisdictions.

Furthermore, to maintain liquidity, the Group elected not to exercise its option by 30 September 2020 to acquire FRAM Exploration Trinidad Ltd.

#### Environmental risks

The Group is subject to various environmental risks and governmental regulations and future regulations will become more stringent.

*Mitigation:* The Group is aware of these risks before it undertakes licence commitments and periodically re-evaluates these risks.

Climate change and climate change legislation and regulatory initiatives could result in increased operating and capital costs to address reducing CO<sub>2</sub> emissions, delays to regulatory and environmental approvals and decreased demand for, in particular, oil. In addition, investor and lender decision-making criteria are becoming increasingly dominated by climate change awareness and consequently loss of sentiment for financing the fossil fuel sector. As a result, it will become increasingly difficult to raise equity and debt finance for traditional oil and gas activities.

*Mitigation:* The Group's strategy has always been since IPO in May 2018 to focus primarily on gas, which is currently being considered as "sustainable" by the EU and suited therefore to accessing green finance, and CO<sub>2</sub> sequestration to support "greener" oil production. By focusing on jurisdictions where there is a need to reduce high levels of CO<sub>2</sub> emissions from ammonia plants, imported fuel oil and coal- and oil-fired power stations by substituting for gas and enacting CO<sub>2</sub> sequestration, the Group is demonstrating its commitment to ESG and sustainability necessary to attract responsible financing of its activities. The Group has positioned itself in the energy transition space with the intention of building local green energy hubs based on a symbiotic relationship working in tandem between natural gas, CO<sub>2</sub> sequestration, hydrogen production and storage and renewable energy to provide security of affordable energy supply and to support and protect local communities through the "economic shock" of the energy transition process.

#### Insurance risks

Oil and gas operations are subject to various operating and other casualty risks that could result in liability exposure.

*Mitigation:* The Group comprehensively surveys its exposure to these kinds of risks and considers taking either an appropriate level of insurance cover or self-insuring where judicious.

## Principal Risks and Uncertainties (continued)

The Group may not have enough insurance to cover all of its risks. COVID-19 will increase insurance costs.

*Mitigation:* A judicious quantum of self-insurance may need to be resorted to in these circumstances but currently the Group has access to appropriate levels of insurance both at the corporate level and for its operations.

### Coronavirus Risk

The global public health emergency caused by the spread of the coronavirus during the year under review is now well documented. This has pervasively impacted negatively global economies; financial and equity markets, including pension funds; forex exchange rates; oil and gas commodity prices, caused by collapsing demand, particularly from the aviation industry, and storage capacity being over-saturated; and general investor and debt-financing sentiment.

Divergent variants of coronavirus will create a significant public health risk for the foreseeable future and vaccination programmes will continually require monitoring and updating.

The principal risks identified are:

*Risk 1:* Suspension of international travel between many different jurisdictions which impact the Group's field operations insofar as specialised drilling engineers and technicians are unable to be despatched from overseas to operate, install or repair key pieces of equipment necessary, in particular, for the conduct of safe drilling operations.

A further consequence is the inability (or a delay) to mobilise drilling services and equipment from overseas that may not be available in the country of the Group's operations.

The potential introduction of new coronavirus travel restrictions cannot be ruled out but the timing of any such moves is not predictable due to varying rates of the spread of coronavirus throughout the pandemic.

*Mitigation:* The Star Valley drilling rig is currently stacked securely in Morocco west of Guercif at no cost to the Group. No commitments to rig mobilisation and an enactment of a drilling contract will be made until public health and travel restrictions are relaxed and market conditions improve. The Group maintains a close dialogue with drilling services providers to determine which services remain in-country, and also the rig contractor, to ensure the Group is "drill-ready" as soon as the coronavirus emergency ameliorates and travel restrictions can be prudently relaxed.

The Group has developed a close working relationship with SDX Energy in Morocco. SDX Energy operated a multi-well 2020 drilling programme in the Rharb Basin using the Star Valley rig and is planning to drill again using the same rig in 2021. As well as providing well inventory at cost to the Group for the MOU-1 well, the Group will also be utilising drilling services and well and logistical support sourced by SDX Energy, who also operate in Egypt. This greatly mitigates against, but does not entirely eliminate, the risk that the Group cannot source in-country equipment, services and personnel.

*Risk 2:* Restricted ability to operate in-country activities such as drilling and site construction due to local restrictions on travel and enforceable social distancing measures.

*Mitigation:* Trained in-country personnel have moved into place to ensure continuity of CO2 EOR operations within the framework of HSE public health restrictions enabled by the Trinidadian government from time to time. CO2 EOR is seen as an essential industry. Secure satellite communications linked to a datalogger were installed at the Inniss-Trinity CO2 EOR site immediately prior to the coronavirus

emergency to allow the Group's management real-time remote control monitoring of operational CO2 injection parameters and procedures.

*Risk 3:* Supply chain issues caused by equipment not being available for purchase or delayed by customs if imported from overseas.

*Mitigation:* CO2 EOR spares and equipment are in a secure warehouse and yard in Trinidad to cover immediate requirements during the coronavirus emergency. Drilling inventory for Guercif also remains accessible for purchase by the Group, at the appropriate time, from a secure SDX Energy warehouse and yard in Morocco.

*Risk 4:* Collapsing oil and gas commodity prices caused by global economic slowdown, over-supply, falling demand and storage filled to capacity.

*Mitigation:* Project economics for CO2 EOR operations in Trinidad have been stress-tested at WTI US\$25/barrel and are marginally commercial based on Trinidad's requirement for domestic oil production to replace imports. Robust and commercially viable project economics for Guercif have also been re-run at much lower gas prices, under-cutting lower imported fuel oil prices, with a Compressed Natural Gas development scenario that fast-tracks an initial development of a gas discovery to the captive Casablanca industrial market that currently relies on less efficient fuel oil imports.

The Group's business development strategy is focussed on niche local energy markets where pricing of and demand for oil and gas is not as severely impacted by the global supply and demand dynamics.

*Risk 5:* Insufficient liquidity and working capital, under-capitalisation, lack of revenue, contractual liabilities and unfulfilled work commitment obligations.

*Mitigation:* During the period to 31 December 2020 the Group has completed two over-subscribed Placings to raise £4.008 million (before expenses). The Group has sufficient liquidity and working capital over the next 12 months to weather any additional impact from a resurgence of the coronavirus pandemic and any resulting volatility in the financial, equity and commodity markets. The Group is in the short-term making corporate overhead reductions to ensure working capital is focussed on prioritising existing CO2 EOR cash-generating potential in Trinidad and completing the drilling of the MOU-1 exploration well on schedule.

A contingency to shut down non-commercial CO2 EOR wells would be maintained to avoid any loss-making business activities.

No new financial commitments or work programme liabilities are being entered into. The existing drilling commitment for the Guercif PA is planned to be executed in 2021 but can be delayed until Q2 2022 should a resurgence of coronavirus negatively impact market conditions and preservation of working capital were to become a priority. Ring-fencing the working capital required to drill the MOU-1 Prospect in Morocco in 2021 and to release US\$ 1 million of the Guercif PA bank guarantee in favour of ONHYM is a strategic objective of the Group. Under the Guercif PA the Group has until the 18 September 2021 to complete the drilling commitment. The Group has sought from and been granted by ONHYM a one-year extension of the Initial Exploration Period of the Guercif PA to 18 September 2022 on the basis that the coronavirus emergency is a *Force Majeure* event.

The Group will maintain a "drill-ready" status in Morocco, and only enter into financial liabilities that can be funded from the available working capital reserved for the drilling of MOU-1. The Group will use its discretion to choose when to enact the Guercif drilling programme

in the context of first re-assessing market sentiment and market conditions and management's opinion as to prudent use of available working capital.

The outstanding principal amount of the Convertible Loan Notes with Arato have been repaid in full to leave the Group debt-free and to improve its liquidity position.

**Risk 6:** Inability to access the capital markets for equity finance or the lending market for debt finance.

**Mitigation:** The Group's CO<sub>2</sub> EOR operations in Trinidad were commissioned prior to the coronavirus emergency. The initial CO<sub>2</sub> injection phase and monitoring of reservoir pressure build-up and enhanced oil production was commenced and successfully and safely completed on time during the coronavirus pandemic consistent with the Group's pre-coronavirus project schedule. The Group advanced its well planning activities in Morocco prior to coronavirus and has maintained a drill-ready status to resume its operational activities on the ground at Guercif at the earliest opportunity afforded by the relaxation of coronavirus public health restrictions. The Group is well-capitalised and is positioned for near term cash flow from operations. The Group has no immediate requirement to access the capital or lending markets over the next 12 months to execute its near-term work programmes. The Group will always remain open to accessing additional equity funds if it can be shown that this would further develop the Group's business and lead to increased shareholder value without excessive shareholder dilution.

Guercif remains an integral part of the Company's business development strategy and the value proposition, given the size of the targets versus the Group's current market capitalisation and the ability to monetise by capitalising upon Moroccan industry's heavy reliance on imported fuel. It remains an important and sustainable driver for share price performance after the coronavirus emergency ameliorates. Coronavirus has no lasting impact on the fundamentals of the value proposition that Guercif and the MOU-1 Prospect presents.

The Boards' view is that the global economy will rebound, and commodity prices will improve once the commodity over-supply is exhausted as the coronavirus emergency becomes manageable. Shut-in production will take longer to be re-established in this transition period. The equity markets will recover, and the pace of the recovery will accelerate as investor sentiment returns. There will be a strong appetite for cash-generating companies with developing ESG and Sustainability credentials who have weathered the coronavirus storm and that have potential for immediate growth to support appreciation in share price. Many peer companies will be seeking to re-capitalise quickly as the equity markets improve but will not have projects as sufficiently advanced as Guercif or as commercially attractive in the near-term to promote to attract new investors. The Company has started discussions with suitable candidates to join us in our various projects at the appropriate time and for a consideration that reflects the investment made by the Group in its projects, the market opportunity, and the risk versus reward value proposition.

The Company has developed projects that require a low quantum of capital investment suited to the size of the market appetite for a small cap company listed on the Standard List segment of the Main Market in London.

**Risk 7:** Curtailment of expansion of business development activities necessary to support value creation and shareholder equity values, and reduction in the potential to generate future revenues from such activities.

**Mitigation:** The Group's business development strategy continues to be focussed on niche local energy markets where pricing of and demand for oil and gas is not severely impacted by the global supply and demand dynamics.

Upscaling CO<sub>2</sub> EOR operations in Trinidad, now that the pilot CO<sub>2</sub> EOR project has been de-risked, can be implemented for very small incremental amounts of capital deployment, inclusive of additional well workovers for CO<sub>2</sub> EOR production, that can potentially be recovered within a few months from incremental production revenues.

The Group has also started the process of identifying and evaluating suitable producing assets in Trinidad with attractive synergies for applying our existing Inniss-Trinity CO<sub>2</sub> EOR expertise. The Group has opened a dialogue with several operators with a view to supplying our CO<sub>2</sub> EOR services. Commercial terms that the Group can potentially negotiate will be driven by the fact that the Group is well-capitalised; has exclusivity over CO<sub>2</sub> supply; and most importantly has developed the template for a viable CO<sub>2</sub> EOR project that meets all regulatory and environmental conditions required for approvals to be granted to execute field operations. The Group also notes that the extension of existing Incremental Production Services Contracts in Trinidad will now also require a commitment to executing secondary recovery work programmes (waterflood and CO<sub>2</sub> EOR). Historically waterflood has not been very successfully applied in Trinidad for increasing secondary recovery in mature oil fields where oil gravity and oil viscosity is high.

This prudent and low cost expansion of the Group's business development activities, focussed on de-risked CO<sub>2</sub> EOR operating success, can potentially support value creation and shareholder equity values and address any perceived reduction in the potential to generate future revenues from such activities as a result of the coronavirus pandemic.

The Group has successfully progressed and further developed its business strategies during the coronavirus pandemic and is well-positioned for business growth going forward.

#### Future developments

The Group's near-term priority is to focus on developing increased cash flow from its CO<sub>2</sub> EOR project in the Inniss-Trinity field onshore Trinidad. The CO<sub>2</sub> delivery and injection system is operational and the supply of CO<sub>2</sub> has been secured. Progress on reservoir re-pressurisation can now be evaluated remotely in real-time through the Group's dedicated secure internet site. Operations can therefore continue, operating costs can be minimised, and the capital investment required for the CO<sub>2</sub> EOR project start-up has already been made. Next step is for continuous CO<sub>2</sub> injection with determination of incremental oil production and attributable net profits over a 12-month period.

The de-risking of the design, engineering and construction of the CO<sub>2</sub> delivery and injection system and the recognition of the Group's developing knowledge and expertise in the CO<sub>2</sub> EOR field and its potential contribution to Sustainability through CO<sub>2</sub> sequestration, has created an environment for the Group to expand its business development growth onshore Trinidad by leveraging this expertise.

The Group's medium-term priority remains to execute the Guercif drilling programme in Morocco at the earliest opportunity. The Group continues to be "drill-ready" with an in-country rig available to it under a rig option agreement with Star Valley and an approved Environmental Impact Assessment. The well location and well budget has been approved by its government partner ONHYM. It is anticipated at present that drilling operations will commence within

## Principal Risks and Uncertainties (continued)

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3 months from the lifting of some coronavirus restrictions on travel. The Group has developed an economic model for a nearer term gas monetisation strategy for Guercif that involves Compressed Natural Gas being transported to the industrial centres of Morocco. The size of the initial gas market is being assessed and capital and operating costs will be tailored to fit the immediate marketing opportunity. The Group's experience and expertise with engineering, costing and developing the CO<sub>2</sub> EOR project in Trinidad will be applied to the CNG project in Morocco. The "drill-ready" status, the ability to monetise gas for relatively low amounts of capital investment and with low operating costs, tax- and royalty-free production on the first 10.6 BCF of net gas, and high profit margins based on the high price (US\$10 -12/mcf) paid by Moroccan's industrial gas users will be the Group's marketing tools to attract financing and potential joint venture partners, if required, to help fast-track an early gas development.

The Group has re-positioned its business strategy for Ireland to focus on offshore regasification of LNG and gas storage in accordance with EU guidelines for member States. Confidentiality agreements have been signed with the Group's preferred LNG supplier and the provider of re-gasification vessels ("FSRU") based on the Group's presentation of the marketing opportunity for gas in Ireland together with its potential contribution to security and diversity of energy supply and its ability to provide back-up power at times of peak electricity demand. The Group continues to engage with regulatory authorities and infrastructure owners in Ireland in an application for an LNG import licence. A technological solution is being matured to supply between 250 and 275 mm to the end of the Kinsale gas pipeline, subject to regulatory consent. The near-term goal is to further refine this solution and to demonstrate its ecological and environmental benefits relative to other energy infrastructure projects (including renewables) in preparation for an application for Marine Area Consent. The Irish regulatory hurdles remain very high and challenging, but the Group recognises that the Irish government has started a process of public consultation on, amongst other matters, security of energy supply, thus creating a window of opportunity for the Group to take advantage of by leveraging its management's relevant experience, know-how and expertise.

Liquidity remains a fundamental priority for the Group. The Company's business assets are commercially robust, well managed, operated efficiently and have significant growth potential. Market appreciation of management's business strategy for developing shareholder value has been demonstrated during the year through the completion of two over-subscribed Placings to improve liquidity during very difficult and challenging times in the financial and equity markets.

### Sustainability Report

The Group is committed to sustainable development of its gas assets and its CO<sub>2</sub> EOR operations incorporating anthropogenic CO<sub>2</sub> sequestration.

To sustain our business, we must meet the expectations of our stakeholders and focus on mitigating climate change, advancing the circular economy so that nothing goes to waste and implementing responsible business practices.

Our long-term ambition is to be a carbon neutral producer of greener energy through the energy transition by developing a template for local green energy hubs around existing under-utilised infrastructure that combine the best ESG and Sustainability practices. This should include natural gas-powered energy where it replaces more carbon intensive fossil fuel energy sources, CO<sub>2</sub> sequestration, natural gas

and hydrogen storage and providing back-up interruptible power for wind and solar energy to improve resilience of grid supplies and potential project economics. Expanding our responsible business practices is a key benefit for our people, partners and the communities that are affected by our supply chain. Security of affordable energy supply and supporting in a just, fair and equitable manner the energy transition to ameliorate the negative economic impact on local communities currently dependent on traditional forms of energy is a key objective of the Group.

At the corporate level, since the advent of the Covid-19 emergency in late March 2020 our management operate our business from home-based locations, thereby reducing the high level of energy consumed by a fixed office location and eliminating the CO<sub>2</sub> emissions footprint left by commuting to work by many forms of transport that emit pollutant CO<sub>2</sub>. Since late March 2020 no further site visits were made to either Trinidad CO<sub>2</sub> EOR operations or Morocco during the year under review.

The practical and pragmatic ways in which the Group are enacting its climate awareness strategy in the period under review are described in detail in the section on ESG metrics and Sustainability.

**Paul Griffiths**  
**Chief Executive Officer**  
27 May 2021

## Report of the directors for the year ended 31 December 2020

The Directors present their report together with the audited financial statements for the year ended 31 December 2020.

The Company's Ordinary Shares were admitted on 24 May 2018 to a listing on the London Stock Exchange on the Official List pursuant to Chapters 14 of the Listing Rules, which sets out the requirements for Standard Listings.

### RESULTS AND DIVIDENDS

The Directors do not recommend the payment of a dividend (2019: nil).

### DIRECTORS

The Directors who served during the year and up to the date hereof were as follows:

	Date of Appointment
Paul Griffiths	21 December 2017
Ron Pilbeam	19 March 2018
Steve Staley	24 May 2018
Carl Kindinger	19 July 2019 (resigned 29 June 2020)
Louis Castro	13 July 2020

### DIRECTORS THIRD PARTY INDEMNITY PROVISIONS

The Group maintained during the period and to the date of approval of the financial statements, indemnity insurance for its Directors and Officers against liability in respect of proceedings brought by third parties.

### GOING CONCERN

Notwithstanding the loss incurred during the year under review and following two successful placings to raise £3.56million gross (£3.26million net) and £0.448million gross (£0.418million net) and the repayment in full of the outstanding principal of the Arato Convertible Loan Notes, the Directors have a reasonable expectation that the Group will not need to raise funds to continue operations and meet its current contractual liabilities during the COVID 19 pandemic for the foreseeable future.

In the case of Covid-19 the potential impact and mitigation thereof is discussed in detail in the Strategic Report. The two planned major initiatives for 2021 are drilling in Morocco and the continuance of CO2 EOR operations in Trinidad with enhanced oil production. Delays due to the imposition of COVID-19 restrictions in Morocco may or may not lead to increased well costs. This potential eventuality has been allowed for through the successful completion of a post balance sheet placing to raise £1.785million gross (£1.64 million net). If CO2 EOR operations were to require additional working capital due to insufficient profits being generated from production revenues, then these operations could be shut down if necessary. If for operational reasons there were to be a cost overrun on drilling the MOU-1 well in Morocco and more working capital were to be required for corporate running costs, and production profits from Trinidad were to be insufficient to meet any projected working capital shortfall, then under these circumstances the Group would require funds to be raised. If directors' endeavours to raise fresh funds were to fail, they will institute a programme of cuts to directors' and consultant's remuneration and other third party corporate costs until such time as US\$1 million of the Guercif Bank Guarantee is returned after delivering to ONHYM the data from the MOU-1 well. The directors having made due and careful enquiry, are of the opinion that the Group has adequate working capital to execute its operations over the next 12 months given that current spending commitments will prevail. The Group will therefore continue to adopt the going concern basis in preparing the Annual Report and Financial Statements. Further details on their assumptions and their conclusion thereon are included in the statement on going concern included in page 75 under accounting policies.

### SUBSTANTIAL SHAREHOLDERS

As at 31 December 2020, the total number of issued ordinary shares with voting rights in the Company was 239,678,517. Pursuant to a placing of 17,000,000 ordinary shares announced on 12 March 2021 and the subsequent admission of 5,215,155 new shares announced on 26 March 2021 the total number of issued ordinary shares was 245,161,422. The Company has been notified of the following interests of 3 per cent or more in its issued share capital as at 17 May 2021.

	Ordinary shares held	% Holding of the Company
THE BANK OF NEW YORK (NOMINEES) LIMITED (672938)	38,243,266	15.60%
HARGREAVES LANSDOWN (NOMINEES) LIMITED (15942)	35,310,893	14.40%
INTERACTIVE INVESTOR SERVICES NOMINEES LIMITED (SMKTISAS)	19,496,882	7.95%
HARGREAVES LANSDOWN (NOMINEES) LIMITED (HLNOM)	16,607,406	6.77%
HARGREAVES LANSDOWN (NOMINEES) LIMITED (VRA)	13,237,201	5.40%
INTERACTIVE INVESTOR SERVICES NOMINEES LIMITED (SMKTNOMS)	11,498,953	4.69%
BARCLAYS DIRECT INVESTING NOMINEES LIMITED (CLIENT1)	10,938,268	4.46%
HSDL NOMINEES LIMITED (MAXI)	8,282,530	3.38%
MR RONALD J PILBEAM	7,585,794	3.09%
<b>TOTAL</b>	<b>161,201,193</b>	<b>65.74%</b>

## Report of the directors for the year ended 31 December 2020 (continued)

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### FINANCIAL INSTRUMENTS

Details of the use of financial instruments by the Group are contained in note 15 of the financial statements.

### GREENHOUSE GAS EMISSIONS

The Group does not have responsibility to disclose any other emission producing sources under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2014. However, Management is committed to reducing its greenhouse gas emissions. As disclosed above, amongst other measures taken, the installation of satellite communications facilities at the C02 EOR site of operations in Trinidad ensures a more flexible working environment and will reduce the amount of travel required by management as part of their duties in overseeing the Group's projects.

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs') as adopted by the EU and applicable law.

Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards 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.

In accordance with Article 103 of Companies (Jersey) Law 1991, the Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the requirements of Companies (Jersey) Law 1991 as a whole.

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.

They are further responsible for ensuring that the Strategic Report and the Report of the Directors and other information included in the Annual Report and Financial Statements is prepared in accordance with applicable law in the United Kingdom.

The maintenance and integrity of the Group's website is the responsibility of the Directors; the work carried out by the auditors does not involve the consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred in the accounts since they were initially presented on the website.

Legislation in Jersey governing the preparation and dissemination of the accounts and the other information included in annual reports may differ from legislation in other jurisdictions.

### DIRECTORS' RESPONSIBILITIES PURSUANT TO DTR4 (DISCLOSURE AND TRANSPARENCY RULES)

The directors confirm to the best of their knowledge:

- The group and company financial statements have been prepared in accordance with IFRSs as adopted by the European Union and Article 4 of the IAS Regulation and give a true and fair view of the assets, liabilities, financial position and profit and loss of the Group and Company; and
- The annual report includes a fair review of the development and performance of the business and financial position of the group and company together with a description of the principal risks and uncertainties.

### FUTURE DEVELOPMENTS

The Group's plans for future developments are more fully set down in the Strategic Report, on pages 4 to 15.

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

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

We confirm to the best of our knowledge:

- The financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as whole;
- The strategic report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and

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- The annual report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

#### AUDITORS

The Company's auditor, PKF Littlejohn LLP, was initially appointed on 4 December 2017 and it is proposed by the Board that they be reappointed as auditors at the forthcoming AGM. The auditors have expressed their willingness to continue in office.

#### EVENTS AFTER THE REPORTING DATE

These are more fully disclosed in Note 24.

By order of the Board



**Paul Griffiths**  
Chief Executive Officer  
27 May 2021

## Board of directors

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### **Paul Griffiths, Chief Executive Officer (age 67)**

Mr. Griffiths has 45 years' oil and gas industry experience, including with the Libyan National Oil Corporation and Gulf Oil and as consultant to Enterprise Oil, Amoco (Mediterranean) and the Arabian Gulf Oil Company, amongst others, and as CEO of both Island Oil & Gas plc and Fastnet Oil and Gas plc. During this time Mr. Griffiths has managed 2D and 3D seismic data acquisition and processing projects onshore and offshore; drilling and testing programmes, both onshore and offshore; and geological and reservoir simulation desk top studies. Mr. Griffiths is also experienced in business development in respect of licence acquisitions, farm-ins, farm outs, gas marketing and gas sales contracts and negotiations with government agencies. In 2006, Mr. Griffiths put together and led the team that drilled the first successful exploration well in offshore southeast Ireland in 16 years. In 2008 he put together and led the team that generated and submitted the plan of development for the Amstel Field in the Netherlands and in 2014 he put together and led the team that carried out the Tendrara gas field re-evaluation prior to a successful appraisal drilling programme by Sound Energy. He is a geology graduate of the Royal School of Mines (London) and an Associate of the Royal School of Mines.



### **Ronald Pilbeam, Project Development Director (age 75)**

Mr. Pilbeam has over 40 years' technical and commercial experience in energy-related E&P activities. During this time Mr. Pilbeam has worked with Parsons Brinckerhoff in the United States, the Caribbean and Brazil, then with United Technologies in Brazil, before becoming associated with Unigas International both in Brazil and South Africa. Mr. Pilbeam has undertaken the management of a number of projects in oil & gas shipping, offshore LNG, gas-to-liquids and onshore petro-chemical plant, gas storage and gas handling, pipelines and terminals. In so doing, Mr. Pilbeam has also amassed considerable international experience working with governments, industry, and commerce, to achieve often challenging objectives. A British national, Mr. Pilbeam is an Engineering graduate of King's College (London), a licensed Professional Engineer (Canada), an Associate Member of the Institution of Civil Engineers (UK), and a member of the Jersey Association of Directors and Officers.



### **Dr Stephen Staley, Non-Executive Chairman (age 61)**

Dr Staley has over 35 years wide-ranging management, technical and commercial experience in the international oil, gas and power sectors. He was until October 2019 the CEO and a director of Upland Resources Limited, a London-listed (Standard Listing) oil & gas company which he co-founded, currently with assets in Tunisia and onshore and offshore UK. He is a non-executive director of 88 Energy Limited, an Australian oil & gas company with assets onshore Alaska. 88 Energy has a dual listing on the ASX and AIM. He is also non-executive chairman of Nostra Terra Oil & Gas PLC, an AIM-listed oil & gas company with producing assets in Texas. Dr Staley co-founded and brought to the AIM market both Fastnet Oil & Gas plc (where he was the founding CEO) and Independent Resources plc (where he was the founding managing director). He was also both a technical consultant to, and non-executive director of, Cove Energy plc – the highly successful East Africa-focused explorer. Dr Staley is owner and founder of Derwent Resources Limited, an upstream consultancy advising on oil and gas opportunities. Prior to this he has worked for Cinergy Corp., Conoco and BP.

He holds a BSc (Hons.) in geophysics from Edinburgh University, a PhD in petroleum geology from Sheffield University and an MBA from Warwick University. He is a fellow of the Geological Society and a member of the European Association of Geoscientists & Engineers, the Petroleum Exploration Society of Great Britain and The Arctic Club.



### **Louis Castro, Non-Executive Director (age 62)**

Louis Castro has over 30 years' experience in investment banking and broking both in the UK and overseas. Most recently he was the Chief Financial Officer at Eland Oil & Gas plc. Previously he was Chief Executive of Northland Capital Partners in London and before this was Head of Corporate Finance at Matrix Corporate Capital and at Insinger de Beaufort. He has worked in corporate finance and the capital markets in diverse geographic areas from the UK to the Far East, South America and Africa, including the execution of complex M & A transactions from initiation through due diligence to negotiating and financing.

He started his career by qualifying as a Chartered Accountant with Coopers & Lybrand (now PWC), followed by a spell at SG Warburg & Co. (now part of UBS). Louis is currently Executive Chairman of Orosur Mining Inc., and a non-executive director at Stanley Gibbons Group plc and Tekcapital plc, all quoted on the AIM market.

Louis graduated from the University of Birmingham with a double degree in Engineering & Economics; completed a post graduate course in Production Engineering at Cambridge University and is a Fellow of the Institute of Chartered Accountants in England & Wales.



## Corporate Governance Report

The Chairman of the Board of Directors of Predator Oil & Gas Holdings Plc ('Predator' or 'the Company' or 'the Group' or 'we/our') has a responsibility to ensure that Predator has a sound corporate governance policy and an effective Board.

The Board has not adopted, but voluntarily follows, the Quoted Companies Alliance Corporate Governance Code ("QCA Code"). The QCA Code identifies ten principles to be followed in order for companies to deliver growth in long-term shareholder value, encompassing effective management with regular and timely communication to shareholders. This report follows the structure of those principles and explains how we have applied the guidance as well as disclosing any areas of non-compliance.

We will provide annual updates on our compliance with the code. The Board considers that the Group complies with the QCA Code so far as is practicable having regard to the size, nature and current stage of development of the Company.

The sections below set out how the Group applies the ten principles of the QCA Code and sets out areas of non-compliance.

### PRINCIPLE 1: ESTABLISH A STRATEGY AND BUSINESS MODEL WHICH PROMOTES LONG-TERM VALUE FOR SHAREHOLDERS

The Company is an oil and gas exploration specialist, with operations in Morocco, Trinidad and Ireland. Our goal is to deliver long term value for our shareholders. We aim to do this by identifying prospective and early-stage exploration projects. Consequently we:

- use our expertise to identify areas with economically feasible resources,
- assess the business environment of the target country and its attractiveness for prospecting and eventual development and production,
- understand existing interests in a licence area in order to ensure we can earn-in to existing interests on terms favourable to our shareholders.

Oil and gas exploration is by its nature speculative and we aim to reduce the risks inherent in the industry by careful application of funds in individual projects. We do that by:

- Reviewing existing exploration data;
- Establishing close in-country partnerships for our projects;
- Applying the most appropriate cost-effective exploration techniques in order to determine whether further work, using increasingly expensive exploration techniques, is justified; and
- Appreciating the likely realisation routes that will be available to us as the project moves towards development.

### PRINCIPLE 2: SEEK TO UNDERSTAND AND MEET SHAREHOLDER NEEDS AND EXPECTATIONS

The Company is committed to engaging with its shareholders to ensure that its strategy, operational results and financial performance are clearly understood. We engage with our shareholders via roadshows, attending investor conferences and through our regular reporting on the London Stock Exchange. Roadshows are typically timed to follow the release of interim and final results. The Company regularly takes part in investor conferences, both in the UK and internationally, insofar as the current Covid 19 epidemic allows. LSE announcements include details of the website, and include phone numbers to contact the Company and its professional advisors.

#### Private shareholders

The AGM is the main forum for dialogue with retail shareholders and the Board. The Notice of Meeting is sent to shareholders at least 21 days before the meeting. All Directors attend the AGM and are available to answer questions raised by shareholders. For each vote, the number of proxy votes received for, against and withheld is announced at the meeting. The results of the AGM are announced via the London Stock Exchange. In addition, the Executive Directors regularly attend investor forums specific to the oil & gas industry and engage with shareholders at those events. Investors can contact us via our website or by email.

Retail shareholders also regularly attend investor evenings held by our brokers or other industry bodies and we publicise our attendance via LSE announcements. In addition, our up to date Corporate presentation is made available on our website.

The Company seeks to provide shareholders with virtual versions of the above activities during the Covid 19 epidemic.

#### Institutional shareholders

The Directors actively seek to build a relationship with institutional shareholders. Shareholder relations are managed primarily by the Chief Executive Officer. The Chief Executive Officer makes presentations to institutional shareholders and analysts throughout the year, mainly in London, though virtually during the Covid 19 epidemic. We also have ad-hoc meetings with our shareholders via conference call and email. The Board as a whole is kept informed of the views and concerns of major shareholders by the Chief Executive Officer. Any significant investment reports from analysts are also circulated to the Board. The Non-Executive Chairman and Non-Executive Director are available to talk with major shareholders if required to discuss issues of importance to them and are considered to be independent from the executive management of the Company.

### PRINCIPLE 3: TAKE INTO ACCOUNT WIDER STAKEHOLDER AND SOCIAL RESPONSIBILITIES AND THEIR IMPLICATIONS FOR LONG TERM SUCCESS.

Aside from our shareholders, our most important stakeholder groups are our personnel and local partners and those local communities that may be impacted by our exploration activities. The Board is regularly updated on stakeholder issues and their potential impact on our business to enable the Board to understand and consider these issues in decision-making. The Board understands that maintaining the support of all its stakeholders is paramount for the long-term success of the Company.

## Corporate Governance Report (continued)

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### Personnel

The Group does not have permanent staff in Jersey, Channel Islands. All staff are recruited under consultancy agreements as service providers. We aim to provide an environment which will attract the best, retain and motivate our team and we monitor the effectiveness by regular one-on-one discussion. Our goal is to treat all staff fairly and equally and to promote ethical behaviour, diversity and non-discrimination.

### Local partners and communities

Our operations often provide employment in remote areas of developing countries. Essential to our success is the establishment of close working relationships with local partners. We seek local partners who have a good understanding of the local exploration and oil and gas exploration industry and regulations within their country, and with the capacity and capability to assist with the management and maintenance of the project.

We are mindful of our obligations to the local environment and operate to high levels of health and safety in respect of both our local workers and the local community. Staff training focuses on operating safety. Engagement with local communities is dependent on jurisdiction and the stage of exploration but is typically by public forum or with local or regional leaders, including site visits and workshops. Social projects in the local communities are dependent on local need and also the stage of exploration/level of project investment.

As projects move forward, towards potential production activities, we seek to bring in partners who can credibly make the investments to move towards development and production. In doing so we have regard for their ability and desire to move projects forward, their industry reputation and their commitment to treating the local communities fairly and protecting the environment. We enter agreements that allow us to monitor their activities and have monthly updates on project progress.

### PRINCIPLE 4: EMBED EFFECTIVE RISK MANAGEMENT, CONSIDERING BOTH OPPORTUNITIES AND THREATS, THROUGHOUT THE ORGANISATION

#### Audit, risk and internal control

##### Financial controls

The Company has an established framework of internal financial controls, the effectiveness of which is regularly reviewed by the Executive Management, the Audit Committee and the Board. The key financial controls are:

- The Board is responsible for reviewing and approving overall company strategy, approving new exploration projects and budgets, and for determining the financial structure of the Company including treasury, tax and dividend policy. Regular results and variances from plans and forecasts are reported to the Board;
- The Audit Committee, comprising the two Non-executive Directors, assists the Board in discharging its duties regarding the financial statements, accounting policies and the maintenance of proper internal business, and operational and financial controls;
- Regular budgeting and forecasting is performed to monitor the Company's ongoing cash requirements and cash flow forecasts are circulated to the Board on a monthly basis;
- Actual results are reported against budget and prior year and are circulated to the Board;
- The Company has an investment appraisal system that considers expected costs against a range of potential outcomes arising from the exploration opportunities that we are invited to participate in;
- Regular reviews of exploration results are performed as the basis for decisions regarding future expenditure commitment;
- Due to the international nature of the business there are, at times, significant foreign exchange rate movement exposures. Cash flow forecasting is done at the 'required currency' level and foreign currency balances are maintained to meet expected requirements; and
- For exploration projects, we manage the risk of failure to find economic deposits by low cost early stage exploration techniques, with detailed analysis of results. Moving projects to more expensive exploration techniques requires a rigorous review of results data prior to deciding whether to proceed with further work.

##### Non-financial controls

The Board has ultimate responsibility for the Group's system of internal control and for reviewing its effectiveness. However, any such system of internal control can provide only reasonable, but not absolute, assurance against material misstatement or loss. The Board considers that the internal controls in place are appropriate for the size, complexity and risk profile of the Group. The principal elements of the Group's internal control system include:

- Close management of the day-to-day activities of the Group by the Executive Directors;
- An organisational structure with defined levels of responsibility, which promotes entrepreneurial decision-making and rapid implementation whilst minimising risks; and
- Central control over key areas such as capital expenditure authorisation and banking facilities.

The Group reviews at least annually the effectiveness of its system of internal control, whilst also having regard to its size and the resources available. As part of the Group's plans we continue to review a number of non-financial controls covering areas such as regulatory compliance, business integrity, health and safety, and corporate social responsibility. All personnel are aware of their obligations under anti-bribery and corruption legislation.

**PRINCIPLE 5: MAINTAINING THE BOARD AS A WELL-FUNCTIONING, BALANCED TEAM LED BY THE CHAIR**

The Board comprises the Non-Executive Chairman, two Executive Directors and one Non-Executive Director. One non-executive Director has extensive experience in the oil and gas industry, is a qualified geologist and has considerable experience of serving on the Board of public companies.

The Board is satisfied that it has a suitable balance between independence on the one hand, and knowledge of the Company and industry on the other, to enable it to discharge its duties and responsibilities effectively. All Directors are encouraged to use their independent judgement and to challenge all matters, whether strategic or operational.

The Board aim to meet at least monthly. The agenda is set by the Company Secretary in consultation with the Chairman and CEO. The standard agenda points include:

- Review of previous meeting minutes and actions arising therefrom;
- A report by the CEO covering all operational matters;
- Any update to the Register of Conflicts and
- Any other business.

**Directors' conflict of interest**

The Company has effective procedures in place to monitor and deal with conflicts of interest. The Board is aware of the other commitments and interests of its Directors, and changes to these commitments and interests are reported to and, where appropriate, agreed with the rest of the Board. A Register of Conflicts is maintained and is a standard agenda item at each Board Meeting. The Board has access to the Company's advisers, including its brokers and its lawyers. The advisers do not typically provide materials for Board meetings except if requested to do so for the purposes of discussing upcoming regulations and other issues.

Board meetings are deemed quorate if two Board members are present and providing 7 days' notice of such meeting has been given and waived by the non-attending Directors.

Directors and Officers Liability insurance is maintained for all Directors and key staff members.

**PRINCIPLE 6: ENSURE THAT BETWEEN THEM THE DIRECTORS HAVE THE NECESSARY UP-TO-DATE EXPERIENCE, SKILLS AND CAPABILITIES**

The Board is satisfied that, between the Directors, it has an effective and appropriate balance of skills and experience, particularly so in the area of oil and gas exploration and evaluation. All Directors receive regular and timely information on the Group's operational and financial performance. Relevant information is circulated to the Directors in advance of meetings by the Company Secretary. Contracts are available for inspection at the Company's registered office and at the Annual General Meeting ("AGM").

Directors are selected having regard to the Company's needs for a balance of operational, industry, legal and financial skills. Experience of the Oil and Gas exploration industry is important but not critical, as is experience of running a public company.

All Directors retire by rotation at regular intervals in accordance with the Company's Articles of Association.

The Board makes decisions regarding the appointment and removal and re-election of Directors, and there is a formal, rigorous and transparent procedure for appointments. The Company's Articles of Association require that at every AGM any director (i) who has been appointed by the board since the last AGM or (ii) who held office since the first of the three previous AGMs and who did not retire at either of them or (iii) who has been selected by the board for re-election shall retire from office and may offer himself for re-appointment by the members.

**Independent advice**

All Directors are able to take independent professional advice in the furtherance of their duties, if necessary, at the Company's expense from lawyers, brokers and other professional advisors that they deem relevant. In addition, the Directors have direct access to the advice and services of the Company Secretary.

**PRINCIPLE 7: EVALUATE BOARD PERFORMANCE BASED ON CLEAR AND RELEVANT OBJECTIVES, SEEKING CONTINUOUS IMPROVEMENT**

In each 12 month reporting period we intend to review the performance of the team as a unit to ensure that the members of the Board collectively function in an efficient and productive manner. Over the same period the Non-Executive Directors will be seeking to set clear and relevant objectives for the Executive Directors, and for the Board as a whole.

**PRINCIPLE 8: PROMOTE A CULTURE THAT IS BASED ON ETHICAL VALUES AND BEHAVIOUR**

The Board aims to lead by example and do what is in the best interests of the Company, its stakeholders and the environment. We operate in remote and under-developed areas and ensure that our staff understand their obligations towards the environment and in respect of anti-bribery and corruption.

## Directors' Remuneration Report

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### PRINCIPLE 9: MAINTAIN GOVERNANCE STRUCTURES AND PROCESSES THAT ARE FIT FOR PURPOSE AND SUPPORT GOOD DECISION-MAKING BY THE BOARD

#### Board programme

The Board aims to meet monthly and as and when required. The Board sets direction for the Company through a formal schedule of matters reserved for its decision. During the year to 31st December 2020 the Board met fifteen times. The Board and its Committees receive appropriate and timely information prior to each meeting; a formal agenda is produced for each meeting and Board and Committee papers are distributed by the Company Secretary several days before meetings take place. Any Director may challenge Company proposals and decisions are taken democratically after discussion. Any Director who feels that any concern remains unresolved after discussion may ask for that concern to be noted in the minutes of the meeting, which are then circulated to all Directors. Any specific actions arising from such meetings are agreed by the Board or relevant Committee and are then followed up by the Company's management.

#### Roles of the Board, Chairman and Chief Executive Officer.

The Board is responsible for the long-term success of the Company. There is a formal schedule of matters reserved to the Board. It is responsible for overall Group strategy, approval of exploration projects, approval of the annual and interim results, annual budgets, dividend policy and Board structure. It monitors the exposure to key business risks. There is a clear division of responsibility at the head of the Company. The Chairman is responsible for running the business of the Board and for ensuring appropriate strategic focus and direction.

The Chief Executive Officer ("CEO") is responsible for proposing the strategic focus to the Board, implementing it once it has been approved and overseeing the management of the Company. The CEO is responsible for establishing and enforcing systems and controls, liaison with external advisors and communicating with shareholders.

All Directors receive regular and timely information on the Group's operational and financial performance. Relevant information is circulated to the Directors in advance of meetings. The business reports regularly on its headline performance against its agreed budget; the Board reviews these updates and any significant variances at each board meeting.

#### Board committees

The Board is supported by the Audit and Remuneration committees. Each committee has access to such resources, information and advice as it deems necessary, at the cost of the Company, to enable the committee to discharge its duties. The two committees comprise both of the Non-Executive Directors.

The Audit Committee provides a formal review of the effectiveness of the internal control systems, the Group's financial reports and results announcements and the external audit process. The Committee meets twice per year to review the published financial information and to meet with the Auditors.

The Remuneration Committee provides a formal and transparent review of the remuneration of the Executive Directors and senior personnel and makes recommendations to the Board on individual remuneration packages. The Committee met twice during the year.

The Audit committee has not provided a separate report for the current financial period, but intends to do so for next year's report. It has met once during the year.

### PRINCIPLE 10: COMMUNICATE HOW THE COMPANY IS GOVERNED AND IS PERFORMING BY MAINTAINING A DIALOGUE WITH SHAREHOLDERS AND OTHER RELEVANT STAKEHOLDERS

The Company communicates with shareholders through the Annual Report and Accounts, full-year and half-year results announcements, the Annual General Meeting (AGM) and one-to-one meetings with large existing or potential new shareholders. The Company regularly posts LSE announcements covering operational and corporate matters, such as drilling results and significant changes in ownership positions across historic projects in which it still retains an investment. A range of corporate information (including all Company announcements and a corporate presentation) is also available to shareholders, investors and the public on the Company's corporate website.

The Board receives regular updates on the views of shareholders through briefings and reports from Investor Relations, the CEO and the Company's brokers. The Company communicates with institutional investors frequently through briefings with management. In addition, analysts' notes and brokers' briefings are reviewed to achieve a wide understanding of investors' views.

**Stephen Staley**

**Chairman**

27 May 2021

The Company's Remuneration Committee comprises two Non-Executive Directors: Dr Stephen Staley and Louis Castro.

The Company's Remuneration Committee operates within the terms of reference approved by the Board.

In the year to 31 December 2020 the two members of the Remuneration Committee met on 1 September 2020 to consider a related party transaction involving a new subsidiary Predator LNG Ireland Ltd., more details of which are set out below, and in October 2020 to consider and approve the issue of options to the Directors under the Company's unapproved share option scheme as announced on 27<sup>th</sup> October 2020.

At a Board Meeting of the directors held on 13<sup>th</sup> August 2020, the Company's share option scheme rules were updated, in particular to allow for the amendment of the performance conditions attaching to the vesting of options to meet the changing circumstances of the Company.

The items included in this report are unaudited unless otherwise stated.

### COMMITTEE'S MAIN RESPONSIBILITIES

- The Remuneration Committee considers the remuneration policy, personnel engagement terms and remuneration of the Executive Directors and senior management;
- The Remuneration Committee's role is advisory in nature and it makes recommendations to the Board on the overall remuneration packages for Executive Directors and senior management in order to attract, retain and motivate high quality executives capable of achieving the Company's objectives;
- The Remuneration Committee also reviews proposals for any share option plans and other incentive plans, makes recommendations for the grant of awards under such plans as well as approving the terms of any performance-related pay schemes;
- The Board's policy is to remunerate the Company's executives fairly and in such a manner as to facilitate the recruitment, retention and motivation of suitably qualified personnel as service providers; and
- The Remuneration Committee, when considering the remuneration packages of the Company's executives, will review the policies of comparable companies in the industry.

### CONSIDERATION OF SHAREHOLDER VIEWS

The Remuneration Committee considers shareholder feedback received and guidance from shareholder bodies. This feedback, plus any additional feedback received from time to time, is considered as part of the Company's periodic reviews of its policy on remuneration.

### STATEMENT OF POLICY ON DIRECTORS' REMUNERATION

The Company's policy is to maintain levels of remuneration so as to attract, motivate, and retain Directors and Senior Executives of the highest calibre who can contribute their experience to deliver industry leading performance with the Company's operations. Currently Director's remuneration is not subject to specific performance targets.

In future periods the Company intends to implement a remuneration policy so that a meaningful proportion of Executive and Senior Management's remuneration is structured so as to link rewards to corporate and individual performance, align their interests with those of shareholders and to incentivise them to perform at the highest levels. The Remuneration Committee considers remuneration policy and the employment terms and remuneration of the Executive Directors and makes recommendations to the Board of Directors on the overall remuneration packages for the Executive Directors. No Director takes part in any decision directly affecting their own remuneration.

There was no vote taken during the last general meeting with regard to the Director's remuneration policy. This is considered reasonable given the current size and stage of development of the Company and the fact that remuneration is not currently linked to performance. This will be revisited in future periods once a meaningful remuneration policy has been implemented as noted above.

### DIRECTORS' REMUNERATION

The Directors who held office at 31 December 2020 and who had beneficial interests in the ordinary shares of the Company are summarised as follows:

Name of Director	Position
Dr Stephen Staley	Non-Executive Chairman
Louis Castro	Non-Executive Director
Paul Griffiths	Chief Executive Officer
Ron Pilbeam	Executive Officer

The interests in the shares of the Company of the Directors who served during the year were as follows:

	31 December 2020		At the date of this report	
	Ordinary Shares	Share Options	Ordinary Shares	Share Options
Paul Griffiths	46,871,508	7,855,486	35,086,663	7,855,486
Ron Pilbeam	7,585,794	7,855,486	7,585,794	7,855,486
Carl Kindinger*	1,661,962	–	1,661,962	–
Louis Castro	–	1,650,000	–	1,650,000
Steve Staley	669,600	2,651,370	669,600	2,651,370
<b>Total</b>	<b>56,788,864</b>	<b>20,012,342</b>	<b>45,004,019</b>	<b>20,012,342</b>

\*Carl Kindinger retired on 29<sup>th</sup> June 2020

## Directors' Remuneration Report (continued)

### Share Option Scheme

The following Directors have been granted rights under the Group's Share Option Scheme:

	In issue at 31 December 2019	Grant date	2020 Options Awarded	Exercised/ lapsed during year	In issue at 31 December 2020	Vesting periods See Note 19
Paul Griffiths	4,005,486	24 May 2018	3,850,000	–	<b>7,855,486</b>	
Ron Pilbeam	4,005,486	24 May 2018	3,850,000	–	<b>7,855,486</b>	
Sarah Cope	1,001,370	24 May 2018	–	–	<b>1,001,370</b>	
Steve Staley	1,001,370	24 May 2018	1,650,000	–	<b>2,651,370</b>	
Louis Castro	–		1,650,000	–	<b>1,650,000</b>	

Details of the Directors service agreements are set out below.

### DIRECTORS' SERVICE CONTRACTS

Dr Stephen Staley was appointed as a Non-Executive Director of the Company on 18 May 2018 when he entered into a letter of appointment with the Company. Pursuant to his letter of appointment Dr Staley was entitled to an annual fee of £30,000 which includes consideration for being a member the Remuneration Committee and for being a member of the Audit Committee.

Dr Staley is not entitled to receive any compensation on termination of his appointment (other than payment in respect of a notice period where notice is served) and is entitled to be reimbursed all reasonable out-of-pocket expenses incurred in the proper performance of his duties. Dr Staley's appointment may be terminated by either party giving to the other three month's prior written notice. The services of Dr Staley are provided on a consultancy basis. Upon the retirement of Carl Kindinger on 29 June 2020, Dr Staley was appointed Non-Executive Chairman of the Company at which time his annual fee was increased to £37,500. As from 1 September 2020, on his appointment to the Board of Predator LNG Ireland Ltd as non-executive director, Dr Staley's annual fee was increased to £50,000.

The Company established a share option scheme that became effective on 24 May 2018 for a long-term incentive plan for the award of share options subject to performance conditions. The share option scheme includes Dr Staley as a beneficiary.

Louis Castro was appointed as a Non-Executive Director of the Company on 14 July 2020 when he entered into a letter of appointment with the Company. Pursuant to his letter of appointment Louis Castro is entitled to an annual fee of £30,000 which includes consideration for being a member the Remuneration Committee and for being a member of the Audit Committee. Louis Castro is not entitled to receive any compensation on termination of his appointment (other than payment in respect of a notice period where notice is served) and is entitled to be reimbursed all reasonable out-of-pocket expenses incurred in the proper performance of his duties. Louis Castro's appointment may be terminated by either party giving to the other three month's prior written notice. As from 1 September 2020, upon his appointment to the Board of Predator LNG Ireland Ltd as a non-executive director, Louis Castro's annual fee was increased to £40,000.

The Company established a share option scheme that became effective on 24 May 2018 for a long-term incentive plan for the award of share options subject to performance conditions. The share option scheme includes Louis Castro as a beneficiary.

Paul Griffiths provides his services as Chief Executive Officer under a consultancy agreement with the Company. The Company entered into a consultancy agreement dated 18 May 2018 with Petro-Celtex Consultancy Limited ("**Petro-Celtex**") under which Petro-Celtex is to provide the services of Paul Griffiths as Chief Executive of the Company, on a part-time basis.

On 1 May 2020 a new consultancy agreement with Petro-Celtex Consultancy Limited ("**Petro-Celtex**"), under which Petro-Celtex continued to provide the services of Paul Griffiths as Chief Executive of the Company, replaced that dated 18 May 2018. Petro-Celtex Consultancy Limited under the terms of the consultancy contract is entitled to the same fixed base fee of £80,000 per annum and a technical services consultancy fee of £150 per hour.

The consultancy agreement dated 1 May 2020 was amended by Supplemental Agreement No.1 effective 1 September 2020 whereby Petro-Celtex is entitled to a fixed base fee of £115,000 per annum and a technical services consultancy fee of £150 per hour.

Paul Griffiths entered into a side letter dated 18 May 2018 with the Company confirming that the terms of any consultancy agreement will be binding on him as an individual. Paul Griffiths also entered into a letter of appointment dated 21 December 2017 with the Company in respect of his continued appointment as a director of the Company with effect from 24 May 2018, but with no additional fee payable to him over and above the fee referred to above in the consultancy agreement. The continued appointment of Paul Griffiths as a director of the Company on the terms of such appointment letter is subject to termination by either party on six months' written notice. In addition, the Company may forthwith terminate Paul Griffiths' appointment as a director of the Company for, *inter alia*, a material breach by Petro-Celtex of its obligations under the consultancy agreement referred to above and Paul Griffiths may terminate such appointment for a material breach by the Company of its obligations under the consultancy agreement referred to above.

During the year under review the Company incorporated a new subsidiary Predator LNG Ireland Ltd. ("PLIL") to avail itself of a downstream opportunity introduced by the executive management team through their historical network of downstream business relationships developed over 40 years in the oil and gas sector. Without these long-standing working relationships, the Company would not have had credible substance and a track record necessary to be taken seriously in the very competitive international LNG market. In recognition of this fact and the exclusivity granted the Company in relation to the executive management team developing an offshore LNG import facility for Ireland, the Non-executive Directors approved a related party transaction effective 1 September 2020 between PLIL and Paul Griffiths. Under the terms of an Advisory

Agreement dated 1 September 2020, Paul Griffiths is entitled to a fixed Advisory Fee of £40,000 per annum and a technical services consultancy fee of £150 per hour which is subject to prior approval by the Non-executive Directors.

Under an Exclusivity and Referral Agreement between PLIL and Hamilton Fox Holdings Ltd. ("HFHL"), a company incorporated jointly by Paul Griffiths and Ronald Pilbeam to hold performance incentives under the aforementioned agreement dated 2 September 2020, HFHL has an entitlement to performance incentives comprising up to a maximum of 20% of the issued share capital of PLIL split into four separate tranches each of 5%. Performance Conditions for allotment of each tranche of 5% are defined as the signing of Collaboration Agreement in each case between PLIL and *bona fide* international entities in the downstream LNG and gas infrastructure and distribution business. Allotment of the final 5% tranche is conditional on a Financial Investment Decision ("FID") being made in respect of developing an LNG import facility for Ireland. In order to maintain good governance, the two Non-executive Directors of Predator Oil & Gas Holdings Plc were appointed to the Board of PLIL to assure a casting vote in all PLIL Board decisions involving any perceived conflicts of interest.

The Company established a share option scheme that became effective on 24 May 2018 for a long-term incentive plan for the award of share options subject to performance conditions. The share option scheme includes Paul Griffiths as a beneficiary.

Ronald Pilbeam provides his services as an Executive Director under a consultancy agreement with the Company. The Company entered into a consultancy agreement dated 18 May 2018 with Ronald Pilbeam to provide the services of Ronald Pilbeam as project development director of the Company, on a part-time basis (75 hours in each calendar month). Under the consultancy agreement, Ronald Pilbeam is entitled to a fee of £50,000 per annum (plus VAT, if applicable) for the basic 75 hours per calendar month, £1,000 per 8 hour day (plus VAT, if applicable) for each additional day or part day in excess of the first 75 hours in any calendar month, up to an annual cumulative cap of 400 hours in a calendar year, and reimbursement of all reasonable expenses. The consultancy agreement may be terminated at any time by 3 months' prior written notice served by either party.

On 1 May 2020 a new consultancy agreement under which Ronald Pilbeam continued to provide the services of Ronald Pilbeam as project development director of the Company, replaced that dated 18 May 2018. Ronald Pilbeam under the terms of the consultancy contract is entitled to the same fixed base fee of £50,000 per annum and a technical services consultancy fee of £125 per hour.

The consultancy agreement dated 1 May 2020 was amended by Supplemental Agreement No.1 effective 1 September 2020 whereby Ronald Pilbeam is entitled to a fixed base fee of £85,000 per annum and the same technical services consultancy fee of £125 per hour.

Ronald Pilbeam also entered into a letter of appointment dated 19 March 2018 with the Company in respect of his continued appointment as a director of the Company with effect from 24 May 2018, but with no additional fee payable to him over and above the fee referred to in the consultancy agreement above. The continued appointment of Ronald Pilbeam as a director of the Company on the terms of such appointment letter is (subject to limited exceptions) for an initial period of 12 months following Admission and thereafter subject to termination by either party on three months' written notice. In addition, the Company may forthwith terminate Ronald Pilbeam's appointment as a director of the Company for, *inter alia*, a material breach by Ronald Pilbeam of his obligations under the consultancy agreement referred to above, and Ronald Pilbeam may terminate such appointment for a material breach by the Company of its obligations under the consultancy agreement referred to above.

During the year under review the Company incorporated a new subsidiary Predator LNG Ireland Ltd. ("PLIL") to avail of a downstream opportunity introduced by the executive management team through their historical network of downstream business relationships developed over 40 years in the oil and gas sector. Without these long-standing working relationships the Company would not have had credible substance and a track record necessary to be taken seriously in the very competitive international LNG market. In recognition of this fact and the exclusivity granted the Company in relation to the executive management team developing an offshore LNG import facility for Ireland, the Non-executive Directors approved a related party transaction effective 1 September 2020 between PLIL and Ronald Pilbeam. Under the terms of a Sub-Advisory Agreement dated 1 September 2020, Ronald Pilbeam is entitled to a fixed Advisory Fee of £40,000 per annum and a technical services consultancy fee of £150 per hour which is subject to prior approval by the Non-executive Directors.

Under an Exclusivity and Referral Agreement between PLIL and Hamilton Fox Holdings Ltd. ("HFHL"), a company incorporated jointly by Paul Griffiths and Ronald Pilbeam to hold performance incentives under the aforementioned agreement dated 2 September 2020, HFHL has an entitlement to performance incentives comprising up to a maximum of 20% of the issued share capital of PLIL split into four separate tranches each of 5%. Performance Conditions for allotment of each tranche of 5% are defined as the signing of Collaboration Agreement in each case between PLIL and *bona fide* international entities in the downstream LNG and gas infrastructure and distribution business. Allotment of the final 5% tranche is conditional on a Financial Investment Decision ("FID") being made in respect of developing an LNG import facility for Ireland. In order to maintain good governance the two Non-executive Directors of Predator Oil & Gas Holdings Plc were appointed to the Board of PLIL to assure a casting vote in all PLIL Board decisions involving any perceived conflicts of interest.

The Company established a share option scheme that became effective on 24 May 2018 for a long-term incentive plan for the award of share options subject to performance conditions. The share option scheme includes Ronald Pilbeam as a beneficiary.

#### REMUNERATION COMPONENTS

For the year ended 31 December 2020 consultancy fees and a share incentive scheme were the only two components of remuneration. The Company established a share option scheme that became effective on 24 May 2018 for a long term incentive plan for the award of share options. Effective 27 October 2020 vesting requirements for Executive Directors Paul Griffiths and Ronald Pilbeam are subject to any one of certain targets being reached *inter alia* the injection/sequestration of 600MT Liquid CO<sub>2</sub> at the CO<sub>2</sub> EOR Pilot Project Trinidad. Also effective 27 October 2020 vesting requirements for Non-executive Directors are subject to the expiration of six months from date of grant

The Board is not planning to consider any other components of director remuneration during the year under review.

## Directors' Remuneration Report (continued)

### DIRECTORS' EMOLUMENTS AND COMPENSATION

Director	2020 £	2019 £
Carl Kindinger*	8,954	11,230
Louis Castro	17,082	–
Stephen Staley	36,250	30,000
Non-Executive Total	62,286	41,230
Paul Griffiths	178,200	150,310
Ronald Pilbeam	175,375	128,125
Executive Total	353,575	278,435
Total	415,861	319,665

\*Retired on 29 June 2020

There were no awards of annual bonuses or incentive arrangements other than share options granted in the period. Remuneration was therefore fixed in nature and no illustrative table of the application of remuneration policy has been included in this report.

#### Pension entitlements

The Company does not currently have any pension plans for any of the directors and does not pay pension amounts in relation to their remuneration.

#### Directors' interests in share warrants

Directors do not hold any share warrants over ordinary shares.

The Committee considers that the current remuneration of Executive Directors to be consistent with pay and appointment benefits across the Group.

#### UK 10-year performance graph

The directors have considered the requirement for a UK 10-year performance graph comparing the Group's Total Shareholder Return with that of a comparable indicator. The directors do not currently consider that including the graph will be meaningful because the Company has only been listed since May 2018, is not paying dividends and is currently incurring losses as it gains scale. The directors therefore do not consider the inclusion of this graph to be useful to shareholders at the current time. The directors will review the inclusion of this table for future reports.

#### UK 10-year CEO table and UK percentage change table

The directors have considered the requirement for a UK 10-year CEO table and UK percentage change table. The directors do not currently consider that including these tables would be meaningful because, as described under the Directors' Service Contracts section above directors have been engaged in the Company only since May 2018. The directors will review the inclusion of this table for future reports.

#### Relative importance of spend on pay

The Directors have considered the requirement to present information on the relative importance of spend on pay compared to shareholder dividends paid. Given that the Company does not currently pay dividends the directors have not considered it necessary to include such information.

#### Policy for new appointments

Base salary levels will take into account market data for the relevant role, internal relativities, the individual's experience and their current base salary. Where an individual is recruited at below market norms, they may be re-aligned over time (e.g. two to three years), subject to performance in the role. Benefits will generally be in accordance with the approved policy.

For external and internal appointments, the Committee may agree that the Company will meet certain relocation and/or incidental expenses as appropriate.

#### Policy on payment for loss of office

Payment for loss of office would be determined by the Remuneration Committee, taking into account contractual obligations.

Approved by the Board on 27 May 2021.

**Dr Stephen Staley**

**Chairman of the Remuneration Committee**



## Independent Auditor's Report To The Members Of Predator Oil & Gas Holdings Plc

### OPINION

We have audited the group financial statements of Predator Oil & Gas Holdings Plc (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. 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 group financial statements:

- give a true and fair view of the state of the group's affairs as at 31 December 2020 and of its loss for the year then ended; and
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the financial statements have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

### BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group's ability to continue to adopt the going concern basis of accounting included a review of management's assessment of the going concern, budget for the twelve months following the reporting date. Our audit procedures include review of reasonableness of the assumptions used by the directors to prepare the budget and consideration of the impact of COVID-19, and stress tested where appropriate. From our review, we have noted that the Company has raised significant funds since the year end which the directors have concluded as sufficient to ensure that they can meet their financial obligations as they fall due. Most of the Company's expenses are discretionary and following the settlement of the convertible debt during the year, the Company has very little in terms of liabilities.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### OUR APPLICATION OF MATERIALITY

The scope of our audit was influenced by our application of materiality. The quantitative and qualitative thresholds for materiality determine the scope of our audit and the nature, timing and extent of our audit procedures.

The materiality applied to the group financial statements was set at £33,000 (2019: £24,500). Performance materiality was set at £26,000 (2019: £19,600), being 80% of materiality for the financial statements as a whole.

Materiality has been calculated as 2% of the benchmark of expenses, which we have determined, in our professional judgement, to be the principal benchmark relevant to members of the group in assessing financial performance. As the group has yet to begin trading, the key focus of the group is to restrict expenditure in order to use the resources to advance the development of its investments.

We agreed that we would report to the audit committee all misstatements we identified through our audit with a value in excess of £1,600, in addition to other audit misstatements below that threshold that we believe warrant reporting on qualitative grounds.

### OUR APPROACH TO THE AUDIT

In designing our audit, we determined materiality, as above, and assessed the risks of material misstatement in the group financial statements. In particular, we considered at areas involving significant accounting estimates and judgement by the directors and including future events that are inherently uncertain, in particular with regard to the recoverability of loan receivable. We also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud. Procedures were then performed to address the risks identified and for the most significant assessed risks of material misstatement, the procedures performed are outlined below in the key audit matters section of this report

As part of our planning, we assessed all components of the group for their significance in order to determine the scope of the work to be performed. There were no entities of the group which were considered to be significant components other than the parent. A full scoped audit was therefore performed to support our audit opinion on the group financial statements of Predator Oil & Gas Holdings Plc and was based on group materiality and an assessment of risk at group level. The remaining components of the group were subject to analytical review and targeted testing as appropriate as they are not material.

### KEY AUDIT MATTERS

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

## Independent Auditor's Report To The Members Of Predator Oil & Gas Holdings Plc (continued)

of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the scope of our audit responded to the key audit matter
<p><b>The recoverability of loan receivable from FRAM - £468k (Note 12)</b></p> <p><b>There is risk that the loan may not be recovered if there is insufficient oil production and/or no profits are generated from sales.</b></p> <p>The Group entered into a Well Participation Agreement (WPA) with FRAM Exploration Trinidad Limited ("FRAM"), a wholly owned subsidiary of Bahamas Petroleum Plc, listed on AIM.</p> <p>The loan is repaid from future profits enhanced CO2 Enhanced Oil Recovery (EOR) production revenues. Profits are generated after deduction of direct costs, certain operating costs as described in the WPA, including loan costs.</p> <p>Lower oil prices and/or extended time to recover produce barrels of oils would delay the recovery of the FRAM loan.</p>	<p>We have obtained and reviewed the directors assessment and our audit procedures included:</p> <ul style="list-style-type: none"><li>● Reviewing management's assessment of the recoverability of the loan;</li><li>● Reviewing disclosures of the critical accounting estimates;</li><li>● Reviewing the management assessment to underlying supports (i.e. CO2 EOR forecast production profile); and</li><li>● Reviewing the Regulatory News (RNS) and board minutes of the Company as well as those of the owners of FRAM as they are also listed on AIM.</li><li>● Discussed and challenged the assumptions that the Directors provided to us in support of the above procedures undertaken</li></ul> <p>In forming our opinion on the financial statements, which is not modified we draw to the user's attention the disclosures within Note 12 and within the areas of estimates of judgments which states that the loan is only recoverable from future net revenues which have yet to be realised. The financial statements do not include adjustments that would result if the Company is unable to recover the loan due from FRAM.</p>

### OTHER INFORMATION

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

We have nothing to report in this regard.

### MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### RESPONSIBILITIES OF DIRECTORS

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

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

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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


- Identified and assessed the risks of material misstatement of the group's financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtained 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 on the effectiveness of the group's internal control.
- Concluded on the appropriateness of managements' 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. In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. However, future events or conditions may occur after the year end which no one cannot realistically predict due to unforeseen factors or global events, like for example if an event similar to Covid19 arises again, may cause the group to cease to continue as a going concern.
- We obtained an understanding of the group and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management.
- We determined the principal laws and regulations relevant to the group in this regard to be those arising from Company (Jersey) Law 1991, Disclosure and Transparency Rules.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group with those laws and regulations. These procedures included, but were not limited to:
  - Enquiries of management
  - Review of board minutes
  - Review of RNS publications
  - Review of financial statement disclosures and testing to support documentation where applicable, to assess compliance with applicable laws and regulations.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- Evaluate the overall presentation, structure and content of the group financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### USE OF OUR REPORT

This report is made solely to the company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Zahir Khaki (Engagement Partner)**  
For and on behalf of PKF Littlejohn LLP  
Recognised Auditor  
27 May 2021

15 Westferry Circus  
Canary Wharf  
London E14 4HD

## Consolidated statement of comprehensive income for the year ended 31 December 2020

	Notes	01.01.2020 to 31.12.2020 £	01.01.2019 to 31.12.2019 £
Administrative expenses	4	(1,464,162)	(1,204,464)
<b>Operating loss</b>		(1,464,162)	(1,204,464)
Finance income		–	12
Finance expense	5	(225,359)	(74,791)
<b>Loss for the year before taxation</b>		(1,689,521)	(1,279,243)
Taxation	6	–	–
<b>Loss for the year after taxation</b>		(1,689,521)	(1,279,243)
Comprehensive income		–	–
<b>Total comprehensive loss for the year attributable to the owner of the parent</b>		(1,689,521)	(1,279,243)
<b>Earnings per share basic and diluted (pence)</b>	8	(0.8)	(1.2)

The accompanying accounting policies and notes on pages 58 to 68 form an integral part of these financial statements.

All items in the above statement derive from continuing operations.

## Consolidated statement of financial position as at 31 December 2020

	Notes	31.12.2020 £	31.12.2019 £
<b>Non-current assets</b>			
Tangible fixed assets	10	5,592	7,158
		5,592	7,158
<b>Current assets</b>			
Trade and other receivables	12	1,577,858	1,381,175
Cash and cash equivalents	13	1,325,751	109,716
		2,903,609	1,490,891
<b>Total assets</b>		2,909,201	1,498,049
<b>Equity attributable to the owner of the parent</b>			
Share capital	16	6,832,564	2,346,336
Reconstruction reserve		2,797,421	3,270,648
Other reserves	18	458,840	256,416
Retained deficit		(7,263,116)	(5,573,595)
<b>Total equity</b>		2,825,709	299,805
<b>Non-current liabilities</b>			
Trade and other payables	17	–	918,406
<b>Current liabilities</b>			
Trade and other payables	14	83,492	279,838
<b>Total liabilities</b>		83,492	1,198,244
<b>Total liabilities and equity</b>		2,909,201	1,498,049

The accompanying accounting policies and notes on pages 58 to 68 form an integral part of these financial statements.

The Company has adopted the exemption under Companies (Jersey) Law 1991 Article 105 (11) not to prepare separate accounts. The Group reported a loss after taxation for the year of £1.69million (2019: £1.28 million loss). The financial statements on pages 71 to 94 were approved and authorised for issue by the Board of Directors on 27 May 2021 and were signed on its behalf by:



**Paul Griffiths**  
Director  
27 May 2021

## Consolidated statement of changes in equity For the year ended 31 December 2020

	Attributable to owner of the parent				Total
	Share Capital	Share premium	Share based payments	Retained deficit	
	£	£	£	£	£
<b>Balance at 31 December 2018</b>	1,837,086	3,294,898	81,570	(4,294,352)	919,202
Issue of ordinary share capital	509,250	–	–	–	509,250
Issue of warrants	–	–	81,385	–	81,385
Fair value of share options	–	–	93,461	–	93,461
Loan note conversion premium	–	(24,250)	–	–	(24,250)
Total contributions by and distributions to owners of the parent recognised directly in equity	2,346,336	3,270,648	256,416	(4,294,352)	1,579,048
Loss for the year	–	–	–	(1,279,243)	(1,279,243)
Total comprehensive income for the year	–	–	–	(1,279,243)	(1,279,243)
<b>Balance at 31 December 2019</b>	2,346,336	3,270,648	256,416	(5,573,595)	299,805
Issue of ordinary share capital	4,486,228	–	–	–	4,486,228
Issue of warrants	–	–	100,451	–	100,451
Fair value of share options	–	–	101,973	–	101,973
Transaction costs	–	(473,227)	–	–	(473,227)
Total contributions by and distributions to owners of the parent recognised directly in equity	6,832,564	2,797,421	458,840	(5,573,595)	4,515,230
Loss for the year	–	–	–	(1,689,521)	(1,689,521)
Total comprehensive income for the year	–	–	–	(1,689,521)	(1,689,521)
<b>Balance at 31 December 2020</b>	6,832,564	2,797,421	458,840	(7,263,116)	2,825,709

The accompanying accounting policies and notes on pages 58 to 68 form an integral part of these financial statements.

## Consolidated statement of cash flows for the year ended 31 December 2020

	Notes	01.01.2020 to 31.12.2020 £	01.01.2019 to 31.12.2019 £
<b>Cash flows from operating activities</b>			
Loss for the period before taxation		(1,689,521)	(1,279,243)
Adjustments for:			
Issue of share options	19	101,973	93,461
Fair value of warrants	19	100,451	–
Finance income		–	(12)
Finance expense	5	128,765	–
Share issue costs		195,000	–
Amortisation of transaction costs		96,594	74,791
Depreciation		1,642	1,158
Foreign exchange		252,867	–
Decrease/(increase) in trade and other receivables		25,919	(1,167,848)
(Decrease)/increase in trade and other payables		(196,346)	209,568
<b>Net cash used in operating activities</b>		<b>(982,656)</b>	<b>(2,068,125)</b>
<b>Cash flow from investing activities</b>			
Loan advances		(290,419)	(201,077)
Purchase of computer equipment	10	(842)	(4,694)
Disposal of computer equipment	10	767	–
<b>Net cash generated from investing activities</b>		<b>(290,494)</b>	<b>(205,771)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issuance of shares, net of issue costs		3,535,550	–
Proceeds from issue of convertible loan notes, net of issue costs		–	1,410,000
Redemption of convertible loan notes		(746,000)	–
Finance expense paid		(115,315)	–
Finance income received		–	12
<b>Net cash generated from financing activities</b>		<b>2,674,235</b>	<b>1,410,012</b>
Effect of exchange rates on cash		(185,049)	–
Net increase/(decrease) in cash and cash equivalents		1,216,035	(863,884)
Cash and cash equivalents at the beginning of the year		109,716	973,600
<b>Cash and cash equivalents at the end of the year</b>		<b>1,325,751</b>	<b>109,716</b>

### Non-cash transaction

During the year 15,192,506 ordinary shares with a nominal value £282,450 were issued as part of the loan note conversion. Further details are disclosed in Note 16.

The accompanying accounting policies and notes on pages 58 to 68 form an integral part of these financial statements.

## Statement of accounting policies for the year ended 31 December 2020

Predator Oil & Gas Holdings Plc (“the Company”) and its subsidiaries (together “the Group”) are engaged principally in a CO2 EOR operations and CO2 sequestration business in the Republic of Trinidad and Tobago and maintaining an exploration and appraisal portfolio in Ireland and Morocco. The Company’s ordinary shares are on the Official List of the UK Listing Authority in the Standard Listing section of the London Stock Exchange.

Predator Oil & Gas Holdings plc was incorporated in 2017 as a public limited company under Companies (Jersey) Law 1991 with registered number 125419. It is domiciled and registered at 3rd Floor, Standard Bank House, 47–49 La Motte Street, St Helier, Jersey, JE2 4SZ, Channel Islands.

### BASIS OF PREPARATION AND GOING CONCERN ASSESSMENT

The principal accounting policies adopted in the preparation of the financial information are set out below. The policies have been consistently applied throughout the current year and prior year, unless otherwise stated. These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs and IFRIC interpretations) issued by the International Accounting Standards Board (IASB) as adopted by the European Union and with those parts of the Companies (Jersey) Law, 1991 applicable to companies preparing their accounts under IFRS. The Company has adopted the exemption under Companies (Jersey) Law 1991 Article 105 (11) not to prepare separate accounts.

The consolidated financial statements incorporate the results of Predator Oil & Gas Holdings Plc and its subsidiary undertakings as at 31 December 2020.

The financial statements are prepared under the historical cost convention on a going concern basis. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions that are recognised in assets, are eliminated in full. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

The preparation of financial statements requires an assessment on the validity of the going concern assumption. At the date of these financial statements the Directors expect that the Group will not require further funding for the Group’s corporate overheads; Irish licence interests, Moroccan licence or for the further development of the CO2 EOR pilot project. Post the year end the Group raised £1.785 million gross through a Placing, to supplement funds required for drilling the MOU-1 well in Morocco in the event costs escalated due to COVID-related impositions and to provide additional working capital. The Directors are confident that the Group will be able to raise further funds as and when it considers appropriate to meet requirements over the course of the next 24 months, in cash, from the Group’s share of production profits from Trinidad, through the return of US\$1 million of the Guercif Bank Guarantee, as debt finance, joint venture or farminee partner equity, share issues or otherwise. Failing the success of these fund-raising activities the Directors will be prepared to accept appropriate reductions in their remuneration to conserve cash resources.

### CHANGES IN ACCOUNTING POLICIES

At the date of approval of these financial statements, certain new standards, amendments and interpretations have been published by the International Accounting Standards Board but are not as yet effective and have not been adopted early by the Group. All relevant standards, amendments and interpretations will be adopted in the Group’s accounting policies in the first period beginning on or after the effective date of the relevant pronouncement.

The Directors do not anticipate that the adoption of these standards and interpretations, or any of the amendments made to existing standards as a result of the annual improvements cycle, will have a material effect on the financial statements in the year of initial application.

#### Standards and amendments to existing standards effective 1 January 2020

- Amendments to References to the Conceptual Framework in IFRS Standards – effective 1 January 2020.
- Amendments to IAS 1 and IAS 8: Definition of Material – effective 1 January 2020.

These amendments do not have a material effect on the financial statements of the Group.

#### New Standards, amendments and interpretations effective after 1 January 2020 and have not been early adopted

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the financial statements are listed below. The Group and Company intend to adopt these standards, if applicable, when they become effective. These are summarised below:

Amendments to IAS 1: Classification of Liabilities as Current or Non-current: the amendments clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period, and refer to the “right” to defer settlement by at least twelve months. They make explicit that only rights in place “at the end of the reporting period” should affect the classification of a liability. The amendments clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, and clarify that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. Issued 23 January 2020, applies to accounting periods beginning on or after 1 January 2022, subject to EU endorsement.

Amendment to IAS 1: Classification of Liabilities as Current or Non-current – Deferral of Effective Date: the amendment defers the effective date of the January 2020 amendments to IAS 1 by one year to annual reporting periods beginning on or after 1 January 2023. Issued 15 July 2020, applies to accounting periods beginning on or after 1 January 2023 with early application of the January 2020 amendments permitted, subject to EU endorsement.

Amendments to IFRS 3: Business Combinations – reference to the Conceptual Framework: The changes in Reference to the Conceptual Framework (Amendments to IFRS 3) update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for transactions and other events within the scope of IAS 37 or IFRIC 21, an acquirer applies IAS 37 or IFRIC 21 (instead of the Conceptual Framework) to identify the liabilities it has assumed in a business combination. Lastly, they add to IFRS 3 an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination. Issued 14 May 2020, applies



for annual periods beginning on or after 1 January 2020, with early application permitted if an entity also applies all other updated references at the same time or earlier, subject to EU endorsement.

Annual Improvements to IFRS Standards 2018-2020: The pronouncement contains amendments to four International Financial Reporting Standards (IFRSs) as result of the IASB's annual improvements project:

- IFRS 1 First-time Adoption of International Financial Reporting Standards: subsidiary as a first-time adopter - The amendment permits a subsidiary that applies paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to IFRSs.
- IFRS 9 Financial Instruments - fees in the '10 per cent' test for derecognition of financial liabilities - The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in IFRS 9 in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.
- IFRS 16 Leases - Lease incentives - the amendment to Illustrative Example 13 accompanying IFRS 16 removes from the example the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example. Issued 14 May 2020, applicable for annual periods beginning on or after 1 January 2022 with early application permitted in respect of IFRS 1, IFRS 9, and IAS 41. The amendment to IFRS 16 only regards an illustrative example, so no effective date is stated. All subject to EU endorsement.

The Group has not early adopted any of the above standards and the directors are assessing the impact on future financial statements. There are no other IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

#### AREAS OF ESTIMATES AND JUDGEMENT

The preparation of the Group's financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next financial year are discussed below:

##### a) Going concern

The Group's going concern is detailed on page 75.

##### b) Recoverability of loan

The Group entered into an agreement with FRAM Exploration Trinidad Limited ("FRAM"), a wholly-owned subsidiary of Bahamas Petroleum Plc, who are listed on AIM.

The FRAM Loan is recovered from a share of revenues generated by FRAM from oil sales based on the production profile and oil price. At lower oil prices and lower production rates the loan will take longer to be recovered as their share of revenues will be lower. Under the legally binding WPA, Predator is entitled to its share of revenue earned from all oil sales made by FRAM until cost recovery of all Predator's costs, inclusive of the FRAM Loan, expended on the Project. Share of revenue is defined as sales from all oil barrels made by FRAM less agreed costs defined in the WPA.

Management have concluded that the loan remains recoverable and that there is no impairment required at the reporting date as the project is still in the early stages of production.

##### c) Useful lives of property, plant & equipment

Property, plant and equipment are depreciated over their useful economic lives. Useful economic lives are based on management's estimates of the period that the assets will be in operational use, which are periodically reviewed for continued appropriateness. More details, including carrying values, are included in note 10 to the financial statements.

##### d) Share based payments

The Group has applied the requirements of IFRS 2 Share-based Payment for all grants of equity instruments.

The Group operates an equity settled share option scheme for directors. The increase in equity is measured by reference to the fair value of equity instruments at the date of grant. The liabilities assumed under these arrangements convert into shares in the parent company, under an option arrangement. The fair value of the service received in exchange for the grant of options and warrants is recognised as an expense. Equity-settled share-based payments are measured at fair value (excluding the effect of non-market based vesting conditions) at the date of grant. The fair value determined at the grant date of equity-settled share-based payment is expensed on a graded vesting basis over the vesting period, based on the Group's estimate of shares that will eventually vest, and adjusted for the effect of non-market based vesting conditions.

During the year the Company issued warrants in lieu of fees to stockbrokers. The warrant agreements do not contain vesting conditions and therefore the full share-based payment charge, being the fair value of the warrants using the Black-Scholes model, has been recorded immediately. A charge was recorded against share premium as a transaction cost. The valuation of these warrants involves making a number of estimates relating to price volatility, future dividend yields and continuous growth rates (see Note 19).

The fair value of these share options is estimated by using the Black Scholes model on the date of grant based on certain assumptions. Those assumptions are described in note 19 and include, among others, the expected volatility and expected life of the options. The expected life

## Statement of accounting policies for the year ended 31 December 2020 (continued)

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used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability exercise restrictions and behavioural considerations. The market price used in the model is the issue price of the Company's shares at the last placement of shares immediately preceding the calculation date. Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons or entities other than staff, the fair value of goods and services received is charged to profit or loss, except where it is in respect to costs associated with the issue of shares, in which case, it is charged to the share premium account.

The fair values calculated are inherently subjective and uncertain due to the assumptions made and the limitation of the calculations used. Further details of the specific amounts concerned are given in note 19.

### **BASIS OF CONSOLIDATION**

Where the Group has control over an investee, it is classified as a subsidiary. The Group controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

The consolidated financial statements present the results of the Company and its subsidiaries ("the Group") as if they formed a single entity. Inter-company transactions and balances between Group companies are therefore eliminated in full. Uniform accounting policies are applied across the Group.

The consolidated financial statements incorporate the results of business combinations using the acquisition method. In the statement of financial position, the acquirer's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date on which control ceases.

### **FINANCIAL ASSETS**

The Financial assets currently held by the Group and Company are classified as loans and receivables and cash and cash equivalents. These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method less provision for impairment. The loans receivable from FRAM disclosed in note 12 are dependent on future oil production and are therefore outside of the scope of IFRS 9 Expected Credit Losses.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Group will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the statement of comprehensive income. On confirmation that the receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

### **Cash and cash equivalents**

These amounts comprise cash on hand and balances with banks. Cash equivalents are short term, highly liquid accounts that are readily converted to known amounts of cash. They include short-term bank deposits and short-term investments.

Any cash or bank balances that are subject to any restrictive conditions, such as cash held in escrow pending the conclusion of conditions precedent to completion of a contract, are disclosed separately as "Restricted cash". The security deposit is recognised within trade and other receivables in note 12.

There is no significant difference between the carrying value and fair value of receivables.

### **Derecognition**

The Group derecognises a financial asset when the contractual rights to the cash flow from the asset expire, or it transfers the asset and substantially all the risk and rewards of ownership of the asset to another entity.

### **FINANCIAL LIABILITIES**

The Group's financial liabilities consist of trade and other payables (including short terms loans) and long term secured borrowings. These are initially recognised at fair value and subsequently carried at amortised cost, using the effective interest method. All interest and other borrowing costs incurred in connection with the above are expensed as incurred and reported as part of financing costs in profit or loss. Where any liability carries a right to convertibility into shares in the Group, the fair value of the equity and liability portions of the liability is determined at the date that the convertible instrument is issued, by use of appropriate discount factors.

### **Derecognition**

The Group derecognises a financial liability when the obligations are discharged, cancelled or they expire.

## FOREIGN CURRENCY

The functional currency of the Group and all of its subsidiaries is the British Pound Sterling.

Transactions entered into by the Group entities in a currency other than the currency of the primary economic environment in which it operates (the “functional currency”) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the date of the statement of financial position. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are similarly recognised immediately in profit or loss, except for foreign currency borrowings qualifying as a hedge of a net investment in a foreign operation.

The exchange rates applied at each reporting date were as follows:

31 December 2020            £1: US\$1.3642 and £1: Euro1.1089

31 December 2019            £1: US\$1.3111 and £1: Euro1.1701

## INVESTMENTS IN SUBSIDIARIES

The Group’s investment in its subsidiaries are recorded at cost.

### Plant and equipment

The only assets the Group currently has are personal computers.

Depreciation is provided on equipment so as to write off the carrying value of items over their expected useful economic lives. It is applied at the following rates:

Computer equipment            20% per annum, straight line

## Share Options and Equity Instruments

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period. Where equity instruments are granted to persons other than consultants, the fair value of goods and services received is charged to profit or loss, except where it is in respect to costs associated with the issue of shares, in which case, it is charged to the share capital or share premium account.

## TAXATION

The Company and all subsidiaries (‘the Group’) are registered in Jersey, Channel Islands and are taxed at the Jersey company standard rate of 0%. However, the Group’s projects are situated in jurisdictions where taxation may become applicable to local operations.

The major components of income tax on the profit or loss include current and deferred tax.

### Current tax

Current tax is based on the profit or loss adjusted for items that are non-assessable or disallowed and is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

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

### Deferred tax

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the statement of financial position differs to its tax base, except for differences arising on:

- The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit; and
- Investments in subsidiaries and jointly controlled entities where the Group is able to control the timing of the reversal of the difference and it is probable that the differences will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when deferred tax liabilities/ (assets) are settled/ (recovered). Deferred tax balances are not discounted.

The Group currently does not hold any deferred tax asset or liability.

## Notes to the financial statements for the year ended 31 December 2020

### 1. Segmental analysis

The Group operates in one business segment, the exploration, appraisal and development of oil and gas assets. The Group has interests in three geographical segments being Africa (Morocco), Europe (Ireland) and the Caribbean (Trinidad and Tobago)

The Group's operations are reviewed by the Board (which is considered to be the Chief Operating Decision Maker ('CODM')) and split between oil and gas exploration and development and administration and corporate costs.

Exploration and development is reported to the CODM only on the basis of those costs incurred directly on projects.

Administration and corporate costs are further reviewed on the basis of spend across the Group.

Decisions are made about where to allocate cash resources based on the status of each project and according to the Group's strategy to develop the projects. Each project, if taken into commercial development, has the potential to be a separate operating segment. Operating segments are disclosed below on the basis of the split between exploration and development and administration and corporate.

	Europe £'000	Caribbean £'000	Africa £'000	Corporate £'000
<b>Year ended 31 December 2020</b>				
Gross loss				
Administrative and overhead expenses	(128)	(187)	(235)	(914)
Share options and warrant expense	–	–	–	–
Finance expense	–	–	–	(225)
<b>(Loss) for the year from continuing operations</b>	<b>(128)</b>	<b>(187)</b>	<b>(235)</b>	<b>(1,139)</b>
Non-current assets	–	–	–	6
Current assets	2	512	1,108	1,282
<b>Total assets</b>	<b>2</b>	<b>512</b>	<b>1,108</b>	<b>1,288</b>
<b>Total liabilities</b>	<b>(1)</b>	<b>(14)</b>	<b>(3)</b>	<b>(65)</b>

	Europe £'000	Caribbean £'000	Africa £'000	Corporate £'000
<b>Year ended 31 December 2019</b>				
Gross Loss				
Administrative and overhead expenses	(46)	(159)	(163)	(742)
Share options and warrant expense	–	–	–	(93)
Finance expense	–	–	–	(75)
<b>(Loss) for the year from continuing operations</b>	<b>(46)</b>	<b>(159)</b>	<b>(163)</b>	<b>(910)</b>
<b>Total assets</b>	<b>33</b>	<b>239</b>	<b>1,150</b>	<b>76</b>
<b>Total liabilities</b>	<b>(1)</b>	<b>(4)</b>	<b>(7)</b>	<b>(1,187)</b>

### 2. Group loss from operations

	2020 Group £'000	2019 Group £'000
Operating loss is stated after charging/(crediting):		
Auditors remuneration (note 3)	23	53
Depreciation	2	1
Share option expense	102	93
Foreign exchange loss	105	27

### 3. Auditors remuneration

	2020 Group £'000	2019 Group £'000
Audit of the accounts of the Group	23	23
Other services	–	30
	–	53

**4. Administration expenses**

	2020 Group £'000	2019 Group £'000
Administration fees	81	84
Design, publishing, presentation and printing fees	15	10
Audit fee	23	23
Annual return fee	1	1
Non-executive director fees	74	70
Share based payments - options	102	93
Share based payments - warrants	100	–
Insurance	11	8
Legal and professional fees	86	81
Listing costs	155	251
Website costs	3	13
Licencing options	–	8
Directors fees	161	144
Technical Consultancy fees	286	262
Project costs	150	–
Travel expenses	37	94
Computer/system costs/IT support	23	3
Conferences and exhibitions	–	2
Bank charges	42	26
Depreciation	2	1
Sundry expenses	1	3
Foreign exchange	105	27
Formation costs	3	–
Accountancy fees	3	–
	<b>1,464</b>	<b>1,204</b>

**5. Finance costs**

	2020 Group £'000	2019 Group £'000
Loan interest paid	17	–
Loan redemption fees	112	–
Amortisation of transaction costs	96	75
	<b>225</b>	<b>75</b>

**6. Taxation**

	2020 Group £'000	2019 Group £'000
Loss on ordinary activities before tax	(1,690)	(1,279)
Loss on ordinary activities at Jersey standard 0% tax (2019 : 0%)	–	–
Tax charge for the year	–	–

No deferred tax asset or liability has been recognised as the Standard Jersey corporate tax rate is 0%.

## Notes to the financial statements for the year ended 31 December 2020 (continued)

### 7. Personnel

	2020 Group £'000	2019 Group £'000
Consultancy fees	521	477
Share based payments	102	93
	<b>623</b>	<b>570</b>

The average number of personnel (including directors) during the year was:

Management	4	5
	<b>4</b>	<b>5</b>

Four Directors at the end of the period have share options receivable under long term incentive schemes. The highest paid Director received an amount of £178,200 (2019: £150,310). The Group does not have employees. All personnel are engaged as service providers

### 8. Earnings per share

	2020 Group	2019 Group
Weighted average number of shares	209,959,715	104,261,956
Loss for the year (£'000)	(1,690)	(1,279)
Earnings per share basic and diluted (pence)	(0.8)	(1.2)

Dilutive loss per Ordinary Share equals basic loss per Ordinary Share as, due to the losses incurred in 2020 and 2019, there is no dilutive effect from the subsisting share options

### 9. Loss for the financial year

The Group has adopted the exemption in terms of Companies (Jersey) law 1991 and has not presented its own income statement in these financial statements.

### 10. Property, plant and equipment

	£
<b>Cost</b>	
At 31 December 2019	8,708
Additions	842
Disposals	(999)
At 31 December 2020	8,551
<b>Amortisation</b>	
At 31 December 2019	1,550
Disposals	(233)
Charge for the year	1,642
At 31 December 2019	2,959
<b>Carrying amount</b>	
At 31 December 2019	7,158
<b>At 31 December 2020</b>	<b>5,592</b>

### 11. Investment in subsidiaries

	2020 Group £'000	2019 Group £'000
Cost at the beginning of the year	537	537
Additions during the year	–	–
	<b>537</b>	<b>537</b>

The principal subsidiaries of Predator Oil and Gas Holdings Plc, all of which are included in these consolidated Annual Financial Statements, are as follows:

	Country of registration	Class	Proportion held by Group	Nature of business
Predator Oil and Gas Ventures Limited	Jersey	Ordinary	100%	Licence option offshore Ireland
Predator Oil & Gas Trinidad Limited	Jersey	Ordinary	100%	Profit rights for production revenues from a CO2 enhanced oil recovery project
Predator Gas Ventures Limited	Jersey	Ordinary	100%	Exploration licence onshore Morocco
Predator LNG Ireland Limited	Jersey	Ordinary	100%	Licence application to import liquified natural gas

The registered address of all of the Group's companies is at 3rd Floor, Standard Bank House, 47–49 La Motte Street, St. Helier, Jersey, JE2 4SZ, Channel Islands

## 12. Trade and other receivables

	2020 Group £'000	2019 Group £'000
<b>Current</b>		
Loans receivable	468	201
Security deposit (US\$1,500,000)	1,100	1,144
Prepayments and other debtors	10	36
	<b>1,578</b>	<b>1,381</b>

Loans receivable relates to a loan of £468,211 effected to FRAM Exploration Trinidad Limited ('FRAM') in respect of the CO2 EOR project comprising USD338,796 advanced as cash and USD299,936 advanced as equipment. The loans are denominated in US Dollars, unsecured, interest free and repayable at the discretion of Predator Oil & Gas Trinidad Limited provided not less than one week's notice is given. The CO2 EOR project is expected to progress to the next stage of development in 2021 and ultimately to full production status at which time the aforesaid loan is likely to be recovered in terms of a Well Participation Agreement with FRAM dated 17 November 2017.

A security deposit of \$1,500,000 is held by Barclays Bank in respect of a guarantee provided to Office National des Hydrocarbures et des Mines (ONHYM) as a condition of being granted the Guercif exploration licence. These funds are refundable in two tranches on the completion of the Minimum Work Programme set out in the terms of the Guercif Petroleum Agreement and Association Contract.

Prepayments are in respect of amounts paid in advance to the Financial Conduct Authority, media service providers and an insurance premium. These amounts are expensed between 60 and 120 days and are denominated in Pounds Sterling.

There are no material differences between the fair value of trade and other receivables and their carrying value at the year end.

## 13. Cash and cash equivalents

	2020 Group £'000	2019 Group £'000
Royal Bank of Scotland International Limited	1,317	110
Barclays Bank Plc	9	–
	<b>1,326</b>	<b>110</b>

## 14. Trade and other payables

	2020 Group £'000	2019 Group £'000
<b>Current</b>		
Loans payable	–	37
Trade payables	83	54
Accrued expenses	–	188
	<b>83</b>	<b>279</b>

All payables are required to be settled within 30 days.

## Notes to the financial statements for the year ended 31 December 2020 (continued)

### 15. Financial instruments – risk management

Details of the significant accounting policies in respect of financial instruments are disclosed on pages 78 to 79. The Group's financial instruments comprise cash and items arising directly from its operations such as other receivables, trade payables and loans.

#### FINANCIAL RISK MANAGEMENT

The Board seeks to minimise its exposure to financial risk by reviewing and agreeing policies for managing each financial risk and monitoring them on a regular basis. No formal policies have been put in place in order to hedge the Group's activities to the exposure to currency risk or interest risk; however, the Board will consider this periodically.

The Group is exposed through its operations to the following financial risks:

- Credit risk
- Market risk (includes cash flow interest rate risk and foreign currency risk)
- Liquidity risk

The policy for each of the above risks is described in more detail below.

The principal financial instruments used by the Group, from which financial instruments risk arises are as follows:

- Receivables
- Cash and cash equivalents
- Trade and other payables (excluding other taxes and social security)
- Loans: payable within one year and payable in more than one year

The table below sets out the carrying value of all financial instruments by category and where applicable shows the valuation level used to determine the fair value at each reporting date. The fair value of all financial assets and financial liabilities is not materially different to the book value.

	2020 £'000	2019 £'000
<b>Loans and receivables</b>		
Cash and cash equivalents	1,326	110
Trade and other receivables	1,578	1,381
<b>Other liabilities</b>		
Trade and other payables (excluding short term loans)	83	266
Loans payable within one year	–	38
	–	918

#### CREDIT RISK

Financial assets, which potentially subject the Group to concentrations of credit risk, consist principally of cash, short-term deposits and other receivables. Cash balances are all held at recognised financial institutions. Other receivables are presented net of allowances for doubtful receivables. Other receivables currently form an insignificant part of the Group's business and therefore the credit risks associated with them are also insignificant to the Group as a whole.

The Group has a credit risk in respect of inter-company loans to subsidiaries. The Company is owed £2,507,110 by its subsidiaries. The recoverability of these balances is dependent on the commercial viability of the exploration activities undertaken by the respective subsidiary companies. The credit risk of these loans is managed as the Directors constantly monitor and assess the viability and quality of the respective subsidiary's investments in intangible oil and gas assets.



**Maximum exposure to credit risk**

The Group's maximum exposure to credit risk by category of financial instrument is shown in the table below:

	2020 Carrying value £'000	2020 Maximum exposure £'000	2019 Carrying value £'000	2019 Maximum exposure £'000
Cash and cash equivalents	1,326	3,327	110	1,160
Receivables	1,578	1,578	1,381	1,381
Loans and borrowings	–	–	956	956

The holding company's maximum exposure to credit risk by class of financial instrument is shown in the table below:

	2020 Carrying value £'000	2020 Maximum exposure £'000	2019 Carrying value £'000	2019 Maximum exposure £'000
Cash and cash equivalents	1,271	3,272	110	110
Receivables	1,578	1,578	1,381	1,381
Loans to Group Companies	2,507	2,507	1,958	1,958

**MARKET RISK****Cash flow interest rate risk**

The Group has adopted a non-speculative policy on managing interest rate risk. Only approved financial institutions with sound capital bases are used to borrow funds and for the investments of surplus funds.

The Group seeks to obtain a favourable interest rate on its cash balances through the use of bank deposits. The Group's bank did not pay interest on cash balances during the year, therefore the Group is not currently affected by interest rate changes. At 31 December 2020, the Group had a cash balance of £1.326 million (2019: £0.110 million) which was made up as follows:

	2020 £'000	2019 £'000
Sterling	165	85
United States Dollar	1,161	25
	<b>1,326</b>	<b>110</b>

The Group had no interest bearing debts at the year end (2019: £37,500).

**Foreign currency risk**

Foreign exchange risk is inherent in the Group's activities and is accepted as such. The majority of the Group's expenses are denominated in Sterling and therefore foreign currency exchange risk arises where any balance is held, or costs incurred, in currencies other than Sterling. At 31 December 2020 and 31 December 2019, the currency exposure of the Group was as follows:

	Sterling £'000	US Dollar £'000	Total £'000
<b>at 31 December 2020</b>			
Cash and cash equivalents	165	1,161	1,326
Trade and other receivables	13	1,565	1,578
Trade and other payables	83	–	83
<b>at 31 December 2019</b>			
Cash and cash equivalents	85	25	110
Trade and other receivables	36	1,345	1,381
Trade and other payables	304	–	304
Loans re-payable after one year	918	–	918

## Notes to the financial statements for the year ended 31 December 2020 (continued)

### LIQUIDITY RISK

Any borrowing facilities are negotiated with approved financial institutions at acceptable interest rates. All assets and liabilities are at fixed and floating interest rate. The Group seeks to manage its financial risk to ensure that sufficient liquidity is available to meet the foreseeable needs both in the short and long term. See also references to Going Concern disclosures in the Strategic Report.

### CAPITAL

The objective of the Directors is to maximise shareholder returns and minimise risks by keeping a reasonable balance between debt and equity. At 31 December 2020 the Group had no debt (2019: £955,906).

#### 16. Share Capital

	Number of shares	Nominal value
<b>Issued and fully paid</b>		
Opening Balance	108,172,169	2,346,336
<b>28 February 2020</b>		
Share issue	89,000,000	3,560,000
<b>7 April 2020</b>		
Share issue	4,875,000	195,000
<b>8 April 2020</b>		
Loan note conversion	5,267,118	73,500
<b>13 May 2020</b>		
Loan note conversion	5,217,462	104,475
<b>20 May 2020</b>		
Loan note conversion	4,707,926	104,475
<b>29 May 2020</b>		
Share issue	22,438,842	448,778
	<b>239,678,517</b>	<b>6,832,564</b>

#### 17. Non-Current liability

	2020 Group £'000	2019 Group £'000
Arato Global Opportunities LLC		
Brought forward	918	–
Drawdowns	–	1,500
Redemptions	(1,015)	(485)
Transaction costs	–	(97)
Amortisation of transaction costs	97	–
	–	918

The Company entered into a Convertible Loan Note Instrument with Arato Global Opportunities LLC on 15 February 2019 for £1,500,000, the nominal amount of each note was £1.00 and could be increased to £1,750,000. The notes were converted at 105% in multiples of £50,000 at a conversion price per ordinary share being 90% of the VWAC for the 2 trading days preceding the conversion, and to the extent not already redeemed or converted were to be redeemed in full the earlier of 15 February 2021 or in the event of default.

The loan notes carried no coupon and were repayable at a premium of 5%. A fee of 10% of the principal amount applied if the loan notes were not converted into equity prior to 15 February 2021. The lender was issued with 2,083,333 warrants at an exercise price of 12p with a vesting period of two years. Novum Securities Limited, the arranger of the convertible loan notes, was issued with 2,000,000 in warrants on the same terms.

The fair value of the 4,083,333 warrants was determined at £81,384.

Novum Securities Limited was paid a £90,000 placement fee for the Convertible Loan Note Instrument. The total transaction cost of £171,384 was accounted for in terms of IFRS9 was offset against the carrying value of the Convertible Loan Note and amortised according to the effective interest rate method giving rise to a £96,594 charge to the income statement during the year.

During the year loan notes with a value of £269,000 were converted to shares. The remaining balance of the loan of £746,000 was repaid in cash on 15 May 2020.

**18. Other reserves****Share based payments reserve**

	2020 Group £'000	2019 Group £'000
Balance brought forward	256	82
Issue of warrants	101	81
Fair value movement of share options	102	93
Balance carried forward	459	256

**19. Share based payments****Warrant and share option expense**

	2020 £'000	2019 £'000
Warrant and share option expense:		
– in respect of remuneration contracts	102	93
– in respect of financing arrangements	100	81
	202	174

**Share Options**

The Group operates a share option plan for directors. Details of share options granted are noted below.

On 24 May 2018 both Paul Griffiths and Ron Pilbeam were granted share options each of 4,005,486 exercisable at £0.028 each and Steve Staley and Sarah Cope were granted share options each of 1,001,370 exercisable at £0.028 each. The options are subject to the following vesting conditions:

1/3 of the option shares 3,337,904 on gross production from the wells drilled under the Well Participation Agreement Predator Oil and Gas Ventures Limited and FRAM Exploration Trinidad Limited of 50 BOPD (measured over a consecutive 30 day period)

1/3 of the option shares 3,337,904 on incremental gross production from a Pilot CO2 test of 300 BOPD (measured over a consecutive 30 day period)

1/3 of the option shares 3,337,904 on incremental total gross production from wells for which the Company receives revenues of 1,000 BOPD (measured over a consecutive 30 day period)

Each option shall lapse 5 years after the date on which it vests, assuming it is not exercised before then and no event occurs to cause it to lapse early.

On 27 October 2020 both Paul Griffiths and Ron Pilbeam were granted share options each of 3,850,000 exercisable at £0.05 each and Steve Staley and Louis Castro were granted share options each of 1,650,000 exercisable at £0.05 each.

In February 2021 vesting requirements for all options held by Executive Directors Paul Griffiths and Ronald Pilbeam became subject to any one of certain targets being reached as follows:

Injection/sequestration of 600MT Liquid CO2 has been achieved for the CO2 EOR Pilot Project under the Well Participation Agreement between Predator Oil & Gas Trinidad Ltd and FRAM Exploration Trinidad Ltd dated 17 November 2017 and as amended from time to time; OR

A production test at AT-5X has flowed first oil; OR

An average daily increase of 75% in oil production at AT-12 has been achieved over a consecutive period of 30 days when measured against historical AT-12 production over the period 1 January to 30 April 2020 immediately prior to the commencement of CO2 injection in the AT-4 Block on 18 May 2020.

Vesting requirements for Non-executive Directors Steve Staley and Louis Castro are subject to the expiration of six months from the date of grant.

The Board is not planning to consider any other components of director remuneration during the year under review.

## Notes to the financial statements for the year ended 31 December 2020 (continued)

The Black Scholes model has been used to fair value the options, the inputs into the model were as follows :

	2018	2020
Grant date		
Share price	£0.028	<b>£0.0325</b>
Exercise price	£0.028	<b>£0.050</b>
Term	5 years	<b>7 years</b>
Expected volatility	400%	<b>400%</b>
Expected dividend yield	0%	<b>0%</b>
Risk free rate	0.80%	<b>-0.09%</b>
Fair value per option	£0.028	<b>£0.0325</b>
<b>Total fair value of the options</b>	<b>£280,382</b>	<b>£357,500</b>

The total share option expense in respect of 2020 is £101,973 (2019: £93,461).

### Warrants

On 24 May 2018 the Company granted 2,231,248 warrants to Novum Securities Limited and 160,714 warrants to Optiva Securities Limited in consideration of services provided to the Company pursuant to the terms of the Placing Agreement and conditional upon admission becoming effective. The warrants may be exercised at £0.028 each in whole or in part at any time and from time to time from the date of their grant until the third anniversary of admission. The total fair value of these warrants was determined as £0.0113 per warrant and a £27,051 reserve was created for the year ended 31 December 2018.

On 15 February 2019 the Company granted 2,083,333 and 2,000,000 warrants respectively to Arato Global Opportunities LLC and Novum Securities Limited pursuant to the Convertible Loan Note ('CLN') agreement. The warrants are exercisable at any time between the date of issue and 15 February 2021 at a subscription price of 12p per share. Expected volatility was determined by reference to the Company's share price since admission to the Standard List of the London Stock Exchange and the year end. The risk-free rate is based on the UK three-year bond yield. The warrant agreements for the aforesaid 4,083,333 do not contain vesting conditions and therefore the full share-based payment charge, being the fair value of the warrants using the Black-Scholes model, has been recorded immediately. A fair value of £81,384 was deemed as a transaction cost in terms of IFRS9 and was offset against the Convertible Loan Note Principal of £1,500,000. In addition, Novum Securities Limited was paid a £90,000 placement fee for the Convertible loan note instrument taking the total CLN transaction cost to £171,384.

On 17 February 2020 the Company granted 1,875,000 and 2,575,000 warrants respectively to Optiva Securities Limited and Novum Securities Limited. The warrants are exercisable at any time between the date of issue and 27 February 2023 at an exercise price of 4p per share.

The warrant agreements for the aforesaid 4,450,000 warrants issued on 17 February 2020 do not contain vesting conditions and therefore the full share-based payment charge, being the fair value of the warrants using the Black-Scholes model, has been recorded immediately.

The valuation of these warrants involves making a number of estimates relating to price volatility, future dividend yields and continuous growth rates.

The Black Scholes model has been used to fair value the options, the inputs into the model were as follows:

	17 February 2020
Grant date	
Share price	£0.043
Exercise price	£0.040
Term	3 years
Expected volatility	80%
Expected dividend yield	0%
Risk free rate	0.37%
Fair value per warrants	£0.023
<b>Total fair value of the warrants</b>	<b>£100,451</b>

### 20. Reserves

Details of the nature and purpose of each reserve within owners' equity are provided below:

- Share capital represents the nominal value each of the shares in issue.
- The Other Reserves are included in the Consolidated Statement of Changes in Equity and in the Consolidated Statement of Financial Position and represent the accumulated balance of share benefit charges recognised in respect of share options and warrants granted by the Company, less transfers to retained losses in respect of options exercised or lapsed.
- The Retained Deficit Reserve represents the cumulative net gains and losses recognised in the Group's statement of comprehensive income.
- The Reconstruction Reserve arose through the acquisition of Predator Oil and Gas Ventures Limited. This entity was under common control and therefore merger accounting was adopted.

## 21. Related party transactions

Directors and key management emoluments are disclosed in note 7 and in the Remuneration report.

## 22. Contingent liabilities and capital commitments

The Group had at the reporting date no capital commitments or contingent liabilities.

## 23. Litigation

The Group is not involved in any litigation.

## 24. Events after the reporting date

*18 January 2021*

The Company announced an Operations Update indicating that very encouraging Pilot CO<sub>2</sub> EOR results at Inniss-Trinity supported commencing CO<sub>2</sub> injection at new rates determined by the results of the Pilot CO<sub>2</sub> EOR Project and maintaining these for up to twelve months to reach, by cumulative monthly growth, target plateau production for the Herrera #2 Sand in the AT-4 Block in the range 243 to 547 bopd, in alignment with pre-Pilot CO<sub>2</sub> EOR desktop forecasts. The pre-Pilot CO<sub>2</sub> EOR success de-risked CO<sub>2</sub> EOR in Trinidad and provided the commercial, environmental and technical model for the further expansion of operations.

The Company also indicated that Guercif exploration well planning was targeting a well to be drilled in Q 2 2021.

*3 February 2021*

The Company noted, in the context of its long-standing applications for successor authorisations to its Corrib South and Ram Head licensing options offshore Ireland, the renewed commitment by the Irish Government to honour existing licences issued by the State for oil and gas.

*16 February 2021*

The Company announced that the Warrant Instrument with Novum Securities Ltd dated 15 February 2019 granting the right to subscribe in cash for 2,000,000 ordinary shares exercisable at a price per share equal to the subscription price (12p per share) was being amended to allow the exercise date of the warrants to be extended by one year to the third anniversary of the date of the Warrant Instrument.

Similarly, the Warrant Instruments with Novum Securities Ltd and Optiva Securities Ltd dated 24 May 2018 granting the right to subscribe in cash for 2,231,248 and 160,714 ordinary shares respectively exercisable at a price per share equal to the subscription price (2.8p per share) was being amended to allow the exercise date of the warrants to be extended by one year to the third anniversary of the date of the Warrant Instruments.

This is in recognition of the fact that COVID-19 has played a part in extending the Company's original timelines for executing some of its projects.

These existing warrants have previously been factored into the fully diluted share capital of the Company.

The Warrant Instrument with Arato Global Opportunities pursuant to the Convertible Loan Note dated 15 February 2019 granting the right to subscribe in cash for 2,000,000 ordinary shares exercisable at a price per share equal to the subscription price (12p per share) has expired without the warrants being exercised resulting in a reduction of the Company's fully diluted share capital.

Well swab tests and investigations in the AT-4 Block at Inniss-Trinity confirmed the potential for realising pre-injection desktop production plateau forecasts in the range 243 -547 bopd from Herrera #2 Sand.

The Company also announced that the MOU-1 well pad construction was scheduled to be prepared for April 2021.

*12 March 2021*

The Company announced that it had conditionally placed 17 million new ordinary shares of no par value in the Company at a placing price of 10.5 pence each to raise £1,785,000 (before expenses).

Timing of the MOU-1 Moroccan exploration well was reconfirmed as being scheduled for Q2 2021 and that some of the placing funds were to provide a contingency for the increase in certain MOU-1 well costs occasioned by the 12-month long COVID-19 pandemic leading to the additional expense burden to re-mobilise services and equipment previously immediately available in Morocco.

Further expansion of the Inniss-Trinity CO<sub>2</sub> EOR project was being considered and new business development opportunities were progressing.

Potential for developing an integrated project plan designed to help meet security of energy supply concerns; options for CO<sub>2</sub> sequestration; and options for back-up power for data centres using greener energy was outlined.

The potential for utilising the Ram Head gas discovery in the Celtic Sea, still the subject of the Company's application for a successor authorisation, for gas storage and security of supply and in the longer term for CO<sub>2</sub> sequestration was outlined in the context of a coordinated infrastructure project with green energy options.

*17 March 2021*

The Company announced that it had received an exercise notice in respect of warrants issued pursuant to a warrant agreement with the Company dated 24 May 2018 (in connection with the Placing carried out by the Company in May 2018 on admission of the Company to the Official List (standard listing segment) of the London Stock Exchange's main market for listed securities) to subscribe for 267,750 new shares of no par value each in the Company at 2.8p per share following receipt of the aggregate £7,497 subscription price.

## Notes to the financial statements for the year ended 31 December 2020 (continued)

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### *18 March 2021*

The Company announced scoping development and operating costs for a pilot Compressed Natural Gas (“CNG”) Project at Guercif in Morocco based on a 10 mm cfm profile for 10 years, net capital costs to the Company of £8.2 to 8.6 million and estimated operating costs of US\$2.79 to 4.24/mcf with an example net-back of US\$7.21/mcf after taxes based on a sales price to the Moroccan industrial market of US\$ 10 to 12/mcf.

In the context of the Company’s Floating Storage and Regasification Unit (“FSRU”) and LNG project offshore Ireland, the Company announced that it is making a submission to the Public Consultation on the expert advisory group report entitled “Expanding Ireland’s Marine Protected Area Network”, published by the Department of Housing, Local Government and Heritage. Deadline for submissions is 30 July 2021. This will be in conjunction with the Company applying for Marine Area Consent for the FSRU project.

### *26 March 2021*

The Company announced that further to its announcement of 12 March 2021, that it did not have sufficient headroom to enable the issue and admission of all of the 17,000,000 Placing Shares which are required to be issued pursuant to the Placing without the production of an FCA approved prospectus. The Company is therefore issuing 5,215,155 new ordinary shares (up to its existing headroom) and for a director, Paul Griffiths, to make up the shortfall with a transfer of 11,784,845 existing shares held by him to Novum Securities.

When the Company has the ability to issue further shares it intends to issue Paul Griffiths 11,784,845 new Ordinary Shares and will take all necessary steps required in order to make the necessary listing and admission hearing applications. This will put Paul Griffiths back into the position that existed, in terms of his aggregate shareholding in the Company, had he not made the transfer of Ordinary Shares. For the avoidance of doubt the transfer of shares to Novum Securities Ltd from Paul Griffiths involves no consideration being paid to Paul Griffiths.

## Corporate Information

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<b>Directors</b>	Paul Stanard Griffiths (Executive Director – CEO) Ronald Pilbeam ( <i>Executive Director</i> ) Carl Kindinger ( <i>resigned 29 June 2020</i> ) Louis Castro ( <i>appointed 13 July 2020</i> ) Dr George Henry Stephen Staley ( <i>Non-Executive Chairman</i> )
<b>Company Secretary</b>	Oak Secretaries (Jersey) Limited 3rd Floor, Standard Bank House 47 – 49 La Motte Street St. Helier Jersey JE2 4SZ
<b>Registered Office</b>	3rd Floor, Standard Bank House 47 – 49 La Motte Street St. Helier Jersey JE2 4SZ Telephone +44 (0) 1534 834 600
<b>Joint Broker and Placing Agent</b>	Novum Securities Limited Lansdowne House 57 Berkeley Square London W1J 6ER
<b>Joint Broker and Placing Agent</b>	Optiva Securities Limited 49 Berkeley Square London W1J 5AZ
<b>Auditors</b>	PKF Littlejohn LLP 15 Westferry Circus Canary Wharf London E14 4HD
<b>Legal advisers to the Group as to English law</b>	Charles Russell Speechlys LLP 5 Fleet Place London EC4M 7RD
<b>Legal advisers to the Group as to Jersey law</b>	Pinel Advocates 7 Castle Street St. St. Helier Jersey JE2 3B

## Corporate Information (continued)

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<b>Competent Person</b>	SLR Consulting (Ireland) Ltd 7 Dundrum Business Park Windy Arbour Dublin 14, D14 N2Y7 Republic of Ireland
<b>Registrar</b>	Computershare Investor Services (Jersey) Limited Queensway House Hilgrove Street St. Helier Jersey JE1 1ES
<b>Financial PR</b>	Flagstaff Strategic and Investor Communications 1 King Street London EC2V 8AU
<b>Principal Bankers</b>	The Royal Bank of Scotland International Limited P.O. Box 64 Royal Bank House 71 Bath Street St. Helier Jersey JE4 8PJ  Barclays Bank Plc 13 Library Place St. Helier Jersey JE4 8NE





