TENDE ENERGY PLC

(FORMERLY SIRIUS PETROLEUM PLC)

ANNUAL REPORT

FOR THE YEAR ENDED

31 DECEMBER 2023

Company No 05181462

Company registration number:	05181462	
Registered office:	25 Bury Street London SW1Y 6AL	
Directors:	**J Pryde**	Chairman
	O Kuti	Chief Executive Officer
	T Hayward	Non-Executive Director
	S Hawkins	Non-Executive Director
Company Secretary:	**S Hawkins**	
Registrars:	**Link Asset Services** 65 Gresham Street London EC2V 7NQ	
Bankers:	**HSBC Bank plc** Unit 6C Borehamwood Shopping Park Borehamwood WD6 4PR	
Solicitors:	**Fladgate LLP** 16 Great Queen Street London WC2B 5DG	
Auditors:	**PKF Littlejohn LLP** 15 Westferry Circus London E14 4HD	

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CHAIRMAN'S & CEO'S STATEMENT AND STRATEGIC REPORT

Tende Energy plc ("Tende") is building a range of diversified producing and development oil and gas assets in Africa, focusing on further developing the existing assets in Nigeria and Tunisia and on completing the acquisition of non-operated interests offshore Angola. We are pleased to report the following activity during the 2023 financial year.

2023 Summary

- Established the OML65 Joint Project Management Team ("JPMT") with NNPC E&P Limited ("NEPL") and COPDC Petroleum Development Company Limited ("COPDC").
- Commenced planning two workover wells at Abura 8L and 11L.
- Updated the dynamic reservoir models on Abura, Owopele and Osioka, allowing well targets to be identified and shortlisted.
- Undertook workovers and well interventions at the operated BBT field in Tunisia, which more than doubled production to over 400 boepd and drilled the TT-27 well at BBT on time and under budget.
- Progressed the Plan of Development for the Cosmos discovery, offshore Tunisia, in partnership with ETAP.

Post year-End Summary

- Q1-Q2 2024 workovers commenced at Abura 8L and Abura 11L targeting reservoirs 5AB4 and 1AB1 reservoirs.
- New Field Development Plan undertaken for OML65 reflecting the updated field studies and sub-surface conducted during 2024.
- Decision to de-risk its Tunisian portfolio.

Nigeria – OML65 Joint Venture FTSA

Following the assumption of de-facto operatorship of OML65 in 2022, the Company established the JPMT in collaboration with our JV partner, COPDC, and the OML65 licence owner, NEPL, to drive the next phase of development at the Abura field and the drilling of new development wells at Owopele and Osioka. The JPMT comprises operational personnel from all three parties, including team members who have previous experience at the Abura field. The Financial and Technical Services Agreement ("FTSA") Master Services lead, Baker Hughes ("BH"), was integrated into development operations and collaborated on the selection of channel partners utilised for the Abura well intervention programme. Although only 30% of the shareholding is owned by Tende, the Group has control over the Company as it has control over the decision making process through its right to appoint directors. Therefore, the financial statements for CPD Development Company Ltd, and its subsidiaries, are consolidated in full, and 70% of the profits or losses are classified as a non-controlling interest.

JPMT and BH undertook detailed work including both sub-surface modelling and engineering scheduling to rank the optimal workover candidates and infill/development wells to produce the remaining reserves from the Abura field. Once the primary workover candidates had been identified, planning work commenced on the first of the workover programme wells with the contracting of the surface contractors.

Following a detailed appraisal of the available data on both the Abura field and the development fields, Owepele and Osioka, it was agreed that there was a requirement to update the dynamic reservoir modelling of all three fields and this work was successfully completed progressively during the year and post year-end, initially identifying the well targets on the Abura field where average daily production was 8,000 bbl during 2023.

Owopele and Osioka have not been developed to date and will form part of the forward work programme targeting an estimated 34.9 mmbbls of additional 2P reserves. The recoverable volumes attributed to the Abura, Osioka and Owopele fields by Gaffney Cline are based on an assumed average recovery factor of 30%, which is conservative in the context of recovery factors typically achieved on analogous fields in the Niger Delta.

Gaffney Cline has estimated 3P reserves of over 78mmbbls for Abura, Osioka and Owopele, implying an additional 27 mmbbls of recoverable volumes in the high case.

In addition, there are two targeted deeper prospects at Abura and Osioka containing an additional 227 mmbbls of oil in place, to which Gaffney Cline has attributed P50 prospective resources of 91mmbbls, implying a recovery factor of 40%.

CHAIRMAN'S & CEO'S STATEMENT AND STRATEGIC REPORT (continued)

The OML65 block has historically achieved an extremely low operating cost per barrel when compared to other producing assets in Nigeria and, due to the low gas oil ratio ("GOR"), produces minimal gas flaring. The Company has commenced work on the sustainability framework on OML65, profiling the Abura field and associated works across gas emissions, wastewater, energy usage, health and safety and community initiatives.

Tunisia Operations

Following the completion of the acquisition of the remaining 90% of ATOG Midco Limited ("ATOG") Group in June 2023, Tende Energy's Tunisian operations consisted of four onshore production concessions through its wholly owned subsidiary ATOG: Bir Ben Tartar (100% Working Interest "WI") and the Adam, Abir and Bochra fields operated by ENI: (ATOG 5% WI). ATOG holds an 80% operated interest along with Tunisia's state oil company, ETAP holding the remaining 20% in the Cosmos concession, located in the Gulf of Hammamet.

As Tende had previously acquired a 10% interest in ATOG this was considered to be a "step acquisition". IFRS3 requires that the value of the initial investment is remeasured at the date of the subsequent acquisition. Management have fair valued the assets and liabilities acquired in ATOG at the time of the acquisition of the remaining 90% interest. The net assets acquired amounted to $8,668,000 and therefore management have remeasured the 10% interest prior to the acquisition at $867,000 (see Note 9), and a loss on remeasurement of $4,885,000 was recognised and the remaining $867,000 was eliminated on acquisition. As the fair value of the assets acquired were greater than the fair value of the liabilities acquired, and the consideration paid was $1, this was considered to be a bargain purchase and a gain on bargain purchase of $8,668,000 has been recognised directly in the Profit and Loss account in the year.

During 2H 2023 ATOG successfully completed a series of low-cost workovers and well interventions at the operated BBT field that more than doubled production and drilled and completed the TT-27 well on time. All activities were completed with zero lost time injuries ("LTI's") and were under budget. The activities were also completed by a wholly Tunisian team, which is a first for the country, justifying Tende's approach of empowering the local team.

One lifting was completed during the year, post the acquisition of ATOG, for 77 kbbls in September 2023. The proceeds of this lifting, in conjunction with gas sales receipts from Société Tunisienne d'Electricité et du Gaz ("STEG"), the Tunisian gas utility company, allowed ATOG to generate a positive operating cashflow during the financial year, before debt servicing

Angola – Acquisition of interests in Blocks 18, 31 and 27

We continued to work with Sonangol and our local joint venture partner Etu in Angola to acquire interests of 8.28% and 10% respectively in the producing Angolan offshore Blocks 18 and 31 and a 25% participating interest in the exploration Block 27. Blocks 18 and 31 are operated by Azule Energy, the combination of BP and ENI's Angolan upstream interests, whilst Block 27 is operated by Sonangol.

Financial Summary

The loss after tax was $48,687,000 in 2023 from continuing operations up from $9,273,000 in 2022, with administrative expenses of $17,792,000 (2022: $4,232,000), excluding share-based payments. Total assets were $126,198,000 in 2023 (2022: $21,410,000), with liabilities of $180,504,000 (2022: $48,739,000) and total shareholder equity was $(37,182,000) (2022: ($19,177,000)).

During the year the Group raised $Nil (2022: $Nil) through convertible loans. Also, during the year, $2,628,000 (2022: $Nil) of historic convertible loans were converted and no (2022: $73,000) interest was repaid during the year. In addition, $68,241,000 (2022: $22,722,000) was raised in non-convertible loans and total repayments of $23,321,000 (2022: $4,650,000) were made in capital and interest during the year.

CHAIRMAN'S & CEO'S STATEMENT AND STRATEGIC REPORT (continued)

The results for the year ended 31 December 2023 reflect the costs incurred to progress the development work on OML65, including the resourcing of the expanded team for the development of the Abura field, the consolidation of the Tunisian onshore operations and ongoing feasibility work on the Tunisian offshore assets and the ongoing process of securing the funding and remaining condition precedents to secure the proposed acquisition of the interests in the producing assets from Sonangol in Angola.

The operating loss for the year amounted to $26,108,00, an increase of $20,009,000 on the year ended 31 December 2022 operating loss of $6,099,000 giving earnings from continuing operations per share of (0.95) cents (31 December 2022: (0.21) cents earnings per share).

Post Balance Sheet Events

Nigeria

Following on from the planning work in 2023, which was completed in 1Q 2024, rigless workovers were conducted on the 8L and 11L wells in 2Q 2024.

Abura 8L was re-entered to a total depth of 11,120ft targeting the 5AB4 reservoir. A linked gun was positioned to perforate the targeted formation. The formation was successfully perforated and initially tested, flowing at over 1,000 bbls/d to surface for over 24 hours. The operational team then proceeded to install sand screens which stopped the hydrocarbons flowing from the 5AB4 reservoir. In light of this it was concluded that Abura 8L will be worked over to a shallower zone during 2025. The 5AB4 reservoir will be scheduled for an up-dip in-fill well based on the Field Development Plan studies carried out during the period.

Abura 11L was re-entered to a total depth of 11,890ft targeting the 1AB1 reservoir, the shallowest undeveloped reservoir in the AB1 group. Following the successful perforation at 11,890ft pressure levels were confirmed; however, on retraction of the perforation gun, work was halted at 11,454ft due to wire line failure. The reservoir potential has been confirmed and a rig is required to complete the workover.

Abura 4L was drilled to a depth of 11,887ftss (12,779ft MD). 4L Producing interval- 2AB4: 10,181-10,185ftss (10,922-10,926 ft MD). OML 65 operations team ran a Gyro to acquire deviation data for studies. Abura Well 4L Job was completed and SCSSV was re-installed and handed over to NEPL Production team and is now flowing to OML 34 Processing Facility

Tunisia

Flowlines have been installed to connect the drilled and completed TT-27 and TT-34 wells at BBT and equipment has been mobilised to the field by a global service provider to frac the wells in late Q4 2024. Once the fracs have been completed, these two wells are forecast to deliver incremental production at the BBT field, bringing total BBT production to c.1,000 boepd.

ATOG also celebrated 10 years of operations at BBT with zero LTIs in July 2024.

The Plan of Development ("PoD") for the appraised Cosmos offshore development field, which describes the field development plan, has been approved by the Board of ETAP. It is anticipated that the final PoD will be submitted before the end of December to the Tunisian authorities for approval.

Whilst significant progress has been made since acquiring 100% of the ATOG Group, there were a number of fundamental areas that needed addressing to enable its sustainability in the near term. Post the year end the Company chose to de-risk its exposure to substantial planned 2025 expenditure of almost $190m, ($17m at BBT, $145m at Cosmos and $27m at Maamoura), and in November 2024, signed a Sale and Purchase Agreement ("SPA") that is subject to the usual Tunisian governmental and regulatory approvals.

CHAIRMAN'S & CEO'S STATEMENT AND STRATEGIC REPORT (continued)

Strategy

The Company's strategy is to acquire and develop valuable and marketable low-risk assets in the Africa E&P arena, working in partnership with asset owners, operators and funding partners.

The Company will continue to appraise opportunities to farm into, acquire and farm-out oil and gas assets which meet our investment criteria and are located in major proven complexes.

Outlook

Nigeria

Following on from the completed well interventions undertaken during 2024, the next steps of agreeing a new Field Development Plan ("FDP") has commenced and will be submitted for agreement with NUPR, the appropriate regulatory body in Nigeria. The new FDP reflects the updated field data and sub-surface study undertaken during 2024 and will also include the potential addition of further production facilities infrastructure which will be capable of handling the incremental hydrocarbon production uplifts from both the planned well intervention activities to date as well as the planned new well programme during 2025-2026.

Whilst several infrastructure improvements have been made during 2024, it is clear to the management team and partners, that although the Abura field has significant recoverable resources, it is reliant on third party processing infrastructure with production tied into third party flow station facilities. The Company is therefore assessing economic next steps to improve the processing efficiencies on the field which will also yield improved processing benefits to neighbouring fields slated for development.

Tunisia

Following the signing of the Sale and Purchase Agreement ("SPA") with a strategic investor in ATOG Group, the Company will have de-risked its Tunisian portfolio.

Angola

Work to conclude the acquisition of interests in Blocks, 18,27 and 31 continues and whilst progress throughout 2024 has not advanced as quickly as the Company would have liked or envisaged, the Company is confident in its ability to draw the transaction to a close in the near future, at which point shareholders will be updated accordingly.

Annual General Meeting

The Notice of Annual General Meeting will be sent in due course.

J Pryde	O.Kuti
Chairman	Chief Executive Officer
20 December 2024	

DIRECTORS' REPORT

The Directors present their annual report together with the audited consolidated financial statements of the Group for the year ended 31 December 2023.

Principal activity

The Group's principal activity is to maintain and grow production from existing producing oil and gas assets, with development and exploration upside, with a focus on North and West Africa.

Domicile and principal place of business

Tende Energy Plc is domiciled in the United Kingdom, which is currently also its principal place of business for corporate operations. The Group's asset operational activities are focused in North and West Africa.

Financial risk management objectives and policies

The Group's principal financial instruments comprise cash and loans. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial instruments such as trade and other receivables and trade payables, which arise directly from its operations. The Group does not enter into derivative transactions.

It is, and has been throughout the year under review, the Group's policy that no trading in financial instruments shall be undertaken. The main risk currently arising from the Group's financial instruments is liquidity risk. The Board reviews and agrees policies for managing this and other risks and these are summarised below.

Liquidity risk
The Group's cash flow has historically been constrained as the Group has developed its business proposition. Consequently, the Board of Directors continually review the cash available to the Group and seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs. Please see note 22 for further details.

Interest rate risk
The Group has not been exposed to significant interest rate risk. As the Group evolves, and in particular with the proposed transaction, this exposure is likely to increase and the Directors will introduce appropriate policies to deal with this risk at that point in time. Please see note 22 for further details.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group reviews the credit risk of the entities with whom it enters into contractual arrangements. Please see note 22 for further details.

The Company maintains directors' and officers' liability insurance which gives appropriate cover for any legal action brought against its directors. In accordance with section 236 of the Companies Act 2006, qualifying third-party indemnity provisions are in place for the directors in respect of liabilities incurred as a result of their office, to the extent permitted by law. Both the insurance and the indemnities applied throughout the financial year ended 31 December 2023 and through to the date of this report.

Going concern

The Directors have prepared cash flow forecasts for the period up to December 2025. The Angolan acquisition has been excluded from these forecasts as it will be subject to separate offtake funding arrangements.

Of the $84,871,000 or current loans outstanding at 31 December 2023, $43,180,000 have been eliminated from the Group's liabilities on the disposal of all of the economic assets and liabilities of ATOG. Repayment of a further $22,334,000 of current loans are now dependent upon the completion of the Angolan acquisition and will be repaid from proceeds arising from the acquisition.

DIRECTORS' REPORT (continued)

The Group secured additional secured loan financing of up to $50m in November 2024. With this funding, the projections indicate that the Group would have sufficient cash to cover liabilities as they fall due in the going concern period. This includes fully repaying all loans and creditors that are outstanding at the present time, when they fall due.

The Directors therefore believe that the Group and parent company will have sufficient cash resources to meet its liabilities as they fall due for a period of at least 12 months from the date that the financial statements are signed. Consequently, the financial statements have been prepared on a going concern basis.

While the group currently has sufficient cash flow to meet its obligations as they fall due within the next 12 months, its ability to continue as a going concern beyond that is dependent on the successful execution of future projects and its ability to raise additional funds as required to either settle existing obligations or fund its projects. These conditions indicate the existence of a material uncertainty that may place greater doubt on the group's ability to continue as a going concern.

Subsequent events

On 3 September 2024, 13,250,000 Ordinary shares of 0.25p were issued in respect of fees totalling £265,000.

On 25 September 2024, 51,500,000 Ordinary shares of 0.25p were issued for cash raising gross proceeds of $1,377,276 (£1,030,000).

As described in the Chairman's & CEO Statement and Strategic Report, in order to de-risk the Tunisian portfolio, in November 2024 the Company signed a Sale and Purchase Agreement that has an effective date of 23 August 2024 and is subject to the usual Tunisian governmental and regulatory approvals, of which the process is underway. Management have reviewed the effect of this transaction on the Group accounts. Should the effective date have been 31 December 2023, the disposal would have had a positive effect on the Statement of Financial position for the Group, and management expect the impact on the effective date to be positive also.

Directors

The current membership of the Board and those directors who served during the year is set out below. There were no changes during the reported year, though post the year end Mark Henderson resigned on 15 April 2024.

J Pryde
O Kuti
M Henderson (resigned 15 April 2024)
S Hawkins
T Hayward

Payment to suppliers

It is the Group's policy to agree on appropriate terms and conditions for its transactions with suppliers by means ranging from standard terms and conditions to individually negotiated contracts and pay suppliers according to agreed terms and conditions, provided that the supplier meets those terms and conditions. The Group does not have a standard or code dealing specifically with the payment of suppliers.

Principal risks and uncertainties

The Group's overall approach to risk management is to employ suitably skilled personnel and implement appropriate policies and procedures. The risks we face have evolved over the course of the year as the business has developed and external factors have impacted the environment in which we operate.

Responsibility for reviewing the system of Risk Management rests with the Audit Committee of the Board, which has reviewed and approved the measures that are being taken to mitigate the most significant risks.

The principal risks faced by Tende during 2023 relate to strategic risks associated with the growth of the organisation and the economic climate together with liquidity risk given the lack of income.

DIRECTORS' REPORT (continued)

Exploration Risk
Exploration activities can be capital intensive and may involve a high degree of risk. Thus, budgets are produced by experienced individuals and reviewed to ensure best practice exists. Exploration programmes are approved by the Board.

Oil Price Risk
The oil price is subject to market conditions which are outside of the Group's control. The decision to invest in any oil drilling will be made based on the latest actual and forecasted oil prices and approved by the Board.

General Country Risks
The Company's operations, financial condition and operating results are exposed to various levels of political, economic and other risks and uncertainties over which it has limited or no control, currently in Nigeria and Tunisia and prospectively in Angola. These risks and uncertainties vary and can include, but are not limited to: currency exchange rates; rates of inflation; terrorism; war; labour unrest; border disputes between countries; renegotiation or nullification of existing concessions, licences, permits and contracts; bribery and corruption; changes in taxation policies; restrictions on foreign exchange; changing political conditions; currency controls and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. Future political actions cannot be predicted and may adversely affect the Company.

Health, Safety, Security and Environment
Tende is fully committed to ensuring the health, safety and security of all personnel who are directly involved in, or affected by, the Group's operations and full compliance with environmental legislation and standards. As part of this commitment, the Group reviews the HSS&E policies and procedures on a regular basis, integrated with the Group Safety Management System (SMS) to ensure full compliance with industry 'best practice', and international and local rules and regulations.

Environmental compliance and management of it is a priority and the Group is committed to ensuring that all the appropriate steps are taken to ensure any environmental impacts resulting from the Group's operations are kept to a minimum. Consistent with international and local requirements, Tende conducts Environmental and Social Impact Assessments ('ESIAs') and ensures that environmental approvals from the relevant authorities are in place prior to embarking on any new projects.

Loss of key employees
Loss of knowledge and skills to the Group in particular countries of operation are a key risk. In response to this risk, remuneration policies are designed to incentivise, motivate and retain key employees.

Taxation and other legislation changes
Operating in developing countries has the additional risk of significant changes in taxation legislation on oil field profits or other legislation. Maintenance of good open working relationships with local authorities in the countries of operation is therefore critical.

Inflationary environment
Rising costs are a risk to the business, but likely to be more than offset by the rise in oil prices.

Climate Related Risk Analysis Summary

The climate-related risks and opportunities have been assessed are represented in the table below over the periods of short, medium and long term defined as follows:

Short term:	to 2025
Medium term:	to 2030
Long term:	post 2030

DIRECTORS' REPORT (continued)

Related Risks	Time frame	Potential Financial Impact	Mitigation
Regulatory & Legal			
Potential to increase and introduce GHG pricing to our countries of operation or non-operating areas.	Short to medium	Increased operating costs brackets higher compliance costs, increased insurance premiums, increased Opex and Capex.	Monitoring of policy and legislation developments on a country by country basis is an ongoing process and where changes take place they will drive our decisions on the ground without operating partners.
Increased focus on emissions reporting obligations.	Short to medium	Increased administration operating costs: resourcing of third-party consultancy costs on a project-by-project basis and country-by-country basis.	We have adopted long term view that all companies will be required to monitor emissions on the one of the climate monitoring structures - we also recognise that individual countries will be looking at mandatory reporting across a range of metrics to report climate related risk mitigation. Our ongoing process of understanding our emissions profile across the group will result in the evolution of a regular reporting structure over our missions and all social footprint in each of our areas of operation.
Country by country litigation exposure.	Medium	Increased legal costs relating to any possible future breach on in-country regulatory reporting requirements or categorised operational event; e.g. polluting event. Potential for licence costs including increases or write-offs, changes to development plans on a country-by-country basis	We are committed to reporting and communications of emissions, climate risks and safety across all of our operations. Our reporting process will become increasingly transparent in line with their associated targets where we have operational control and also working with partners on non-operated assets to report appropriate data across emissions, social and safety aspects in each country.
Market changes			
Volatility in global market conditions	Short to Long	Inevitably market trading conditions across international markets can be volatile due to ge0-political risks, international financial markets and therefore cost of capital.	The energy transition is likely to entail wildly fluctuating energy prices and service industry costs, to an extent not seen for several decades. In this context, it is important to create long-term planning objectives and then to manage the price and cost cycle opportunities that arise.
Increasing input costs	Short to Medium	Potential increases in input costs such as raw materials and/or reliability of secure supply of raw materials.	As a production, development and exploration company in oil & gas, we factor opportunities to reduce energy consumption, reduce emissions, and ensure regulatory compliance into our capital budget.
Evolving end-user conditions and behaviour	Long term	Increasing end-user demands.	Reduced demand and price outlook for fossil fuels has the potential to impact overall value. Our strategy has always been to operate as a reputable participant in the market and we continue to develop the framework of our understanding of climate change

			and the meaningful actions that we can undertake to minimize emissions and the carbon footprint across all group operations.
Technical Advancements			
Future innovations in the market which provides I more effective substitution of existing products and services which have lower emissions	Medium to long term	Write offs and early retirement of existing operational assets	There are constant innovations in the energy supply market dash with investments ever increasing levels into renewable energies and resources on an international basis such as wind, solar, hydro and nuclear stop the IEA recently reported meaningful investment across all forms of renewable energy sources and we continue to review potential use of gnu energy sources for future development programmes stop also worth noting that for so few consumption on a global basis remains at all time highs. Our focus remains to operate as famous responsible producer of energy resources we continue to monitor most efficient ways to decarbonize our operating footprint as a business look too future investment programmes and how to best invest new capital to decarbonize our overall foot emissions footprint.
Increasing costs of lower emissions technologies available for the transition to net 0	Medium to long term	Increases in capital investment programmes for gnu technology developments available in the market in the future	We continue to review all potential technical advancements and the relative benefits to reduce future carbon footprint across all of the group's operations.
Sentiment & Reputation			
Increasing stakeholder concern regarding emissions capabilities slash reduction	Medium to long term	Increasing pressure on funding providers I'm willing to finance future projects and increasing financing costs as a result therefore restricting new opportunities and resulting in lower growth in the future	We constantly monitor potential impact on the value of supply and demand or funding costs and therefore future criteria around investing in new projects in Africa stop we continue to monitor input financing costs balancing with overall costs she developments of projects.
Decreasing investor sentiment in the sector	Medium to long term	Shrinking pool of investors dash institutions who cannot invest in oil and gas leading to loss of company value through sector re rating and declining share prices and overall values	Constant monitoring of sector funding availability and future planning for climate related mitigation targets an increasing transparency all the emissions mitigation future solutions.
Shifting trends and consumer demands and preferences	Long term	Reduced revenue from decreased demand for fossil fuel supply to the end user markets	In line with the IES future forecasting for demand in end user consumption the company believes that oil and gas will continue to play an important role within the energy sector for a number of decades to come.
Associated risks with operators	Medium term	Complexities of working in partnerships with car set owners and operators	We continue to recognise the importance of our responsibilities regarding future decarbonization objectives across the group and also in

			working with partners to determine appropriate objectives across all operating assets.
Climate Change Physical Risks			
Potential for increasing extreme weather conditions and events	Medium to long term	Reduced revenue as a result of an extreme weather event resulting in production delays and interruptions	We undertake an ongoing process of reviewing support and investment requirements across all of our facilities where we operate and jointly operate assets. Our projects are located in Africa where predominantly onshore and offshore conditions or in line with our expectations orbit we are constantly aware of the potential for one off acute impact to our physical assets in each country - whether operated or non-operated where we maintain very strong working relationships on the ground.
Rising temperatures	Medium to long term	Overall increase in operating costs	Potential for supply chain disruption on a global basis which at this stage is more challenging to forecast. Current operating division conditions in each of our areas of operation and joint ventures or the experience relatively high operating temperatures. Therefore, the prevailing operating additions do not adversely affect people and operating assets under present or forcing operating conditions.
Rising sea levels	Long	Potential for future write offs and or early retirement of on the grounds operating assets/requirement to relocate assets and people two alternate operating geographies	Currently we do not expect any of the company's operating areas to be at risk from rising sea levels during the current foreseen durations of operation.

DIRECTORS' REPORT (continued)
Directors' Responsibilities Statement

The Directors are responsible for preparing the Group's Annual Report and the company 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 Consolidated financial statements in accordance with UK-adopted international accounting standards ("IFRS") and to prepare the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice "United Kingdom Accounting Standards and applicable laws", including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Directors must not approve the financial statements unless they are satisfied they give a true and fair view of the state of affairs and profit or loss of the company and 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 estimates that are reasonable and prudent;
- state whether applicable UK-adopted international 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.

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 Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that:

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

PKF Littlejohn LLP has expressed willingness to continue in office. In accordance with section 489(4) of the Companies Act 2006, a resolution to reappoint PKF Littlejohn LLP will be proposed at the Annual General Meeting.

BY ORDER OF THE BOARD

S Hawkins
Company Secretary
20 December 2024
Company Number: 05181462

CORPORATE GOVERNANCE

The Company is not required to include its Corporate Governance Statement as it is not listed but has opted to do so. Certain disclosures may not have been included as they are not considered relevant at the current time.

The Board recognises the importance of good corporate governance and has adopted the QCA (Quoted Companies Alliance) Corporate Governance Code.

The QCA Code sets out 10 principles that should be applied. These are listed below together with a short explanation of how the Company applies each of the principles:

Principle One
Establish a strategy and business model which promote long-term value for shareholders

Tende's strategy focuses on lower risk reserves with prior and/or near term or current production and/or proven engineering. It is intended to build a range of near producing and producing oil and gas assets which will also benefit from additional development and appraisal upside.

- The Nigerian and the proposed Angolan onshore and offshore fields provide a petroleum geology with a proven track record of development and production.
- Tende's management team and JV partners are supported by a team of world-class service providers, mitigating completion and operating risk.
- Credit risk is mitigated by a tight deal structure and high-grade offtakers.
- Sovereign risk is mitigated both by deal structure and insurance (as available).

Principle Two
Seek to understand and meet shareholder needs and expectations

The Board and its advisers remain ever diligent to the requirements and expectations of the Company's shareholders and discuss and assess the key areas on a regular basis in line with best practice. The Company ensures that information is shared in an appropriate and timely manner. Institutional shareholders and analysts have the opportunity to discuss issues and provide feedback at meetings with the Company and all shareholders are encouraged to attend the Company's Annual General Meeting. It is notable that whilst the Company remains in a phase of development that effective communication is often challenging given the requirements of best practice disclosure and the commercial sensitivities of the business and its current and potential future commercial partners. Investors can also communicate with the Company via email on ir@tendeenergy.com.

Principle Three
Take into account wider stakeholder and social responsibilities and their implications for long term success

The company has identified its major stakeholders as being:

Internal	–	Employees and consultants in UK, Dubai & Africa
External	–	Partners/co-owners
		Key Suppliers
		Customers
		Financial advisors and backers
		Regulators

The Board has regular contact with all its stakeholders, and feedback is considered on a continuous basis by management. Due to the fast-moving operational phase minor changes to our planned work streams are implemented on a daily basis.

CORPORATE GOVERNANCE (continued)

Tende and its subsidiaries and associates have a corporate responsibility to operate as safely as possible and to support the local communities and landscape. Through employing locally and working to provide benefits to the local communities, Tende aims to become an asset to the local areas. Tende adheres to a Community Relations Policy which aims to benefit the local communities. We believe that good community relations will aid Tende to deliver shareholder value. Corporate Social Responsibility can; create consumer trust and increase sales; create employee morale and attract employees.

Principle Four
Embed effective risk management, considering both opportunities and threats, throughout the organisation

Risks and their respective mitigation may be summarised as follows:

Completion Risk: All drilling and related services are provided by experienced, world-class service providers under turnkey contracts, minimizing financial risk to Tende and its partners.

Dry-hole Risk: Minimal. The Tunisian and Nigerian assets are producing fields and/or have been drilled and flowed and will be subject to further development wells.

Operational Risk: Strong service providers.

Experienced management, with individual project teams having substantial experience of relevant assets in Tunisia and Nigeria.

Repayment Risk: The direct source of repayment will be the cash flows coming from the offtaker

- Payments from offtaker will flow into a Collection Account under the control of a Trustee/Admin Agent.
- Debt service payments by Trustee/Admin Agent made directly to lenders, not through Tende.
- Cash cost recovery is prioritised and overall cash waterfall is administered by Tier One international bank.

Commodity Price Risk: Oil prices can be hedged under the offtake contracts, however, no hedging has taken place within the Group during the current or prior year.

Market Risk: Firm offtake contracts eliminate market risk.

Health, Safety and Security:

- Nigeria Onshore Security and Emergency Management Response managed by COPDC JV.

Convertibility and Transfer Risk: OML 65 FTSA confers strong protection against Nigeria risk. Full crude marketing rights and Abura field located adjacent to existing infrastructure.

Sovereign Risk: Mitigated by the transaction structure and economic imperative for continued oil exports.

Principle Five
Maintain the board as a well-functioning, balanced team led by the chair

Board Composition
The Board is aware that it does not conform to good Corporate Governance recommendations in relation to the diversity of its board. The Board plans to add an additional Non-Executive Director to the Board and will make all reasonable endeavours to ensure greater Board diversity as per good Corporate Governance recommendations.

As the company grows and the size of the board increases the Company intends to rectify this. Our senior management team is drawn from diverse backgrounds throughout the world.

The Company supports the concept of an effective board leading and controlling the Company. The Board is responsible for approving Company policy and strategy. It meets on a regular basis and has a schedule of matters specifically reserved to it for decision. Management supply the Board with appropriate and timely information and the Directors are free to seek any further information they consider necessary. All Directors have access to advice from the Company Secretary and independent professional advice at the Company's expense.

CORPORATE GOVERNANCE (continued)

The Board consists of two executive and two non-executive Directors, who bring a breadth of experience and knowledge. This provides a balance whereby the Board's decision making cannot be dominated by an individual. The Chairman of the Board is Mr Jack Pryde.

Evaluating board performance against primary objectives

The Board recognises that its primary objective is to ensure it delivers shareholder value in the medium to long term. In addition to this it recognises that individual Board members and committees have various responsibilities and objectives. At this stage of development, the Company has not identified criteria against which the Board, committees and individual Directors are measured although, in line with the Company's corporate culture and its strategy, it makes best efforts to operate in an ethical and honest manner with all of its employees, operational and funding partners, asset co-owners and other stakeholders at all times and continue to strive to be innovative and efficient in delivering value for shareholders and other stakeholders in the business.

Board disclosures

The executive-directors each work in excess of 35 hours per week for the company, and the non-executive directors are expected to work 8 hours per month on average. The two non-executive directors are considered to be independent. Their minor interests in shareholdings and the company's share option scheme are not considered to be an impediment to their independent status.

The Board of Directors holds scheduled Board meetings approximately four times per year plus such other ad hoc meetings as are deemed necessary to deal with urgent business matters. All the necessary information is supplied to the Directors on a timely basis to enable them to discharge their duties effectively. At Board meetings, there is a formal schedule of matters reserved for consideration by the Board and other matters are delegated to Board committees.

The Board is responsible for leading and controlling the Company and in particular for formulating, reviewing and approving the Company's strategy, budget, major items of capital expenditure, acquisitions and senior personnel appointments.

Below shows the number of board and committee meetings held during the year, together with the attendance records. The business of the Nominations Committee was carried out during regular Board meetings during 2023.

	Scheduled Board	Ad-hoc Board	Audit Committee	Remuneration Committee	Nominations Committee
Number attended					
J Pryde	4	16	-	-	-
O Kuti	4	16	-	-	-
M Henderson	4	16	-	-	-
T Hayward	4	16	2	2	-
S Hawkins	4	16	2	2	-
Total number held	4	16	2	2	-

Internal control

The Board is responsible for maintaining a strong system of internal control to safeguard shareholders' investment and the Group's assets and for reviewing its effectiveness. The system of internal financial control is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

CORPORATE GOVERNANCE (continued)

The Board has considered the need for an internal audit function but has decided the size of the Group does not justify it at present. However, it will keep the decision under annual review.

Principle Six
Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities

Members of the Board

Jack Pryde, Chairman
Mr Pryde, is a Chartered Certified Accountant and has held various senior management positions in the investment banking industry. He is a former director and head of corporate finance at Henry Ansbacher & Co. and a former Vice President of corporate finance at Canaccord Capital. He left Jefferies International as director of equity capital markets in May 2010. He has extensive experience of advising companies in the resources and energy sectors. He has been the Chairman of Tende since March 2011.

Jack encourages ideas and opinions from all Board members and maintains a very open dialogue with senior management, always encouraging open-mindedness across all employees. He keeps abreast of regulatory changes affecting AIM listed companies as well as changes to disclosure regulations and international accounting standards with regard to the Company's financial statements. He also brings excellent personal skills and experience when working and liaising with employees and the Company's broad range of other stakeholders.

Olukayode Olufemi Kuti, Chief Executive Officer
Mr Kuti, obtained a BA from Duke University, USA. He studied Economics & Psychology and also received a Markets and Management Certificate. Since University he has worked as an Investment Advisor for a South African investment fund, Huxton Capital. He was instrumental in the formation and structuring of the Company's contact base in Nigeria and has responsibility for maintenance of those relations. He has been the CEO of Tende since September 2013.

Toby Jonathan Hayward, Non-Executive Director and Senior Independent Director
Mr Hayward, is a chartered accountant and has been an investment banker since 1984. He was a director of corporate finance at Singer & Friedlander Limited and Henry Ansbacher & Co. Limited before becoming Head of Oil and Gas Equity Capital Markets at Canaccord Adams. He joined Jefferies International Limited as a managing director in 2005 with responsibility for the UK Equity Capital Markets and listed clients in the exploration and production sectors. He also undertook nominated adviser responsibilities. He left Jefferies in June 2008 to concentrate on a number of private initiatives. He has also previously held the positions of chairman and non-executive director at Severfield plc and Non-executive director and interim CEO at Afren plc.

Toby has experience of running UK-listed company boards and is a senior independent member of the Tende Energy Plc Board. He is also Chairman of the Remunerations Committee. He is very experienced in the UK market regulatory environment both AIM Rules for Companies, UKLA and the latest disclosure obligations under the European Market Abuse Regulations (MAR) designed to provide a uniform and transparent legal framework of investor protection across EU capital markets.

Simon John Lindsay Hawkins, Non-Executive Director and Company Secretary
Mr Hawkins, has over 30 years of experience in oil and gas finance, having worked in both the industry and in investment banking, and had nine years' international experience with the Royal Dutch Shell group of companies in London, The Netherlands and Nigeria, he became a director and equity analyst at UBS, Dresdner Kleinwort, Ambrian Partners, MF Global and N+1 Singer. After two years at Afren plc, where he was the global head of investor relations, Mr Hawkins served on the board at Tende. He is a member of the Chartered Institute of Public Finance & Accountancy, holds a BSc Econ (Hons) in Economics from the University of Wales and a postgraduate certificate in Oil and Gas Financial Management from the University of North Texas. Mr Hawkins was ranked number one by Thomson Extel for his coverage of European Gas while at UBS.

Having developed considerable experience in both the oil and gas industry and the financial markets, Simon has a calm and measured approach which he brings to the Board. He has a strong sense of creativity, but at the same time he is uncompromising in choosing the right path in difficult circumstances. He keeps up to date with AIM Rule changes and UK Companies law as part of his role as Company Secretary and NED.

CORPORATE GOVERNANCE (continued)

Principle Seven
Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

Board Performance
The Board recognises that its primary objective is to ensure it delivers shareholder value in the medium to long term. In addition to this it recognises that individual Board members and committees have various responsibilities and objectives. At this stage of development, the Company has not identified criteria against which the Board, committees and individual Directors are measured although, in line with the Company's corporate culture and its strategy, it makes best efforts to operate in an ethical and honest manner with all of its employees, operational and funding partners, asset co-owners and other stakeholders at all times and continue to strive to be innovative and efficient in delivering value for shareholders and other stakeholders in the business.

External Advisors
The Board and its committees obtain advice from the following external sources:
PKF Littlejohn LLP (audit committee)
Fladgate LLP (legal advice to both Board and committees)
Allenby Capital Ltd (providing advice regarding relisting to both Board and committees)
Separate transaction advisors are used as appropriate.

Principle Eight
Promote a corporate culture that is based on ethical values and behaviours

The Company's ethos is to provide a working environment which promotes innovation and efficiency whilst also being mindful of the core values of honesty, empathy and commitment, which the Company makes best efforts to support with each member of the Tende team. In addition, the Company always looks to support the personal and professional progression of each member of the team where it is able to do so.

This ethos is replicated with the Company's operational partners, co-owners and funding partners, where the Company's policy is committed to a working ethos that is both innovative and productive for each stakeholder working in partnership with the Company.

As yet at early stages in its development, the Company's corporate culture will also be translated into the community-based projects that it commits to in the future.

Principle Nine
Maintain governance structures and processes that are fit for purpose and support good decision-making by the board

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

The Chairman's primary responsibility is in maintaining an effective Board. Management of the Company's day to day operations and communications with stakeholders and shareholders are delegated by the Board to the Executive Directors and Senior Management. Other role delegations are discussed below. However, it is the responsibility of the whole Board to continuously monitor the governance structure, particularly at points of significant change in the business, to ensure that the structure remains fit for purpose.

As the Company grows the Board will be diligent as to the balance between its Corporate Governance framework and the Company's strategic growth plans and always aims to maintain a degree of balance so that achieving growth in line with the strategy can sit comfortably alongside the Company's corporate culture and ethos.

The Board has established subcommittees of the Board, comprising an Audit Committee, a Remuneration Committee and a Nominations Committee.

CORPORATE GOVERNANCE (continued)

Audit Committee
The Audit Committee comprises Simon Hawkins (Chairman) and Toby Hayward. The Audit Committee meets at least half yearly and will be responsible for ensuring that the financial performance of the Group is properly monitored and reported on, as well as meeting the auditors and reviewing any reports from the auditors regarding accounts and internal control systems.

As the Company is not listed, the Directors do not feel that a full audit committee report is relevant. The Audit Committee considered the significant issues raised in the report of the auditor below on pages 26-28, and the significant estimates, judgements and risks considered are discussed on pages 41-42 of this report. As a result of Grant Thornton LLP no longer having a specialist Oil & Gas team, the Audit Committee have appointed PKF Littlejohn LLP as auditors for the Company for the year ended 31 December 2021, and have no plans to retender in the near future.

Remuneration Committee
The Remuneration Committee comprises Toby Hayward (Chairman) and Simon Hawkins. The Remuneration Committee meets at least twice a year and has as its remit the determination and review of, amongst other matters, the remuneration of Executive Directors and any share incentive plans adopted, or be adopted, by the Company.

The Remuneration Report is shown below.

Nominations Committee
The Nomination Committee, chaired by Jack Pryde, and is joined by Toby Hayward and Simon Hawkins, non-executive directors, deals with succession planning, and additions to the Board. Due to the current size of operations, it meets on an ad hoc basis when necessary.

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

The vast majority of our shareholders are retail investors, and we seek to engage with them at our Annual General Meetings, where the Directors are available to answer questions. The company is also available to discuss any issues shareholders may have between AGMs. Shareholders can also communicate with the Company via email on ir@tendeenergy.com.

The Board continually evaluates the most effective ways of engaging with its shareholders, whilst at the early stages, and particularly during times of little or no news flow, shareholder engagement has been challenging given the inherent commercial sensitivities of the Company's commercial discussions, and as the company grows it will consider creating shareholders' forums to meet on a regular basis and as budgets permit to increase the functionality of the Company's website.

CORPORATE GOVERNANCE (continued)

Tende Energy: Section 172 statement

The Directors have acted in a way that they considered, in good faith, to be most likely to promote the success of Tende Energy Plc for the benefit of its stakeholders, and in doing so had regard, amongst other matters, to:

- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly between members of the Company.

In the Chairman's Statement and Strategic Report sections of this Annual Report, the Company has set out its strategy, and the actions that have resulted both during 2023 and post year end.

The Company interacts with a variety of stakeholders important to its success including finance providers, equity investors, the management of COPDC and operational and technical partners to OML 65, NEPL and NNPC, ATOG and its co-stakeholders, where relevant, and all relevant regulatory bodies. In addition, advisors to the Company, employees and suppliers. The Board does engage directly with certain key stakeholders on certain issues on a regular basis at the operational level, particularly in-country with operational and technical partners.

The Company will be working with its asset and operational partners across a range of sustainability projects designed to benefit the relevant localities of the operations. Tende Energy's aim is also to actively support local indigenous companies wherever possible in its areas of operation, working with local and national partners which can sustainably support local community projects.

The Company strives to strike the right balance between engagement and communication. Furthermore, the Company works within the limitations of what can be disclosed to the various stakeholders with regards to maintaining confidentiality of market and/or commercially sensitive information.

Who: Key Stakeholder Groups	Why: why is it important to engage this group of stakeholders	How: how Tende engaged with the stakeholder group and outcomes
Equity Investors and Business Partners	Access to capital is of vital importance to the Group to ensure long-term success.	The Board engages with investors at the AGM, through news releases on the website, and maintains regular dialogue with key investors, and business partners.
Workforce	The Group's long-term success is predicated on the commitment of our workforce to our vision and the demonstration of our values on a daily basis.	The Directors ensure that regular communication takes place with all employees and consultants, and has in place long-term incentive schemes.
Key suppliers and Advisors	A good relationship with key suppliers is essential to ensure timely supplies so as to not interrupt operations. Key advisors are essential to ensure we maintain good governance in all areas.	Regular communication takes place with all key advisors and suppliers. The Group has not experienced any problems with suppliers or corporate governance issues during the year.

CORPORATE GOVERNANCE (continued)

Key decisions taken and other factors encountered through the period and post year end are as follows:

Area of Engagement	Detail	Mitigation
Governmental Bodies	The Group formerly maintained licences indirectly in Tunisia, and no longer holds any licences indirectly. In Nigeria, the Company supports its partners in any regulatory dialogues.	The Group maintains a dialogue and keeps up to date with any changes in requirements. The Group has had no problems in this regard.
ATOG	Agreement for the acquisition of the 90% shareholding in ATOG. Post the year end, a decision was made to divest this holding to a third party.	Following a reorganisation the Company decided to de-risk its exposure to this investment and has now a remaining royalty agreement in place and a result of this action removed the incumbent debt exposure and a resulting positive effect to the Group's balance sheet.
OML 65	Acquired 30% of COPDC JV in 2022 to operate the producing OML 65 block with multiple development prospects under a 15-year agreement to operate and develop OML 65.	Strong partnership with COPDC, leading JV in Nigeria. OML65 provides the Company with a significant runway of future production with approved work programme.
OML 65 Development funding	Funding is in place to support the capex programme in first phase of development of OML 65. A senior funding facility is in place of up to $200m with Trafigura.	Tier One funding partner aligned with the development of this strategic asset. Company has put in place very strict financial controls over cash waterfall from operations.
Non-operated interests in Angola	Proposed non-operated interests in Blocks 31, 18 and 27 in Angola	Proposed interests meet with Company's strategy to build portfolio of producing and development assets in partnership. Asset operated by global supermajor JV Company, Azule.
Capital liquidity	Prudent tactical fundings were undertaken during the period to maintain appropriate levels of working capital during the period.	Active management of Company's financial resources, budgeting and general administration expenses has resulted in cash generation.

REPORT ON REMUNERATION

Directors' remuneration

The Board recognises that Directors' remuneration is of legitimate concern to shareholders and is committed to following current best practice. The Group operates within a competitive environment and performance depends on the individual contributions of the Directors and employees. The Remuneration Committee used independent executive remuneration consultants to advise them on appropriate levels of remuneration and an executive bonus scheme for the business, which is in line with its peer group.

Policy on executive Directors' remuneration

The policy of the Board is to provide executive remuneration packages designed to attract, motivate and retain Directors of the calibre necessary to maintain the Group's position and to reward them for enhancing shareholder value and return. It aims to provide sufficient levels of remuneration to do this, but avoid paying more than is necessary. The remuneration will also reflect the Directors' responsibility and contain incentives to deliver the Group's objectives. Remuneration may comprise of basic salary, bonuses, benefits and longer term incentives such as share options. The Remuneration Committee considers the appropriate balance of the above for each director, taking into account the relevant factors at each review. The Company’s Remuneration Committee comprises T Hayward (Chairman) and S Hawkins. The Remuneration Committee meets at least twice a year and has as its remit the determination and review of, amongst other matters, the remuneration of Executive Directors and any share incentive plans adopted, or be adopted, by the Company.

The Directors are remunerated in Sterling and the below table reflects the GBP amounts paid.

	J Pryde £	O Kuti £	M Henderson £	S Hawkins £	T Hayward £	Total £
Short-term employment benefits:						
Year to 31 December 2023						
Salary and fees	220,000	350,000	232,954	62,500	65,000	**930,454**
Bonus (currently unpaid)	90,750	144,375	99,000	-	-	**334,125**
Ex-pat living allowance	-	122,500	101,500	-	-	**224,000**
Benefits in kind	12,130	28,109	8,380	-	-	**48,619**
Pension contributions	11,000	-	-	3,275	3,411	**17,686**
Share based payments	64,629	106,867	69,539	5,772	5,772	**252,579**
Total	**398,509**	**751,851**	**511,373**	**71,547**	**74,183**	**1,807,463**
Employers NI	**42,029**	**363**	**349**	**7,483**	**7,833**	**58,057**
Year to 31 December 2022						
Salary and fees	132,917	189,583	148,315	53,333	55,833	**579,981**
Bonus	120,000	250,000	75,000	-	-	**445,000**
Ex-pat living allowance	-	122,500	84,000	-	-	**206,500**
Benefits in kind	11,048	3,015	3,746	-	-	**17,809**
Pension contributions	2,127	-	440	1,321	1,321	**5,209**
Share based payments	40,854	105,054	35,018	23,847	23,847	**228,620**
Total	**306,946**	**670,152**	**346,519**	**78,501**	**81,001**	**1,483,119**
Employers NI	**34,898**	**1,535**	**5,343**	**6,331**	**6,690**	**54,797**

REPORT ON REMUNERATION (continued)

The USD equivalent remuneration of the Directors was as follows:

	J Pryde	O Kuti	M Henderson	S Hawkins	T Hayward	Total
	$	$	$	$	$	$
Short-term employment benefits:						
Year to 31 December 2023						
Salary and fees	274,414	436,568	302,612	77,959	81,077	**1,172,630**
Ex-pat living allowance	-	148,875	124,366	-	-	**273,241**
Benefits in kind	15,116	34,781	10,390	-	-	**60,287**
Pension contributions	13,721	-	-	4,075	4,244	**22,040**
Share based payments	80,583	133,220	86,712	7,157	7,157	**314,829**
Bonus (currently not paid)	115,537	183,810	126,041	-	-	**425,388**
Total	**499,371**	**937,254**	**650,121**	**89,191**	**92,478**	**2,268,415**
Employers NI	**52,727**	**445**	**427**	**9,329**	**9,765**	**72,693**
Year to 31 December 2022						
Salary and fees	134,683	231,449	182,790	65,699	68,779	**683,400**
Bonus	145,166	306,342	91,694	-	-	**543,202**
Ex-pat living allowance	-	146,712	101,498	-	-	**248,210**
Benefits in kind	13,721	3,742	4,447	-	-	**21,910**
Pension contributions	2,603	-	578	1,628	1,628	**6,437**
Share based payments	50,944	130,999	43,666	29,898	29,898	**285,405**
Total	**347,117**	**819,244**	**424,673**	**97,225**	**100,305**	**1,788,564**
Employers NI	**40,747**	**(167)**	**7,032**	**8,192**	**7,753**	**63,557**

No amounts are due but undrawn in respect of directors' remuneration and National Insurance as at 31 December 2023 or 31 December 2022. The bonuses for 2023 were undrawn but not due for payment until after the Financial Statements are signed.

Pensions
The Group makes pension contributions on behalf of the Directors, as required under law.

Benefits in kind
The Group provides medical and dental insurance to certain Directors, and additional benefits to Directors located abroad.

Bonuses
Bonuses paid in 2023 were in respect of a bonus scheme set up for 2023, in respect of personal performance and achieving specified objectives. These bonuses are unpaid at the time of signing the accounts. Bonuses paid in 2022 are shown in the table above which include an additional service payment to executive directors on the successful completion of the OML65 transaction in November 2022. These payments recognise the accumulated length of service to the Company and compensate for the discounted salaries, relative to market averages, that the executive directors have been paid since their respective appointments.

REPORT ON REMUNERATION (continued)

Notice periods
O Kuti and J Pryde have a six month rolling notice period and all other Directors have three month rolling notice periods.

Share option incentives
At 31 December 2023 the following share options were held by the Directors.

	Date of grant	Exercise price	Number of options
J Pryde	8 December 2020	0.50p	70,000,000
O Kuti	8 December 2020	0.50p	180,000,000
M Henderson*	8 December 2020	0.50p	60,000,000
T Hayward	8 December 2020	0.50p	25,000,000
S Hawkins	8 December 2020	0.50p	25,000,000
J Pryde	1 January 2023	0.25p	16,500,000
O Kuti	1 January 2023	0.25p	26,250,000
M Henderson*	1 January 2023	0.25p	18,000,000

Since the year end the following share options have been granted to Directors.

J Pryde	1 January 2024	0.25p	13,200,000
O Kuti	1 January 2024	0.25p	21,000,000
M Henderson*	1 January 2024	0.25p	17,400,000

*M Henderson resigned as a Director on 15 April 2024, but remains an employee of the Group.

For each director, 50% of the options granted on 8 December 2020 were exercisable on the acquisition of our interest in ATOG in June 2021, 25% were exercisable in June 2022 and the remaining 25% were exercisable in June 2023.

The share options issued on 1 January 2023 are subject to the following exercise conditions:

- If the Price for the Shares grows from the Base Value of 2p by at least 20% (but by less than 25%) per annum over the three-year period ending 31 December 2025 then one quarter of the Option Shares shall become Vested Option Shares.
- If the Price for the Shares grows from the Base Value by at least 25% (but by less than 30%) per annum over the three-year period ending 31 December 2025 then one half of the Option Shares shall become Vested Option Shares.
- If the Price for the Shares grows from the Base Value by at least 30% per annum over the three-year period ending 31 December 2025 then all the Option Shares shall become Vested Option Shares.
- If the Price for the Shares does not grow from the Base Value by at least 20% per annum over the three-year period ending 31 December 2025 then the Option shall lapse and cease to be exercisable.

The share options issued on 1 January 2024 are subject to the following exercise conditions:

- If the Price for the Shares grows from the Base Value of 2.5p by at least 20% (but by less than 25%) per annum over the three-year period ending 31 December 2026 then one quarter of the Option Shares shall become Vested Option Shares.
- If the Price for the Shares grows from the Base Value by at least 25% (but by less than 30%) per annum over the three-year period ending 31 December 2026 then one half of the Option Shares shall become Vested Option Shares.

REPORT ON REMUNERATION (continued)

- If the Price for the Shares grows from the Base Value by at least 30% per annum over the three-year period ending 31 December 2026 then all the Option Shares shall become Vested Option Shares.
- If the Price for the Shares does not grow from the Base Value by at least 20% per annum over the three-year period ending 31 December 2026 then the Option shall lapse and cease to be exercisable.

No options held by Directors were exercised or cancelled during the year.

The Company is not currently listed on a recognisable exchange so the share price movement during the year has not been disclosed.

As the Company has not traded and is not listed, the Remuneration Committee do not feel that it is relevant to include further information in the Remuneration Report.

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Tende Energy plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2023 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Balance Sheet, the Consolidated and Parent Company 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 UK-adopted international accounting standards for the group and applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), for the parent company.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2023 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to the going concern note in the accounting policies on page 33 in the financial statements, which indicates that while the group currently has sufficient cash flow to meet its obligations as they fall due within the next 12 months, its ability to continue as a going concern is dependent on the successful execution of future projects and its ability to raise additional funds as required to either settle existing obligations or fund its projects. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

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

INDEPENDENT AUDITOR'S REPORT (continued)

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the group and parent company 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 and parent company financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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:

- We obtained an understanding of the group and parent company 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 discussion with management, industry research and our expertise in the sector.

INDEPENDENT AUDITOR'S REPORT (continued)

- We determined the principal laws and regulations relevant to the group and parent company in this regard to be those arising from the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice ("UK GAAP") for the parent and International Financial Reporting Standards for the United Kingdom ("UK-IFRS") for the group and the operating terms set out in the exploration licences, as well as local laws and regulations.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent company with those laws and regulations. These procedures included, but were not limited to:
  - *enquiries of management; and*
  - *review of minutes and other correspondence.*
- We also identified the risks of material misstatement of the financial statements due to fraud at both the group and parent company level. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, whether key management judgements could include management bias was identified in relation to the carrying value of the exploration assets.
- 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.
- Compliance with laws and regulations at the subsidiary level was ensured through enquiry of management and review of ledgers and correspondence for any instances of non-compliance.

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. 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 Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Joseph Archer (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor
20 December 2024

15 Westferry Circus
Canary Wharf
London E14 4HD

TENDE ENERGY PLC (FORMERLY SIRIUS PETROLEUM PLC)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2023

	Notes	**Year ended 2023 $'000**	Year ended 2022 $'000
Revenue	*2*	**9,040**	-
Cost of sales		**(10,000)**	-
Trading loss		**(960)**	-
Share based payments	*15*	**(2,708)**	(1,867)
Fees paid by issue of shares		**(4,648)**	-
Other administrative expenses	*3*	**(17,792)**	(4,232)
Total administrative expenses		**(25,148)**	(6,099)
Loss from operations		**(26,108)**	(6,099)
FV movement on embedded derivative & profit on conversion	*14*	**(5,738)**	(509)
Remeasurement and elimination of initial 10% investment in ATOG	*9*	**(5,752)**	-
Gain on bargain purchase	*11*	**8,668**	-
Finance cost	*4*	**(16,740)**	(2,665)
Loss before taxation		**(45,670)**	(9,273)
Taxation		**(3,017)**	-
Loss after taxation, and loss attributable to the equity holders of the Company		**(48,687)**	(9,273)
Profit/(loss) on discontinued operations	*25*	**180**	(15,308)
Other comprehensive income for the period, net of tax			
Exchange differences on translating foreign operations		**-**	5
Other comprehensive income for the period, net of tax		**-**	5
Total comprehensive loss for the year, attributable to owners of the company		**(48,507)**	(24,576)
Profit/(loss) attributable to			
Non-controlling shareholders		**(8,972)**	(2,730)
Equity holders of the parent		**(39,535)**	(21,851)
		(48,507)	(24,581)
Total comprehensive loss attributable to			
Non-controlling shareholders		**(8,972)**	(2,730)
Equity holders of the parent		**(39,535)**	(21,846)
		(48,507)	(24,576)
Total earnings per ordinary share			
Basic and diluted loss per share (cents) from continuing operations	*7*	**(0.95)**	(0.21)
Basic and diluted loss per share (cents) from discontinued operations		**0.00**	(0.35)

The accompanying principal accounting policies and notes form an integral part of these financial statements.

TENDE ENERGY PLC (FORMERLY SIRIUS PETROLEUM PLC)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

		31 December 2023	31 December 2022
ASSETS	**Notes**	**$'000**	$'000
Non-current assets			
Intangible assets	*8*	**13,501**	2,324
Financial assets	*9*	**-**	5,752
Property, plant and equipment and development and production assets	*10*	**79,276**	373
		92.777	8,449
Current assets			
Cash and cash equivalents		**24,818**	12,526
Inventory		**6,618**	-
Trade and other receivables	*12*	**1,985**	435
Total current assets		**33,421**	12,961
Total assets		**126,198**	21,410
LIABILITIES			
Current liabilities			
Trade and other payables	*13*	**35,118**	9,986
Lease liability	*21*	**407**	184
Loans payable	*14*	**84,871**	13,046
Embedded derivative liability	*14*	**-**	4,776
Total current liabilities		**120,396**	27,992
Liabilities due after one year			
Lease liability	*21*	**396**	172
Loans payable	*14*	**39,327**	20,575
Asset retirement obligations		**12,646**	-
Deferred tax liability		**7,739**	-
Total liabilities		**180,504**	48,739
EQUITY			
Share capital	*16*	**18,736**	16,356
Share premium	*16*	**62,545**	46,103
Share-based payment reserve	*15*	**7,196**	4,986
Exchange reserve		**(180)**	(181)
Other reserve		**-**	1
Retained earnings		**(125,479)**	(86,442)
Equity attributable to equity holders of the Company		**(37,182)**	(19,177)
Non-controlling interest	*16*	**(17,124)**	(8,152)
Total Equity		**(54,306)**	(27,329)
Total equity and liabilities		**126,198**	21,410

The consolidated financial statements were approved by the Board and authorised for issue on 20 December 2024.

J Pryde
Director
Company No 05181462
20 December 2024

The accompanying principal accounting policies and notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

	Share capital	Share premium	Share based payment reserve	Exchange & other reserve	Retained earnings	Total equity attributable to the Company	Minority interest	Total Equity
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	
Balance at 1 January 2022	15,671	42,595	3,126	(185)	(64,599)	(3,392)	-	(3,392)
Loss for the year	-	-	-	-	(21,851)	(21,851)	(2,730)	(24,581)
Exchange difference on translating foreign operations	-	-	-	5	-	5	-	5
Total comprehensive (loss)/profit for the year	-	-	-	5	(21,851)	(21,846)	(2,730)	(24,576)
Share based payments	-	-	1,867	-	-	1,867	-	1,867
Share issue	685	3,715	-	-	-	4,400	-	4,400
Share issue costs		(207)				(207)		(207)
On acquisition of subsidiaries	-	-	-	-	-	-	(5,422)	(5,422)
Equity element of convertible loans transferred on repayment					1	1	-	1
Transfer on lapse of options/warrants	-	-	(7)	-	7	-	-	-
Transactions with owners	685	3,508	1,860	-	8	6,061	(5,422)	639
Balance at 31 December 2022	16,356	46,103	4,986	(180)	(86,442)	(19,177)	(8,152)	(27,329)
Loss for the year	-	-	-	-	(39,535)	(39,535)	(8,972)	(48,507)
Total comprehensive loss for the year	-	-	-	-	(39,535)	(39,535)	(8,972)	(48,507)
Share based payments	-	-	2,708	-	-	2,708	-	2,708
Share issue	2,380	16,606	-	-	-	18,986	-	18,986
Share issue costs	-	(164)	-	-	-	(164)	-	(164)
Transfer on exercise of warrants			(187)	-	187	-	-	-
Transfer on lapse of warrants	-	-	(311)	-	311	-	-	-
Transactions with owners	2,380	16,442	2,210	-	498	21,530	-	21,530
Balance at 31 December 2023	**18,736**	**62,545**	**7,196**	**(180)**	**(125,479)**	**(37,182)**	**(17,124)**	**(54,306)**

The accompanying principal accounting policies and notes form an integral part of these financial statements.

CONSOLIDATED CASHFLOW STATEMENT

For the year ended 31 December 2023

	Year ended 31 December 2023 $'000	Year ended 31 December 2022 $'000
Cash flow from operating activities		
Loss after taxation on continuing activities	**(48,687)**	(9,273)
Profit/(loss) after taxation on discontinued activities	**180**	(15,308)
Depreciation, amortisation & depletion	**2,639**	176
Finance cost	**16,740**	2,665
Net foreign exchange differences	**(648)**	(640)
Bad debt provision	**-**	(315)
Impairment of intangible	**(46)**	15,186
Loss on remeasurement and elimination of investment in ATOG	**5,752**	-
Gain on bargain purchase	**(8,668)**	-
FV movement on embedded derivative and profit on conversion	**5,738**	509
Decrease in inventories	**1,323**	-
(Increase)/decrease in trade and other receivables	**(267)**	557
Equity settled share-based payments	**2,708**	1,867
Expenses settled in shares	**4,648**	-
(Decrease)/increase in trade and other payables	**(7,131)**	(6,797)
	(25,719)	(11,373)
Lease interest	**(20)**	(16)
Interest paid	**(4,142)**	(609)
Net cash outflow from operating activities	**(29,881)**	(11,998)
Cash flows from investing activities		
Purchase of intangibles	**(2,442)**	-
Cash acquired on acquisition of subsidiaries	**(309)**	2,166
Sale of property, plant and equipment	**70**	-
Purchase of property, plant and equipment	**(4,734)**	(4)
Net cash outflow from investing activities	**(7,415)**	2,162
Cash flows from financing activities		
Proceeds from issue of share capital	**1,196**	4,400
Share issue costs	**(164)**	(207)
Loans received	**68,241**	22,722
Lease payments	**(379)**	(171)
Loans repaid	**(19,999)**	(4,617)
Net cash inflow from financing activities	**48,895**	22,127
Net change in cash and cash equivalents	**11,599**	12,291
Cash and cash equivalents at beginning of period	**12,526**	62
Exchange differences on cash and cash equivalents	**693**	173
Cash and cash equivalents at end of period	**24,818**	12,526
Comprising of:		
Cash and cash equivalents	**24,818**	12,526
	24,818	12,526

Material non-cash transactions in 2023 include $4,648,000 fees paid in shares, the $2,628,000 of loans converted into shares, and the remeasurement and elimination of investments and gain on bargain purchase on acquisition of remaining 90% in ATOG which are discussed further in notes 9 and 11. There were no material non-cash transactions in the year ended 31 December 2022. The net debt reconciliation is shown in Note 17.

The accompanying principal accounting policies and notes form an integral part of these financial statements.

PRINCIPAL ACCOUNTING POLICIES

For the year ended 31 December 2023

BASIS OF PREPARATION

The Group's principal activity is to maintain and grow production from existing producing oil and gas assets, with development and exploration upside, with a focus on North and West Africa.

Tende Energy Plc is registered and domiciled in the United Kingdom, which is currently also its principal place of business. The Group's activities are focused in North and West Africa.

The consolidated financial statements are presented in USD, which is also the Group's functional currency.

Amounts are rounded to the nearest thousand, unless otherwise stated.

The Consolidated financial statements have been prepared under the historical cost convention, or at fair value as appropriate, and in accordance with UK-adopted international accounting standards ("UK-IAS") and with the requirements of the Companies Act 2006. The Company's shares were listed on the AIM market of the London Stock Exchange until 27 August 2019. Separate financial statements of Tende Energy Plc (the Company) have been prepared on pages 69-86.

The principal accounting policies of the Group are set out below.

GOING CONCERN

The Directors have prepared cash flow forecasts for the period up to December 2025. The Angolan acquisition has been excluded from these forecasts as it is subject to separate offtake funding arrangements.

Of the $84,871,000 or current loans outstanding at 31 December 2023, $43,180,000 have been eliminated from the Group's liabilities on the disposal of all of the economic assets and liabilities of ATOG. Repayment of a further $22,334,000 of current loans are now dependent upon the completion of the Angolan acquisition, and will be repaid from proceeds arising from the acquisition.

The Group secured additional secured loan financing of up to $50m in November 2024. With this funding, the projections indicate that the Group would have sufficient cash to cover liabilities as they fall due in the going concern period. This includes fully repaying all loans and creditors that are outstanding at the present time, when they fall due.

The Directors therefore believe that the Group and parent company will have sufficient cash resources to meet its liabilities as they fall due for a period of at least 12 months from the date that the financial statements are signed. Consequently, the financial statements have been prepared on a going concern basis.

While the group currently has sufficient cash flow to meet its obligations as they fall due within the next 12 months, its ability to continue as a going concern beyond that is dependent on the successful execution of future projects and its ability to raise additional funds as required to either settle existing obligations or fund its projects. These conditions indicate the existence of a material uncertainty that may place greater doubt on the group's ability to continue as a going concern.

BASIS OF CONSOLIDATION

The Consolidated financial statements consolidate those of the Company and all of its subsidiary undertakings drawn up to the statement of financial position date. Subsidiaries are entities which are controlled by the Group. Control is achieved when the Group has power over the investee, has the right to variable returns from the investee and has the power to affect its returns. The Group obtains and exercises control through voting rights and control is reassessed if there are indications that the status of any of the three elements has changed.

Unrealised gains on transactions between the Group and its subsidiary undertakings are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Amounts reported in the financial statements of subsidiary undertakings have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Acquisitions of subsidiary undertakings are recorded under the acquisition method of accounting. The acquisition method involves the recognition at fair value of all identifiable assets and liabilities, including contingent liabilities of the subsidiary undertakings, at the acquisition date, regardless of whether or not they were recorded in the financial statements of the subsidiary undertaking prior to acquisition. Acquisition costs are expensed as incurred. On initial recognition, the assets and liabilities of the subsidiary undertaking are included in the Consolidated Statement of Financial Position at their fair values, which are also used as the basis for subsequent measurement in accordance with the Group accounting policies. If the fair value of the net assets acquired exceeds the consideration paid, this is considered to be a bargain purchase and a gain on bargain purchase is recognised in the profit and loss. If the consideration paid exceeds the fair value of the net assets acquired the loss on acquisition is recognised in the profit in loss.

If a subsidiary is acquired in stages step acquisition accounting in followed. IFRS3 requires that the value of the initial investment is remeasured at the date of the subsequent acquisition, using the fair value of the subsidiary at the time of acquisition.

ASSET ACQUISITIONS

Acquisitions of mineral exploration licences or agreements through the acquisition of non-operational corporate structures that do not represent a business, and therefore do not meet the definition of a business combination, are accounted for as the acquisition of an asset. The consideration of the asset is allocated to the assets based on their relative fair values at the date of acquisition. The asset is amortised over the life of the licence or agreement.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated.

REVENUE

Income is recognised as the good and services are provided. IFRS 15 ‘Revenue from Contracts with Customers’ has been adopted. To determine whether to recognise revenue, the Group follows a 5-step process:

1 Identifying the contract with a customer
2 Identifying the performance obligations
3 Determining the transaction price
4 Allocating the transaction price to the performance obligations
5 Recognising revenue when/as performance obligation(s) are satisfied.

Revenue from sales of oil, natural gas, and other petroleum products is recognised at the price at which the Company is expected to be entitled to, after deducting sales taxes, excise duties and similar levies, and when the control of the products have been transferred, which is when the customer has the ability to direct the use of the products and obtain substantially all of the remaining benefits from the products.

Revenue from sales of oil and natural gas generally occurs when product is physically transferred into a vessel, pipe or other delivery mechanism. Revenue from the production of hydrocarbons in which the Company has an interest with other producers is recognised based on the Company's working interest and the terms of relevant production sharing contracts (entitlement method).

COST OF SALES

Cost of sales includes all costs related to production of oil and gas including direct labour costs and movements in inventory. Costs are recognised when incurred.

TAXATION

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the Consolidated Statement of Financial Position date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable result for the period. All changes to current tax assets or liabilities are recognised as a component of tax expense in the statement of comprehensive income.

Deferred income taxes are calculated using the liability method on temporary differences. This involves the comparison of the carrying amounts of assets and liabilities in the consolidated financial statements with their respective tax bases. In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are provided for in full. Deferred tax assets are recognised to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the Statement of Financial Position date.

Most changes in deferred tax assets or liabilities are recognised as a component of tax expense in the statement of comprehensive income. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged or credited directly to equity or other comprehensive income are charged or credited directly to equity or other comprehensive income.

INTANGIBLE EXPLORATION AND EVALUATION ASSETS

These assets relate to exploration and evaluation expenditure and are accounted for under IFRS 6: Exploration for and Evaluation of Mineral Resources. Only costs which relate directly to the discovery and development of specific oil and gas reserves are capitalised.

Exploration and evaluation (E&E) expenditure which relates to unsuccessful drilling operations, though initially capitalised pending determination, is subsequently written off. E&E costs are valued at cost less accumulated impairment losses and capitalised within exploration and evaluation assets. Costs incurred prior to obtaining legal rights to explore are expensed immediately to the consolidated statement of comprehensive income. When the exploratory phase has resulted in the recognition of commercial reserves, the related costs are first assessed for impairment and (if required) any impairment recognised, then the remaining balance is transferred to Development and production assets within Plant, property and equipment. Long-lead items are classified within Plant, property and equipment and transferred to E&E assets within Intangible assets once utilised in E&E activities.

The intangible assets are initially recognised at cost and are reviewed for impairment. The asset is carried at initial value less accumulated impairment losses.

Exploration and evaluation assets are tested for impairment whenever facts and circumstances suggest they are impaired, which includes when a licence is approaching the end of its term and is not expected to be renewed, there are no substantive plans for continued exploration or evaluation of an area, the Group decides to abandon an area, or where development is likely to proceed in an area there are indications that the exploration and evaluation costs are unlikely to be recovered in full either by development or through sale. Any impairment loss is recognised before reclassification.

FINANCIAL ASSETS

The Group's financial assets comprise investments, cash and trade and other receivables.

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- loans and receivables at amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

In the periods presented the company does not have any financial assets categorised as FVOCI.

The classification is determined by both:

- the entity’s business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):
• they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
• the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements would apply.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Impairment of financial assets

The Group considers trade and other receivables individually in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

Non-derivative financial assets comprising the Company's strategic financial investments in entities not qualifying as subsidiaries, associates or jointly controlled entities. These assets are classified as financial assets at fair value through profit or loss. They are carried at fair value with changes in fair value recognised through the income statement. Where there is a significant or prolonged decline in the fair value of a financial investment (which constitutes objective evidence of impairment), the full amount of the impairment is recognised in the income statement.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash at bank, short term bank overdrafts and cash in hand. The bank overdraft has been considered as part of cash and cash equivalents in the statement of cash flows.

INVENTORY

Crude oil inventory is measured at the lower of cost (on a weighted average cost basis) and net realisable value. and changes are recognised in the consolidated statement of comprehensive income. As determined on a concession by concession basis, cost is measured as the Company's expenses related to the operation, depletion and, if applicable, the royalties associated with the production of the crude oil inventory. Net realisable value is measured at the Brent benchmark for crude oil less all estimated costs to be incurred in marketing, selling and distribution.

Other inventories are stated at the lower of cost and net realisable value. Cost is determined by the first-in, first-out method and comprises direct materials and, where applicable, direct labour, overheads and other charges incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs to be incurred in marketing, selling and distribution

CLASSIFICATION AS FINANCIAL LIABILITIES OR EQUITY

Financial instruments or their component parts are classified according to the substance of the contractual arrangements entered into.

A financial liability exists where there is a contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities under potentially unfavourable conditions. In addition, contracts which result in the entity delivering a variable number of its own equity instruments are financial liabilities.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Dividends and distributions relating to equity instruments are debited directly to equity.

A compound instrument is a non-derivative financial instrument which contains both a liability and an equity component. These components are accounted for separately as financial liabilities and equity components, and are presented separately in the statement of financial position.

EQUITY

Share capital is determined using the nominal value of shares that have been issued.

The share premium account represents premiums received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits. Where warrants have been issued for services in relation to procuring subscribers, the relevant fair value charge has been set against share premium as a cost of issue.

The share-based payment reserve represents the cumulative amount which has been expensed in the statement of comprehensive income in connection with share-based payments, less any amounts transferred to retained earnings on the exercise of share options or warrants.

The equity loan reserve represents the equity component of the issued convertible loan notes.

Translation reserves are amounts in respect of translation of overseas subsidiaries, and unrealised exchange differences.

Retained earnings include all current and prior year results as disclosed in the statement of comprehensive income.

FINANCIAL LIABILITIES

The Group's financial liabilities comprise trade and other payables, bank overdrafts, lease liability and loans payable.

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All interest related charges are recognised as an expense in finance costs in the statement of comprehensive income using the effective interest method.

Trade and other payables are recognised initially at fair value, net of direct issue costs, and are subsequently recorded at amortised cost using the effective interest method with interest related charges recognised as an expense in the statement of comprehensive income.

Loans payable are recognised initially at fair value, net of direct issue costs and subsequently measured at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are recognised in the statement of comprehensive income on an accruals basis using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise. The embedded derivative liability, relating to a convertible loan where the carrying liability converts into a variable number of shares, is held at "fair value through profit or loss".

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in the statement of comprehensive income.

LEASES

The Group has adopted IFRS16 "Leases". Leases are recorded in the statement of financial position in the form of a right-of-use asset and a lease liability, with the exception of assets of low value, (under $5,000), and short-term leases of less than 12 months, whereby the group has taken the practical expedient to not capitalise a right-of-use asset and recognise a lease liability but instead charge to the statement of comprehensive income (net of any incentives received from the lessor) on a straight-line basis over the period of the lease.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The lease is recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset was available for use by the group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:
- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the group's incremental borrowing rate.

Right-of-use assets are measured at cost comprising the following:
- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

COMPOUND INSTRUMENTS

On initial recognition, the fair value of the consideration for the liability component of the instrument is determined based on the fair value of a similar instrument that does not have an equity conversion option and recognised as a financial liability. Subsequent measurement is in accordance with the financial liabilities accounting policy.
The equity component is recognised initially as the residual value remaining when the fair value of the debt component is compared to the fair value of the compound instrument as a whole. The equity component is not remeasured after initial recognition except on expiry.
The embedded derivative liability, relating to a convertible loan where the carrying liability converts into a variable number of shares, is held at "fair value through profit or loss".

OTHER PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the Statement of Financial Position date, including the risks and uncertainties associated with the present obligation. Any reimbursement expected to be received in the course of settlement of the present obligation is recognised, if virtually certain as a separate asset, not exceeding the amount of the related provision. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. In addition, long-term provisions are discounted to their present values, where the time value of money is material. All provisions are reviewed at each Statement of Financial Position date and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognised in the statement of financial position. Probable inflows of economic benefits to the Group that do not yet meet the recognition criteria of an asset are considered contingent assets.

SHARE-BASED PAYMENTS

Options
The Group issues equity-settled share-based payments to certain employees (including directors) in the form of options. Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, together with a corresponding increase in equity, based upon the Group's estimate of the shares that will eventually vest.
Fair value is measured using the Black-Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates.

No adjustment is made to the expense recognised in prior periods if fewer share options are, ultimately exercised than originally estimated. Upon exercise of share options, the proceeds received net of any directly attributable transaction costs up to the nominal value of shares issued are allocated to share capital with any excess being recorded as share premium.

Warrants
The Group has also issued equity settled share-based payments to certain employees (including directors), and in respect of services provided by external consultants in the form of warrants. The share-based payment is measured at fair value of the services provided at the grant date, or if the fair value of the services cannot be reliably measured using the Black-Scholes model. The expense is allocated over the vesting period. Where services provided relate to the issue of shares the expense has been charged to share premium.

FEES AND LOANS SETTLED IN SHARES

Where shares have been issued as consideration for services provided or loans outstanding they are measured at the fair value of the services provided. The difference between the carrying amount of the financial liability (or part thereof) extinguished and the fair value of the shares is recognised in the statement of comprehensive income.

NON CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Non-current assets and disposal groups are classified as held for sale when:
- They are available for immediate sale
- Management is committed to a plan to sell
- It is unlikely that significant changes to the plan will be made or that the plan will be withdrawn
- An active programme to locate a buyer has been initiated
- The asset or disposal group is being marketed at a reasonable price in relation to its fair value, and
- A sale is expected to complete within 12 months from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at the lower of:
- Their carrying amount immediately prior to being classified as held for sale in accordance with the group's accounting policy; and
- Fair value less costs of disposal.

Following their classification as held for sale, non-current assets (including those in a disposal group) are not depreciated. The results of operations disposed during the year are included in the consolidated statement of comprehensive income up to the date of disposal.

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations or is a subsidiary acquired exclusively with a view to resale, that has been disposed of, has been abandoned or that meets the criteria to be classified as held for sale. Discontinued operations are presented in the consolidated statement of comprehensive income as a single line which comprises the post-tax profit or loss of the discontinued operation along with the post-tax gain or loss recognised on the re-measurement to fair value less costs to sell or on disposal of the assets or disposal groups constituting discontinued operations.

PROPERTY, PLANT AND EQUIPMENT

Measurement basis

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to the working condition and location for its intended use. Subsequent expenditure relating to property, plant and equipment is added to the carrying amount of the assets only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

All other costs, such as repairs and maintenance are charged to the statement of comprehensive income during the period in which they are incurred.

When assets are sold, any gain or loss resulting from their disposal, being the difference between the net disposal proceeds and the carrying amount of the assets, is included in the statement of comprehensive income.

Depreciation

Depreciation is calculated so as to write off the cost of property, plant and equipment, less its estimated residual value, over its useful economic life as follows:

Oil and gas assets	-	depreciated in units (see below)
Property leases	-	straight line over the period of the lease
Computer equipment	-	within the current financial year
Office equipment	-	straight-line over 3 years
Vehicles	-	straight-line over 5 years

Oil and gas assets are depleted on a unit-of-production basis over the total proved and probable reserves of the field concerned, except in the case of assets whose useful life is shorter than the lifetime of the field, in which case the straight-line method is applied. This method takes into account expenditures incurred to date, together with estimated future capital expenditure expected to be incurred. Rights and concessions are depleted on the unit-of-production basis over the total proved and probable reserves of the relevant area. Changes in the estimates of commercial reserves or future field development costs are accounted for prospectively.

FOREIGN CURRENCIES

In the individual financial statements of the consolidated entities, foreign currency transactions are translated into the functional currency at the exchange rate at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the reporting date. Non-monetary items that are measured at historic cost in a foreign currency are translated at the exchange rate at the date of the transaction and are not re-translated. Non-monetary assets that are measured at fair value in a foreign currency are translated into the functional currency using the exchange rates at the date when the fair value was determined. The functional currency of the Company is USD, Sirius Taglient Petrol Limited (now dissolved) was NGN, all other subsidiaries are USD. The presentational currency of the group and company is USD.

Any exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were initially recorded are recognised in the statement of comprehensive income in the period in which they arise.

In the consolidated financial statements all individual financial statements that are originally presented in a currency different from the Group's presentational currency have been converted into USD. Assets and liabilities have been translated into USD at the closing rates at the reporting date. Income and expenses have been converted into USD at the exchange rates ruling at the transaction dates, or at the average rates over the reporting period provided that the exchange rates do not fluctuate significantly. Any differences arising from this process have been recognised in other comprehensive income and accumulated separately in the currency exchange reserve in equity.

The average GBP exchange rate used during the year was USD 1.243481 (2022: 1.237053). The closing exchange rate at 31 December 2023 was USD 1.27314 (2022: 1.20972).

SEGMENTAL REPORTING

An operating segment is a distinguishable component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions about the allocation of resources and assessment of performance and about which discrete financial information is available.

The Company has not adopted IFRS8 – Operating segments as it is not a requirement for unlisted companies.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(i) Critical accounting estimates and judgements

The Group makes estimates and judgements concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next accounting year are discussed below:

Asset retirement obligations

The provision for the decommissioning obligation is based on current legal requirements, technology, price levels and expected plans for remediation. Actual costs and cash outflows can differ from estimates because of changes in laws and regulations, public expectations, assessment of useful life, market conditions, discovery and analysis of site conditions and changes in technology (see Note 22).

Business combinations

As Tende had previously acquired a 10% interest in ATOG this was considered to be a "step acquisition". IFRS3 requires that the value of the initial investment is remeasured at the date of the subsequent acquisition. Management have fair valued the assets and liabilities acquired in ATOG at the time of the acquisition of the remaining 90% interest. The net assets acquired amounted to $8,668,000 and therefore management have remeasured the 10% interest prior to the acquisition at $867,000 (see Note 9), which was eliminated on acquisition. As the fair value of the assets acquired were greater than the fair value of the liabilities acquired, and the consideration paid was $1, this was considered to be a bargain purchase and a gain on bargain purchase of $8,668,000 has been recognised (see note 11).

Oil and gas reserves and resources

Assumptions that are valid at the time of reserve estimation may change significantly when new information becomes available. Changes in forward price estimates, production costs, recovery rates or timing of capital expenditures may change the economic status of reserves and may ultimately result in reserves being revised (see notes 8 and 10).

Carrying value of assets held

Assumptions are made in assessing the carrying value of assets held. Changes in reserves, asset retirement obligations, forward price estimates, production costs, recovery rates or timing of capital expenditures may change and result in these values being revised (see notes 8 and 10).

Share-based payment
The Group has used appropriate models for valuing share based payments. Management has made a number of assumptions in calculating the inputs for the models as detailed in note 15.

Treatment of convertible loans
Management had assessed the Convertible Loan Notes ("CLN") issued on 22 September 2020 to have both a debt and an equity element. Management assessed the fair value of the Conversion element of the liability immediately prior to conversion using the Black-Scholes model, resulting in a value of £8,363,000 ($10,522,000). Full details of the assumptions made and inputs used are set out in note 14.

Adoption of new or amended IFRS

New standards, amendments and interpretations adopted by the Company
The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January 2023:

Standard or Amendment	Material impact on Financial Statements
IFRS 17 – Insurance Contracts	No
Amendments to IAS 1 – Presentation of Financial Statements and IFRS Practice Statement 2 – Making Materiality Judgements: Disclosure of material accounting policies	No
Amendment to IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors: Definition of accounting estimates	No
Amendment to IAS 12 – Income Taxes: Deferred tax assets and liabilities arising from single transaction	No
Amendment to IAS 12 – Income Taxes: International tax reform and temporary exception for deferred tax assets and liabilities related to the OECD pillar two income taxes	No

New standards, amendments and interpretations not yet adopted

There are no IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group and Company.

Standard or Amendment	Effective for accounting periods beginning on or after	Expected Impact
Amendment to IFRS 16 – Leases: Leases on sale and leaseback	1 January 2024	Not material
Amendment to IAS 1 – Presentation of Financial Statements: Non-current liabilities with covenants	1 January 2024	Not material
Amendments to IAS 7 – Statement of Cash Flows and IFRS 7 – Financial Instruments: Supplier finance	1 January 2024	Not material
Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates: Lack of exchangeability	1 January 2025	Not material

1. SEGMENTAL INFORMATION

An operating segment is a distinguishable component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions about the allocation of resources and assessment of performance and about which discrete financial information is available. The Company has not adopted IFRS8 – Operating segments for 2023 as it is not a requirement for unlisted companies.

2. REVENUE

All revenue in the year originates in Tunisia.

Type of revenue	**Year ended 31 December 2023 $'000**	Year ended 31 December 2022 $'000
Oil Sales	**7,352**	**-**
Gas Sales	**1,598**	**-**
Other Income	**90**	**-**
	9,040	**-**

3. LOSS BEFORE TAXATION

Loss before taxation

The loss before taxation is attributable to the principal activities of the Group.

The loss before taxation is stated after charging:

	Year ended 31 December 2023 $'000	Year ended 31 December 2022 $'000
Staff costs (see note 5)	**8,739**	**2,509**
Depreciation and depletion of fixed assets	**2,639**	**176**
Movement in fair value of derivative	**5,738**	**509**
Share-based payments	**1,025**	**1,488**
Foreign exchange movements	**648**	**(626)**
Finance costs	**16,740**	**2,665**
Other administrative costs	**10,141**	**2,552**
	45,670	**9,273**

	Year ended 31 December 2023	Year ended 31 December 2022
Fees payable to PKF Littlejohn for the audit of the Group's annual accounts	**151**	126

4. FINANCE COSTS

	Year ended 31 December 2023 $'000	Year ended 31 December 2022 $'000
Finance costs		
Finance fees on loans	**13,900**	1,895
Finance cost on leases	**20**	16
Other finance fees & interest	**2,820**	754
	16,740	2,665

Finance fees of $13,900,000 (2022: $1,895,000) are in respect of the short-term and long-term loans received from unconnected third parties and finance fees in respect of other loan facilities. Further information in respect of these loans is disclosed in note 14. Other finance fees of $2,820,00,000 (2022: $754,000) are in respect of other fees charges from creditors, PAYE, settlements on agreements and loan providers.

5. EMPLOYEE REMUNERATION

The expense recognised for employee benefits, including the Directors' emoluments, is analysed below:

	2023 $'000	**2022 $'000**
Wages and salaries	**6,057**	**1,951**
Pension contributions	**455**	**19**
Social security	**286**	**119**
Share-based payments	**1,683**	**379**
Benefits in kind	**258**	**41**
	8,739	**2,509**

The Directors are the Key Management Personnel of the Group. The remuneration of individual Directors is disclosed in the Remuneration Report on pages 22-25.

The expenses recognised in respect of Directors is:

	2023 $'000	**2022 $'000**
Directors remuneration	**1,446**	**1,475**
Pension contributions	**22**	**6**
Social security	**73**	**64**
Share-based payments	**315**	**285**
Benefits in kind	**60**	**22**
	1,916	**1,852**

5 EMPLOYEE REMUNERATION (CONTINUED)

The average number of employees during the year was:

	2023 No.	2022 No.
Directors	5	5
Other	58	6
	63	11

6. TAXATION

There is no UK current or deferred tax charge for the year (year ended 31 December 2022: $nil). There was a current tax charge of $1,100,000 and deferred tax charge of $1,917,000 in Tunisia as below (2022 $nil).

Tax expense on continuing operations	2023 $'000	2022 $'000
Current tax expense		
Current tax on profits for the year	1,100	-
Total current tax	1,100	-
Deferred tax expense (recovery)		
Origination and reversal of temporary differences	1,917	-
Total deferred tax	1,917	-
Total tax	3,017	-

The tax assessed for the year differs from the standard rate of corporation tax of 23.5% in the UK as follows:

	2023 $'000	2023 %	2022 $'000	2022 %
Loss before taxation on continuing operations	(45,670)		(9,273)	
Loss multiplied by standard rate of corporation tax in the UK	(10,732)	(23.50)	(1,762)	(19.00)
Effect of:				
Expenses not deductible for tax purposes	4,480	(23.50)	559	(19.00)
Overseas loss not recognised	3,222	(23.50)	702	(19.00)
Different tax rates applied in overseas jurisdictions	3,861		-	
Unrelieved UK tax losses	2,186	(23.50)	501	(19.00)
Total foreign tax charge for year	3,017		-	

6 TAXATION (CONTINUED)

Unrelieved UK tax losses of approximately $59,270,000 (2022: $39,183,000) remain available to offset against future taxable trading profits. Of these approximately $17,901,000 were acquired on the acquisition of ATOG. The unprovided deferred tax asset at 31 December 2023 is $14,817,000 (2022: $9,796,000) which has not been provided on the grounds that it is uncertain when or in what tax jurisdiction taxable profits will be generated by the Group to utilise those losses. There are no UK deferred tax liabilities. The 2021 budget increased the corporation tax rate to 25% from 1 April 2023. UK deferred tax assets and liabilities at 31 December 2022 have been calculated based on the rate of 25% substantively enacted at the balance sheet date. The Group also holds unrelieved tax losses in overseas jurisdictions.

The Group pays corporate income taxes in Tunisia for Adam concession at the statutory rate of 55% for 2023 (2022 - 55%). For Bochra & Abir Concession the rate is 65% (2022 – 65%).

The following is the reconciliation of the deferred tax creditor relating to Tunisian tax.

Deferred tax creditor reconciliation

	$'000
Balance at 1 January 2022 and 31 December 2022	-
Acquired on acquisition of ATOG	5,822
Tax charge in year	1,917
Tax paid in year	-
Balance at 31 December 2023	7,739

7. EARNINGS PER SHARE

	2023	2022
	$'000	$'000
Loss attributable to owners of the Company from continuing operations	**(45,670)**	(9,273)
Profit/(loss) attributable to owners of the Company from discontinued operations	**180**	(15,308)

	2023	2022
	Number	Number
Weighted average number of shares for calculating basic earnings per share	**4,822,543,477**	4,416,385,949

	2023	2022
	Cents	Cents
Basic and diluted earnings per share from continuing operations	**(0.95)**	(0.21)
Basic and diluted earnings per share from discontinued operations	**0.00**	(0.35)

There are 645,750,000 share options and 487,197,916 warrants outstanding as at 31 December 2023, as detailed in note 15. Their effect is anti-dilutive as the Group made a loss but is potentially dilutive against future profits.

Since the period end 64,750,000 new ordinary shares have been issued.

8. INTANGIBLE ASSETS

	Exploration & Evaluation Assets	Service Agreements	Total
	$'000	$'000	$'000
Cost			
At 1 January 2022	16,406	-	16,406
Write down in respect of deferred costs not payable	(1,053)	-	(1,053)
On acquisition of subsidiaries	-	2,324	2,324
At 31 December 2022	15,353	2,324	17,677
On acquisition of subsidiaries	8,689	-	8,689
Additions	2,442	-	2,442
At 31 December 2023	**26,484**	**2,324**	**28,808**
Amortisation and impairment			
At 1 January 2022	167	-	167
Charge in the year	15,186	-	15,186
At 31 December 2022	15,353	-	15,353
Charge in the year	(46)	-	(46)
At 31 December 2023	**15,307**	**-**	**15,307**
Net book value at 31 December 2023	**11,177**	**2,324**	**13,501**
Net book value at 31 December 2022	-	2,324	2,324
Net book value at 1 January 2022	16,239	-	16,239

During the year ended 31 December 2022 Tende Energy Plc acquired a 30% interest in COPDC Petroleum Development Company Limited. which had previously signed a Financial and Technical Service Agreement ("FTSA") with NNPC (Nigeria National Petroleum Corporation) regarding the further development of the OML 65 licence, onshore Nigeria. The acquisition has been treated as an asset acquisition with an intangible asset arising on acquisition in respect of the service agreement. This will be amortised over the life of the agreement from commencement of revenues and the remaining amortisation period is 14.5 years (2022: 15.5 years). This has been assessed for impairment using forecast cashflows over the next 8 years, using a 10% discount rate, which shows no impairment is necessary.

The $8,689,000 Exploration and Evaluation Assets were acquired on the acquisition of ATOG (see note 11). The additions in the year all relate to the Tunisian (ATOG) operations. The fair value was assessed to be the same as the amounts spent at the time of acquisition. The intangible asset was assessed for impairment using results from the discovery wells for the BEK field. The results show the potential resource amount of 46mmboe (million barrels of oil equivalent). ATOG has a 10% share, 4.6mmboe, of which the directors expect to actually produce 10%-20%. So simply multiplying by an oil price of $70/bbl gives a value of $32m. Management have therefore concluded that no impairment was necessary.

The amount held in respect of the Ororo field was fully impaired in 2022, as a result of the decision not to proceed with the exploration of this asset.

9. FINANCIAL ASSETS

Financial assets at fair value through profit or loss:	$'000 Level 1	$'000 Level 2	$'000 Level 3	$'000 Total
Fair value at 31 December 2021	-	-	4,502	4,502
Additions	-	-	1,250	1,250
Fair value at 31 December 2022	-	-	5,752	5,752
Remeasurement on acquisition of remaining 90% in ATOG	-	-	(4,885)	(4,885)
Eliminated on acquisition of remaining 90% in ATOG	-	-	(867)	(867)
Fair value at 31 December 2023	-	-	-	-
Loss on disposal of investments				
Loss on remeasurement on acquisition of 90% of ATOG	-	-	(4,885)	(4,885)
Net loss on disposal of investments held at fair value through profit or loss	-	-	(4,885)	(4,885)

Level 1 represents those assets, which are measured using unadjusted quoted prices for identical assets.
Level 2 applies inputs other than quoted prices that are observable for the assets either directly (as prices) or indirectly (derived from prices).
Level 3 applies inputs, which are not based on observable market data.

Level 3 assets comprised of the investment in 10% of the share capital in ATOG.

Management have fair valued the assets and liabilities acquired in ATOG at the time of the acquisition of the remaining 90% interest. The net assets acquired amounted to $8,668,000 and therefore management have remeasured the 10% interest prior to the acquisition at $867,000. This resulted in a loss on re-measurement of the initial 10% investment in ATOG of $4,885,00.

10. PROPERTY, PLANT AND EQUIPMENT

	Development production and other PPE assets $' 000	Leasehold Property (see note 21) $' 000	Computer & Office Equipment $' 000	Motor Vehicles $'000	Total $'000
Cost					
At 1 January 2022	-	673	416	25	1,114
Disposals	-	-	(110)	(25)	(135)
Additions	-	-	4	-	4
At 31 December 2022	-	673	310	-	983
On acquisition of subsidiary	76,151	199	35	37	76,422
Disposals	-	-	(35)	(37)	(72)
Additions	4,861	-	48	247	5,156
At 31 December 2023	**81,012**	**872**	**358**	**247**	**82,489**
Depreciation and depletion					
At 1 January 2022	-	131	413	25	569
Eliminated on disposals	-	-	(110)	(25)	(135)
Charge for the year	-	169	7	-	176
At 31 December 2022	-	300	310	-	610
Eliminated on disposals			(33)	(3)	(36)
Charge for the year	2,325	209	81	24	2,639
At 31 December 2023	**2,325**	**509**	**358**	**21**	**3,213**
Net book value					
Balance at 31 December 2023	**78,687**	**363**	**-**	**226**	**79,276**
Balance at 31 December 2022	-	373	-	-	373
Balance at 1 January 2022	-	542	3	-	545

Development, production and other PPE assets include right of use assets of $187,000 (2022: $Nil) as described in note 21.

The Development, production and other PPE assets of $76,151,000 acquired on the acquisition of ATOG includes $1,078,000 of vehicles, office equipment and licences which are depreciated over the useful lives of the asset, in line with the accounting policy. The remaining amounts relate to acquisition costs of crude oil and natural gas properties and costs of drilling and equipping development wells and costs relating to oil and gas property asset additions, improvements or new developments, and have been measured at the fair value of the assets. The additions in the year all relate to ATOG operations.

The fair value of these assets was assessed using seven year cashflow forecasts for each CGU, and assuming fracking is carried out on BBT in December 2023, and drilling in June 2025 on BBT. No significant Capex expenditure was forecast for the other CGUs. Opex on BBT is expected to decline at the same rate as production. The average prices used in the forecast are oil $72.13/barrel and gas $8.4/MMBTU. The discount rate used was 10%.

10. PROPERTY, PLANT & EQUIPMENT (CONTINUED)

Development and production assets are componentised into groups of assets with similar useful lives for the purposes of performing depletion calculations. Depletion expense is calculated on the unit-of-production basis based on:

- Total estimated proved plus probable reserves calculated in accordance with National Instrument 51~101, Standards of Disclosure for Oil and Gas Activities;
- Total capitalised costs plus estimated future development costs of proved plus probable reserves; and
- Relative volumes of crude oil and natural gas reserves and production, before royalties, converted at the energy equivalent conversion ratio of six thousand cubic feet of natural gas to one barrel of crude oil.

11. BUSINESS COMBINATIONS

On 15 June 2023, Tende Energy Plc acquired the remaining 90% interest in ATOG Midco Ltd, and indirectly its subsidiaries, ATOG Petroleum Ltd, ATOG Ventures Ltd and ATOG Sahara Ltd. ATOG's Tunisian operations consist of four onshore production concessions through its fully owned subsidiaries: Bir Ben Tartar (100% Working Interest "WI") and the Adam, Abir and Bochra fields operated by ENI: (ATOG 5% WI). ATOG holds an 80% operated interest along with Tunisia's state oil company, ETAP holding the remaining 20% in the Cosmos concession, located in the Gulf of Hammamet.

In 2020 Tende Energy Plc held 67 (10%) of the shares in ATOG Midco Ltd at a total cost of $5,752,000, which were held as an Investment. In June 2023 Tende acquired the remaining 600 shares (90%) for USD$1, and therefore now holds 100% of the voting rights.

The acquisition was supported by our strategic funding partner, Trafigura, and was considered to complement Tende's production and development assets in Nigeria and Tende's forthcoming acquisition of the significant producing interests in Angola. Tende considered that there were opportunities to reduce overheads, as well as increase existing production and develop the Cosmos concession.

Since the acquisition, Tende has significantly reduced the overhead costs of the ATOG group, with the closure of the UK office and termination of the previous UK Board and staff. Since acquisition, ATOG successfully completed a series of low-cost workovers and well interventions at the operated BBT field that more than doubled production and drilled and completed the TT-27 well on time. All activities were completed with zero lost time injuries ("LTI's") and were under budget. The activities were also completed by a wholly Tunisian team, which is a first for the country, justifying Tende's approach of empowering the local team.

The portfolio includes the appraised Cosmos discovery, which ATOG operates and owns an 80% interest (ETAP 20%). The original discoveries achieved a combined flow rate of 5,700 bopd under well test and recently updated estimates provide an Estimated Ultimate Recovery ("EUR") of 15-20 mmboe. The licence contains mapped but undrilled structures which provide significant resource upside and provide the basis for a significant offshore development hub.

As Tende had previously acquired a 10% interest in ATOG this was considered to be a "step acquisition". IFRS3 requires that the value of the initial investment is remeasured at the date of the subsequent acquisition. Management have fair valued the assets and liabilities acquired in ATOG at the time of the acquisition of the remaining 90% interest. The net assets acquired amounted to $8,668,000 and therefore management have remeasured the 10% interest prior to the acquisition at $867,000, which was eliminated on acquisition (see Note 9), and a loss on remeasurement of $4,885,000 was recognised. As the fair value of the assets acquired were greater than the fair value of the liabilities acquired, and the consideration paid was $1, this was considered to be a bargain purchase and a gain on bargain purchase of $8,668,000 has been recognised.

11. BUSINESS COMPBINATIONS (CONTINUED)

The table below shows the fair value of assets and liabilities acquired.

	$'000
Net Assets and liabilities acquired	
Exploration & evaluation assets	8,689
Development production and other PPE assets	76,422
Inventories	7,940
Trade and other receivables	1,288
Bank overdrafts	(309)
Trade and other payables	(32,450)
Borrowings	(34,710)
Asset Retirement Obligation (ARO)	(12,380)
Deferred Tax Liability	(5,822)
Net assets acquired	**8,668**
Gain on bargain purchase	**8,668**
	8,668

Since acquiring ATOG on 15 June 2023, ATOG has contributed $9,040,000 of revenue and a loss of $2,013,000 to the Group in the year ended 31 December 2023

12. TRADE AND OTHER RECEIVABLES

The fair value of these short-term financial assets is not individually determined as the carrying amount is a reasonable approximation of fair value. All trade and other receivables have been reviewed for indicators of impairment.

	31 December 2023	31 December 2022
	$'000	$'000
Current		
Other receivables	**1,526**	262
Prepayments and accrued income	**459**	173
	1,985	435

13. TRADE AND OTHER PAYABLES

	31 December 2023	31 December 2022
	$'000	$'000
Trade payables	**14,877**	7,449
Other payables	**10,778**	1,898
Trade and other payables relating to discontinued operations	**-**	255
Accruals	**9,463**	384
	35,118	9,986

The fair value of trade and other payables has not been disclosed as, due to their short duration, management consider the carrying amounts recognised in the Statement of Financial Position to be a reasonable approximation of their fair value.

14. LOANS PAYABLE

During the year the Group received loans from several unconnected parties to fund working capital as set out below. These loans are unsecured, except for the Trafigura PTE facility.

Convertible loans

During the year the Group received no new convertible loans (2022: $Nil). During the year $2,628,000 of the convertible loans issued in 2020 as described below, were converted (2022: $Nil). No capital and fees were repaid (2022 $73,000 of which $9,000 reduced the derivative value, see below), No equity was extinguished in the year (2022 $1,000), and there was a $64,000) (2022: ($105,000) exchange movement. Interest of $1,051,000 was recognised in the year (2022: $838,000). There were no amounts owing in respect of convertible loans at 31 December 2023 (31 December 2022 debt element $1513,000 and conversion element $4,776,000)

Convertible Loan Notes amounting to $1,939,000 (GBP £1,500,000) were issued in the year 2020. The CLN has a notional of £1,500,000, 12.0% fixed interest paid in kind ("PIK" or the "Interest") with a final maturity being 31 August 2023 (the "Redemption Date"). The CLN is unsecured, and it is convertible to the ordinary share of Tende at the conversion price (the "Conversion Price") upon the listing of the Company or at option of the Noteholders. Pursuant to the CLN documentation the conversion price (the "Conversion Price") is £0.004 per ordinary share of Tende when conversion occurs at the election of the Noteholders ("Noteholders' Conversion"), however if the conversion occurs at the election of the Company ("Company Conversion"), the Conversion Price is the lower of £0.004 per share or 87.5% of the placing price of an ordinary share upon listing provided that if such calculation results in the Conversion Price being less than the nominal value of an ordinary share, the Conversion Price will be the nominal value.

The fair value of the conversion element embedded in the CLN was valued at inception using a Monte Carlo simulation to consider the values of the two conversion options. The major inputs used were as follows:
Share price at inception – 0.6p (as traded on JP Jenkins)
Share price at 31 December 2020 – 1p (as traded on JP Jenkins)
Volatility = 60% (Peer comparison)
Risk free interest rate – (GBP 6 month swap rate)
Probability of listing – 85% (Management assessment)

This resulted in the Conversion element of the CLN to be fair valued at $1,647,000 (GBP£1,289,000) at the time of issue and the debt element to be $292,000 (GBP: £211,129). The fair value of the Conversion element, which is also a liability, was revalued at $3,719,000 (GBP: £2,725,000) at 31 December 2020, and revalued annually thereafter.

For the loans converted prior to the expiry date, the Conversion element was revalued prior to conversion using the Black Scholes model with the following inputs. For the loan converted on expiry the Conversion element was revalued at the difference between the prevailing share price of 2p and the exercise price of 0.4p times the number of shares issued. At 31 December it had been revalued using the Black-Scholes model with the following inputs.

14. LOANS PAYABLE (CONTINUED)

	31/08/2023	24/07/2023	03/05/2023	31/12/2022
Share price (as traded on JP Jenkins)	2p	2p	2p	1.2p
Volatility (Peer comparison)	60%	60%	60%	60%
Conversion price	0.4p	0.4p	0.4p	0.4p
Number of shares to be issued	372,782,653	30,073,693	119,453,808	487,187,031
Remaining life (years)	0	0.10	0.33	0.67
Risk free interest rate	3.64%	2.91%	3.74%	4.03%
Black-Scholes per share (pence)	1.6	1.6012	1.6049	0.8118
Value of convertible element (GBP)	5,964,522	481,543	1,917,114	3,954,984

This resulted in a fair value of the Conversion element immediately prior to conversion in 2023 of $10,522,000 (GBP: £8,363,000), (31 December 2022 $4,776,000 – GBP £3,955,000).

The resultant EIR on the debt element of the CLN was approximately 78.72% and interest of $1,051,000 (2022: $838,000) was recognised in the year. Foreign exchange movements of $64,000) (2022: ($105,000)) were recognised, and a profit on conversion of $8,000 was recognised. $33,000 was repaid in 2022, of which $9,000 was allocated to the derivative, and the debt value of the loans at 31 December 2022 was $1,513,000.

There was one outstanding convertible loan received prior to 2020, and the balance of $315,000 was written off in 2022.

Non-convertible loans

During the year the Group received short term non-convertible loans from third parties of $40,525,000 net of loan fees of $475,000, (2022: $522,000 with no fees) were received and interest of $3,455,000 was recognised (2022 $Nil). $8,500,000 of these loans were repaid (2022: $479,000) and foreign exchange of $Nil (2022: ($43,000)) was recognised in the year. Additionally, 182,882,115 new ordinary fee shares were issued at a market value of $4,648,000 (GBP £3,658,000), in connection with the loans.

Mezzanine loans of $13,034,000 net of loan fees of $266,000 were received in 2022. The loan fees are amortised over the period of the loan giving an effective interest rate of 19.43%. The loans are repayable over five years. Interest of $3,717,000 (2022: $874,000) was recognised in the year.

During the year ended 31 December 2022 the Group signed a facilities agreement with Trafigura PTE Limited for up to $200m to be utilised in respect of OML65 activities. The Group drew down $10,000,000 of this facility in 2022 year on which costs of $834,000 were deducted. The costs are amortised over the period of the loan resulting in an effective interest rate of 20.24% being applied. The loan was repayable over a period of 2.5 years commencing from June 2023. In 2023 the terms of the loan were renegotiated with repayments now due in 11 quarterly instalments commencing in March 2024. A further $25,000,000 was drawn down in the year with no costs. Interest of $3,339,000 (2022: $77,000) was recognised during the year and interest of $1,884,000 (2022: $Nil) was paid. The loan is secured against OML65 cashflows.

Various charges over the shares of certain subsidiaries of Tende Energy Plc, and Debt Service Reserve bank accounts have been registered as security for the Mezzanine and Trafigura loan.

On acquisition of ATOG in June 2023, the Group acquired short term debt owing to Trafigura $34,548,000. Further amounts of £2,716,000 were drawn down in the year, interest of $2,338,000 were recognised and $3,980,000 was repaid.

Additionally in 2022, interest of $106,000 was recognised on loans outstanding from 2021, and $4,171,000, of these loans were repaid. Foreign exchange movements of ($23,000) were recognised in the year ended 31 December 2022, leaving a balance of $8,957,000 outstanding, which was repaid in 2023.

14 LOANS PAYABLE (CONTINUED)

The movements in the loans are summarised below:

	31 December 2023	31 December 2022
Convertible loans	**$'000**	$'000
Balance at 1 January	**1,513**	1,159
Interest charged	**1,051**	838
Repaid in cash	**-**	(73)
Transferred to derivative liability	**-**	9
Converted	**(2,628)**	-
Written off	**-**	(315)
Foreign exchange	**64**	(105)
Balance at 31 December	**-**	1,513
Due within one year	**-**	1,513
Due after one year	**-**	-
Non-convertible loans		
Balance at 1 January	**32,108**	13,045
On acquisition of subsidiary	**34,321**	-
Loans received	**68,241**	22,722
Interest charged	**12,849**	1,057
Repaid in cash	**(23,321)**	(4,650)
Foreign exchange	**-**	(66)
Balance at 31 December	**124,198**	32,108
Due within one year	**84,871**	11,533
Due after one year	**39,327**	20,575

15. SHARE-BASED PAYMENTS

The Group incurred a share-based payment charge of $2,708,000 (2022: $1,867,000), of which $2,003,000 (2022: $419,000) was in respect of share options and $705,000 (2022: $1,448,000) in respect of warrants. The Group operates share option schemes for certain employees (including directors). Options are exercisable at the option price agreed at the date of grant. The options are settled in equity once exercised. The options have varying exercise conditions as described below and are exercisable from the date the condition has been met until ten years from the grant date. The expected life of the options varies from six months to fifty nine months. Options granted to employees are forfeited if the employee leaves the Group before the options vest.

	31 December 2023		31 December 2022	
	Number	**WAEP £**	Number	WAEP £
Outstanding at the beginning of the year	**485,000,000**	**0.005**	485,000,000	0.05
Issued	**160,750,000**	**0.0134**	-	
Outstanding at the end of the year	**645,750,000**	**0.00709**	485,000,000	0.005

The weighted average remaining life of share options at 31 December 2023 was 7.20 years.

15 SHARE-BASED PAYMENTS (CONTINUED)

The options have the following exercise prices and fair values at the date of grant:

First exercise date (when vesting conditions are met)	Grant date	Assumed vesting period	Exercise price	Fair value at grant date	31 December 2023	31 December 2022
			£	£	Number	Number
On completion of ATOG	08-Dec-20	7 months	0.005	0.005703	242,500,000	242,500,000
12 months after completion of ATOG	08-Dec-20	19 months	0.005	0.006457	121,250,000	121,250,000
24 months after completion of ATOG	08-Dec-20	31 months	0.005	0.00714	121,250,000	121,250,000
1 January 2026	01-Jan-23	36 months	0.0025	0.011	60,750,000	-
1 June 2023	01-Jun-23	Immediately	0.02	0.012596	40,000,000	-
12 June 2023	12-Jun-23	Immediately	0.02	0.014194	40,000,000	-
12 June 2023	12-Jun-23	Immediately	0.02	0.012637	20,000,000	-
					645,750,000	485,000,000

The share options can be exercised up to between five years after the date first exercisable, and ten years from the grant date.

At 31 December 2023, 645,750,000 options were exercisable (2022: 363,750,000).

Since the year end 20,000,000 options have been cancelled and 81,600,000 new options have been issued. There are currently 707,350,000 share options in issue all of which are exercisable.

For those options granted to employees and directors, the fair values were calculated using the Black-Scholes model. The inputs into the model were as follows:

	12 June 2023	1 June 2023	1 January 2023	8 December 2020
Risk free rate	4.02%	4.02%	1.58%	0.27%
Share price volatility	57%	57%	77%	57%
Expected life	Vest immediately	Vest immediately	3 years	Between 7 months and 31 months
Share price at date of grant	£0.0200	£0.0200	£0.0200	£0.004

Expected volatility was determined by calculating the historical volatility of the Company's share price, over the 12 months last listed. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The following assumptions were used with regards to the vesting period:

The options granted on 8 December 2020 were assumed to vest in 7/19/31 months on their vesting date as the completion of ATOG occurred in June 2021. All other options vest immediately.

The Group recognised a charge of $2,003,000 (year ended 31 December 2022: $419,000) relating to these equity-settled share-based payment transactions during the year.

15. SHARE-BASED PAYMENTS (CONTINUED)

Warrants

On 7 April 2014, 5,000,000 warrants were issued to S Fletcher at 5p for services performed as director. These warrants may be exercised, in whole or in part or parts, at any time between 1 October 2015 and 31 October 2024.

On 16 January 2019, 82,031,250 warrants at 0.64p were issued to European High Growth Opportunities Securitization Fund. These warrants may be exercised, in whole or in part or parts, at any time from the date of grant until the fifth anniversary of the date of grant.

On 27 August 2019, 15,000,000 warrants at 2p were issue to CCM Ventures Corp. These warrants may be exercised, in whole or in part or parts, at any time from the date of grant until the fifth anniversary of the date of grant.

On 5 November 2020, 74,452,660 warrants at 0.8p were issued to MBU Corporate Finance Ltd. These warrants may be exercised, in whole or in part or parts, at any time from the date of grant until 5 June 2023. These warrants expired during the year.

On 1 February 2021, 5,000,000 warrants at 1.5p were issued to Galatea Foundation. These warrants may be exercised, in whole or in part or parts, at any time from the date of grant until the fifth anniversary of the date of grant.

On 1 February 2022, 5,000,000 warrants at 1.5p were issued to a third party lender. These warrants may be exercised, in whole or in part or parts, at any time from the date of grant until the fourth anniversary of the date of grant.

On 8 February 2022, 10,000,000 warrants at 1.5p were issued to a third party investor. These warrants may be exercised, in whole or in part or parts, at any time from the date of grant until 31 December 2023. These warrants lapsed during the year.

On 2 May 2022, 266,000,000 warrants at 2p were issued to the mezzanine loan holders. These warrants may be exercised, in whole or in part or parts, at any time from the date of grant until the third anniversary of the date of grant.

Between 9 and 16 June 2022, 26,666,666 warrants at 1.5p were issued to third party lenders. These warrants may be exercised, in whole or in part or parts, at any time from the date of grant until the second anniversary of the date of grant.

On 8 July 2022, 1,666,667 warrants at 1.5p were issued to a third party lender. These warrants may be exercised, in whole or in part or parts, at any time from the date of grant until the second anniversary of the date of grant.

On 31 July 2022, 26,666,666 warrants at 1.5p were issued to third party lenders. These warrants may be exercised, in whole or in part or parts, at any time from the date of grant until the second anniversary of the date of grant.

On 31 August 2022, 1,666,667 warrants at 1.5p were issued to a third party lender. These warrants may be exercised, in whole or in part or parts, at any time from the date of grant until the second anniversary of the date of grant.

On 31 August 2022, 7,500,000 warrants at 1p and 12,500,000 warrants at 0.5p were issued to a third party consultant under the terms of the mezzanine loan. These warrants may be exercised, in whole or in part or parts, at any time from the date of grant until the fifth anniversary of the date of grant.

On 28 September 2022, 12,500,000 warrants at 2p were issued to a third party investor. These warrants may be exercised, in whole or in part or parts, at any time from the date of grant until the second anniversary of the date of grant.

On 13 March 2023, 31,250,000 warrants at 2p were issued to a third party investor. These warrants may be exercised, in whole or in part or parts, at any time from the date of grant until the third anniversary of the date of grant, and were exercised during the year.

On 31 August 2023, 7,500,000 warrants at 1p and 12,500,000 warrants at 0.5p were issued to a third party consultant under the terms of the mezzanine loan. These warrants may be exercised, in whole or in part or parts, at any time from the date of grant until the fifth anniversary of the date of grant.

15. SHARE-BASED PAYMENTS (CONTINUED)

At 31 December 2023, the following share warrants granted for services are outstanding in respect of the ordinary shares, which has a weighted average remaining contractual life of 1.23 years (31 December 2022: 1.84 years):

	2023 number	2023 Weighted average exercise price (pence)	2022 number	2022 Weighted average exercise price (pence)
Outstanding at 1 January	**551,650,576**	**1.55**	185,483,910	1.06
Granted during the year	**51,250,000**	**1.49**	370,166,666	1.83
Exercised during the year	**(31,250,000)**	**2.00**	-	
Lapsed during the year	**(84,452,660)**	**0.88**	(4,000,000)	1.00
Outstanding and exercisable at 31 December	**487,197,916**	**1.63**	551,650,576	1.55

Each warrant is governed by the provisions of warrant instruments representing the warrants which have been adopted by the Group. The rights conferred by the warrants are transferable in whole or in part subject to and in accordance with the transfer provisions set out in the Articles. The holders of warrants have no voting right, pre-emptive right or other right attaching to Ordinary Shares. All warrants issued vest in full.

The fair value of the services received is considered to be comparable to the fair value of the warrants issued in 2014 to 2022. These have been valued using the Black-Scholes valuation model. The inputs into the Black-Scholes model for calculating estimated fair values were as follows:

	Risk free rate	Share price volatility	Exercise price	Share price at date of grant	Fair value at date of grant
07 April 2014	0.50%	61.24%	£0.05	£0.029	£0.017125
16 January 2019	0.75%	56.40%	£0.006	£0.006	£0.002606
27 August 2019	0.75%	56.93%	£0.02	£0.004	£0.000509
5 November 2020	0.27%	56.93%	£0.01	£0.006	£0.001593
1 February 2021	0.09%	57.00%	£0.02	£0.010	£0.003722
1 February 2022	1.34%	57.00%	£0.02	£0.011	£0.003937
8 February 2022	1.34%	57.00%	£0.02	£0.011	£0.002358
2 May 2022	1.61%	57.00%	£0.02	£0.012	£0.002919
16 June 2022	2.12%	57.00%	£0.02	£0.012	£0.003038
8 July 2022	1.93%	57.00%	£0.02	£0.012	£0.003024
31 July 2022	1.71%	57.00%	£0.02	£0.012	£0.003007
31 August 2022	3.01%	57.00%	£0.02	£0.012	£0.003106
31 August 2022	3.19%	57.00%	£0.01	£0.012	£0.008689
31 August 2022	3.19%	57.00%	£0.01	£0.012	£0.006773
28 September 2022	4.24%	57.00%	£0.02	£0.012	£0.002171
13 March 2023	3.37%	57.00%	£0.02	£0.020	£0.008201
31 August 2023	4.38%	57.00%	£0.01	£0.020	£0.013972
31 August 2023	4.38%	57.00%	£0.01	£0.020	£0.016477

Expected volatility was determined by calculating the historical volatility of the Company's share price using historical share prices, over the 12 months last listed. The warrants issued in April 2014 were expected to vest in 12 months from date of grant. All of the warrants issued in 2019, 2020, 2021 2022 and 2023 were expected to vest immediately. Although some have not yet vested the assumptions made have not been changed as the effect was not considered to be material. The Group recognised total expenses of $705,000 (2022: $1,448,000) relating to these equity-settled share-based payment transactions during the year.

16. SHARE CAPITAL, SHARE PREMIUM AND OTHER RESERVES

Share capital	31 December 2023	31 December 2022
	$'000	$'000
Allotted, issued and fully paid		
5,256,410,044 (2022: 4,500,607,775) ordinary shares of 0.25p	**18,736**	16,356

The movement in share capital and share premium is analysed as follows:

	Ordinary shares No.	Share capital $000	Share premium $000
Allotted and issued			
At 31 December 2021	4,282,688,699	15,671	42,595
Shares issued for cash	217,919,076	685	3,715
Share issue costs	-	-	(207)
At 31 December 2022	**4,500,607,775**	**16,356**	**46,103**
Shares issued for cash	15,000,000	47	327
Loan conversions	526,510,154	1,656	11,538
Warrant conversions	31,250,000	96	673
Shares issued in respect of fees and creditors	183,042,115	581	4,068
Share issue costs	-	-	(164)
At 31 December 2023	**5,256,410,044**	**18,736**	**62,545**

The ordinary shares carry one vote each and on winding up of the Company the balance of assets available for distribution will, subject to any relevant restrictions, be divided amongst the shareholders.

Non-controlling interest reserves comprise of amounts arising on business combinations or acquisitions when the entire interest in the company is not acquired by the Group, plus the share of profits or losses of the subsidiary attributed to the independent shareholders. In 2022 the Group acquired a 30% shareholding in COPDC Development Company Ltd ("COPDC"). Although only 30% of the shareholding was acquired, Tende has control over the Company as it has control over the decision making process through its right to appoint directors. Therefore, the financial statements for CPD Development Company Ltd, and its subsidiaries, are consolidated in full, and the 70% share of losses are classified as a non-controlling interest.

The movement in the non-controlling interest reserve is shown below:

Reconciliation of Non-controlling interests

	$'000
At 31 December 2021	-
On acquisition of a 30% shareholding in COPDC	**(5,422)**
Non-controlling interest share of losses	**(2,730)**
At 31 December 2022	**(8,152)**
Non-controlling interest share of losses	**(8,972)**
At 31 December 2023	**(17,124)**

Translation and other reserves comprise amounts in respect of translation of companies whose functional currency is not the same as the reporting currency and equity amounts recognised in respect of convertible loans, see Note 14.

17. RECONCILIATION OF NET DEBT

	Short-term borrowings $'000	Long-term borrowings $'000	Total $'000
1 January 2023	**13,230**	**20,747**	**33,977**
Cash-flows:			
- Proceeds	43,241	25,000	68,241
- Interest paid	(1,458)	(1,884)	(3,342)
- Repayments	(20,378)	-	(20,378)
Non-cash:			
- Accrued interest	6,865	7,055	13,920
- On acquisition of subsidiaries	34,426	284	34,710
- Converted	(2,628)	-	(2,628)
- Acquisition of lease	-	422	422
- Transfer to short term	11,901	(11,901)	-
- Foreign exchange movement	79	-	79
31 December 2023	**85,278**	**39,723**	**125,001**

	Short-term borrowings $'000	Long-term borrowings $'000	Total $'000
1 January 2022	**13,467**	**1,324**	**14,791**
Cash-flows:			
- Proceeds	2,957	19,765	22,722
- Interest paid	(40)	-	(40)
- Repayments	(4,871)	-	(4,871)
Non-cash:			
- Accrued interest	1,037	874	1,911
- Written off	(315)	-	(315)
- Transfer to derivative	9	-	9
- Transfer to short term	1,157	(1,157)	-
- Foreign exchange movement	(171)	(59)	(230)
31 December 2022	**13,230**	**20,747**	**33,977**

18. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

There were no capital commitments or contingent liabilities at 31 December 2023 or 31 December 2022.

19. CONTINGENT ASSETS

There were no contingent assets at 31 December 2023 nor 31 December 2022.

20. UNDRAWN BORROWINGS

At 31 December 2023 and 31 December 2022 there was an undrawn convertible loan facility of $4,138,000 (£3,250,000). The drawdown of this loan is subject to the Company relisting on AIM, and shareholder approval.

21. LEASES AND RIGHT OF USE ASSETS

In March 2021 the Group entered into a new office lease at 25 Bury Street, and also acquired a lease at the Hub in Farnborough on the acquisition of ATOG, as well as leased assets in Tunisia. The following amounts relate to leases.

Set out below are the carrying amounts of the right-of-use assets and the movements during the year.

	Properties $'000	Development production and other PPE assets $'000	Total $'000
Right-of-use assets			
At 1 January 2023	373	0	373
On acquisition of subsidiary	199		199
Additions	0	422	422
Amortisation	(209)	(235)	(444)
At 31 December 2023	**363**	**187**	**550**

	Properties $'000	Development production and other PPE assets $'000	Total $'000
Right-of-use assets			
At 1 January 2022	542	-	542
Amortisation	(169)	-	(169)
At 31 December 2022	**373**	**-**	**373**

Set out below are the carrying amounts of lease liability and the movements during the year.

	Properties $'000	Development production and other PPE assets $'000	Total $'000
Lease liabilities			
At 1 January 2023	356	0	**356**
On acquisition of subsidiary	198	191	**389**
Additions	-	422	**422**
Interest expense	14	6	**20**
Lease payments	(271)	(128)	**(399)**
Foreign exchange movements	15	-	**15**
At 31 December 2023	**312**	**491**	**803**
Current	190	217	**407**
Non-current	122	274	**396**

21. LEASES AND RIGHT OF USE ASSETS (CONTINUED)

	Properties	**Development production and other PPE assets**	**Total**
	$'000	**$'000**	**$'000**
Lease liabilities			
At 1 January 2022	587	-	**587**
Interest expense	16	-	**16**
Lease payments	(187)	-	**(187)**
Foreign exchange movements	(60)	-	**(60)**
At 31 December 2022	**356**	-	**356**
Current	184	-	**184**
Non-current	172	-	**172**

The group leases the property at 25 Bury Street in London, the property at the Hub in Farnborough and an office in Dubai.

The lease in London currently runs for four years from March 2021.

The lease in Farnborough ran until May 2025 and the office was vacated shortly after completion of the acquisition in August 2023. Post the year end, the Company agreed an early termination of the office lease with effect from August 2024. Other leases in Tunisia relate to Development and Production Assets.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. The offices in Dubai have been leased on leases of 12 months or less.

In 2023 the Group recognised the following amounts in respect of leases not included above:

	2023	2022
	$'000	$'000
Expense relating to short-term leases (included in administrative expenses)	**33**	59
Expense relating to service charge payments not included in lease liabilities (included in administrative expenses)	**43**	47
	76	106

The total cash outflow in respect of leases was $548,000 (2022: $339,000).

22. FINANCIAL INSTRUMENTS

The Group is exposed to a variety of financial risks which result from both its operating and investing activities. The Board is responsible for co-ordinating the Group's risk management and focuses on actively securing the Group's short to medium term cash flows.

The Group does not actively engage in the trading of financial assets and has no financial derivatives. The most significant risks to which the Group is exposed are described below:

a Credit risk

The Group's credit risk is primarily attributable to its trade receivables. At 31 December 2023 and 31 December 2022, the Group had $Nil of trade receivables and, therefore, minimal risk.

Generally, the Group's maximum exposure to credit risk is limited to the carrying amount of the financial assets recognised at the Statement of Financial Position date, as summarised below:

	31 December 2023			31 December 2022		
	Receivables held at amortised cost	**Non financial assets**	**Statement of Financial Position total**	Receivables held at amortised cost	Non financial assets	Statement of Financial Position total
	$'000	**$'000**	**$'000**	$'000	$'000	$'000
Other receivables	**1,526**		**1,526**	262	-	262
Prepayments and accrued income		**459**	**459**	-	173	173
Cash and cash equivalents	**24,818**		**24,818**	12,526	-	12,526
Total	**26,344**	**459**	**26,803**	12,788	173	12,961

The credit risk on liquid funds is limited due to the level of cash held and because the Group only places deposits with leading financial institutions in the United Kingdom.

b Liquidity risk

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The Directors prepare rolling cash flow forecasts and seek to raise additional equity funding whenever a shortfall in funding is forecast. At 31 December 2023, the Group had US$ 25 million (2022: US$ 13 million of Cash at bank (Company: US$ 14.6 million; 2022: US$0.5 million). Of this amount, US$ Nil million (2022: US$ Nil million) is being held for debt service (Company: US$ Nil 2022: US$ Nil). The credit ratings of the banks that hold the Group’s Cash at bank are all A as per appropriate rating agencies. Ultimate responsibility for liquidity risk management rests with the Board of Directors Details of the going concern basis of preparing the financial statements are included in the principal accounting policies.

c Market risk

Interest rate risk

The Group has variable interest rates on both of the Trafigura facilities and the Mezzanine loans both of which are linked to USD LIBOR rates.

22. FINANCIAL INSTRUMENTS (CONTINUED)

d Foreign currency risk

The Group operates in the UK, Dubai, Tunisia and Nigeria and carries out transactions in US dollars, Sterling, Euros, Tunisian Dinar, UAE Dirhams and Nigerian Naira. The Group does not have a policy to hedge but will continue to keep this under review. The Group operates foreign currency bank accounts to help mitigate the foreign currency risk. The impact of foreign exchange gains and losses through the profit and loss in the year is immaterial. The average GBP exchange rate used during the year was USD 1.243481 (2022: 1.237053). The closing exchange rate at 31 December 2023 was USD 1.27314 (2022: 1.20972).

The following table details the assets and liabilities at 31 December 2023 by currency.

	USD	GBP	TND	AED	NGN	EUR	TOTAL
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Intangible assets	13,501	-	-	-	-	-	13,501
Property, plant and equipment and development and production assets	79,276	-	-	-	-	-	79,276
Cash and cash equivalents	24,007	91	311	15	394		24,818
Inventory	6,618	-	-	-	-	-	6,618
Trade and other receivables	641	344	819	181	-	-	1,985
Trade and other payables	(22,918)	(3,295)	(8,857)	(5)	(28)	(15)	(35,118)
Lease liability	-	(312)	(491)	-	-	-	(803)
Loans payable	(124,198)	-	-	-	-	-	(124,198)
Asset retirement obligations	(12,646)	-	-	-	-	-	(12,646)
Deferred tax liability	-	-	(7,739)	-	-	-	(7,739)
Net assets/(liabilities)	(35,719)	(3,172)	(15,957)	191	366	(15)	(54,306)

e Financial liabilities

The Group's financial liabilities are classified as follows:

	31 December 2023			31 December 2022		
	Other financial liabilities at amortised cost	**Liabilities held at fair value**	**Total**	Other financial liabilities at amortised cost	Liabilities held at fair value	Total
	$'000	**$'000**	**$'000**	$'000	$'000	$'000
Trade payables	**14,877**	**-**	**14,877**	7,449	-	7,449
Other payables	**10,778**	**-**	**10,778**	1,898	-	1,898
Trade and other payables relating to discontinued operations	**-**	**-**	**-**	255	-	255
Lease liability	**803**	**-**	**803**	356	-	356
Loans	**124,198**	**-**	**124,198**	33,621	-	33,621
Deferred tax liability	**12,646**	**-**	**12,646**	-	-	-
Asset retirement obligation	**7,739**	**-**	**7,739**	-	-	-
Embedded derivative liability	**-**	**-**	**-**	-	4,776	4,776
Accruals	**9,463**	**-**	**9,463**	384	-	384
Total	**180,504**	**-**	**180,504**	43,963	4,776	48,739

22. FINANCIAL INSTRUMENTS (CONTINUED)

All of the resulting fair value estimates are included in level 2, except for unlisted equity securities, a contingent consideration receivable and certain derivative contracts, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

Maturity of financial instruments
All financial liabilities except the lease liability, the deferred tax liability, the asset retirement obligation, the mezzanine loans and Trafigura facility described in note 14 at 31 December 2023 and 31 December 2022 mature in less than one year. The maturity of the lease and loan liabilities is shown below:

	2023	2022
	$'000	$'000
Lease liability		
Amounts due within one year	**407**	184
Amounts due in one to five years	**396**	172
Loans		
Amounts due within one year	**84,871**	13,046
Amounts due in one to five years	**39,327**	20,575

f Borrowing facilities for the year ended 31 December 2022
At 31 December 2023 there was an undrawn convertible loan facility of $4,138,000 (£3,250,000) (31 December 2022: $4,436,000). The drawdown of this loan is subject to the Company relisting on AIM, and shareholder approval. At 31 December 2023 and 31 December 2022 the Group also had undrawn borrowing facilities under the Trafigura facility.

g Capital risk management
The Group's objectives when managing capital are:

- to safeguard the Group's ability to continue as a going concern, so that it continues to provide returns and benefits for the shareholders;
- to support the Group's stability and growth; and
- to provide capital for the purpose of strengthening the Group's risk management capability.

Management regards total equity as capital and reserves, for capital management purposes. Capital comprises the share capital and share premium.

The Group actively and regularly reviews and manages its capital structure to ensure an optimal capital structure and equity holder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment.

The financial statements show that the Group's net assets are less than half its called up share capital. In these circumstances, the Directors of the Group are obliged by section 656 of the CA 2006 to convene a general meeting for the purposes of considering whether any and if so what, steps should be taken to deal with the Group's current financial position. The Directors will consider this issue at the Company's forthcoming Annual General Meeting.

23. RELATED PARTY TRANSACTIONS

At 31 December 2023 no amounts were due to/(receivable from) directors. At 31 December 2022 the following amounts were due to/(receivable from) directors:

31 December 2023	Expenses	Bonuses
O Kuti	-	183,810
J Pryde	-	115,537
M Henderson	-	126,041

31 December 2022	Expenses	Accrued salary
T Hayward	6,437	-
M Henderson	(360)	-

During the year, the Company made loans of $74,600 (2022: $92,753) to Sirius Taglient Petro Limited (which had been a subsidiary undertaking) for cash advances to cover operating expenses and invoices paid on their behalf. At 31 December 2023, Tende was owed $4,676,062 (2022: $4,601,462) from Sirius Taglient Petro Limited, which has been written off in the Company only accounts as the company has now been dissolved.

24. SUBSIDIARIES

The following subsidiaries have been consolidated in these accounts:

	Proportion of ordinary share capital held	**Nature of business**	**Registered office**	**Country of incorporation**
Sirius Oil & Gas Limited	100%	Dormant	16 Great Queen Street, London, WC2B 5DG	England and Wales
Tende Energy Limited	100%	Exploration for mineral resources	Unit 07, Level 15, Gate District, Gate Building, DIFC	Dubai
Tende Energy Trading Limited	100%	Exploration for mineral resources	C/o Axis Fiduciary Ltd, 2nd Floor, The AXIS, 26 Cybercity, Ebene	Mauritius
Tende Energy Angola Limited	100%	Exploration for mineral resources	25 Bury Street, London, SW1Y 6AL	England and Wales
Tende Energy Nigeria Limited	100%	Exploration for mineral resources	3, Jerry Iriabe Street, Lekki Phase 1, Lagos	Nigeria
COPDC Petroleum Development Company Limited	30%	Exploration for mineral resources	No. 14, Ekoro Oruro River Street, Maitama, FCT, Abuja	Nigeria
CPDC Bahamas (Financing) Limited	30%*	Exploration for mineral resources	4 George Street, Mareva House	The Bahamas
CPDC FMA Limited	30%*	Exploration for mineral resources	No. 14, Ekuro Oruro River Street, Maitama, Federal Capital Territory, Abuja	Nigeria
CMES-OMS Petroleum Development Company Limited	30%*	Exploration for mineral resources	No. 14, Ekuro Oruro River Street, Maitama, Federal Capital Territory, Abuja	Nigeria
COPDC Trading Limited	30%*	Exploration for mineral resources	C/o Axis Fiduciary Ltd, 2nd Floor, The AXIS, 26 Cybercity, Ebene	Mauritius
ATOG Midco Ltd	100%	Investment	25 Bury Street, London, SW1Y 6AL	England and Wales
Anglo Tunisian Oil and Gas Limited	100% through ATOG Midco Limited	Investment	25 Bury Street, London, SW1Y 6AL	England and Wales
ATOG Petroleum Limited	100% through Anglo Tunisian Oil and Gas Limited	Investment	2nd Floor, O'Neal Marketing Associated Building, Wickham's Cay II, Road Town	British Virgin Islands
ATOG Ventures Limited	100% through ATOG Petroleum Limited	Exploration and production of oil and gas	The Business Centre, Upton, Christ Church	Barbados
ATOG Sahara Limited	100% through ATOG Ventures Limited	Exploration and production of oil and gas	25 Bury Street, London, SW1Y 6AL	England and Wales

* These are indirectly held as subsidiaries of COPDC Petroleum Development Company Limited

25. DISCONTINUED OPERATIONS

The activities of Sirius Taglient Petro Limited. Sirius Trading Nigeria Limited, Sirius Ororo OML95 Limited, SRS Petroleum Nigeria Limited and Sirius Exploration and Production Company Limited have been classified as discontinued as these subsidiaries were dissolved in the year.

The summarised financial information for these entities is as follows:

STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 December 2023	Year ended 31 December 2022
	$'000	$'000
Impairment of intangible	-	(15,186)
Other administrative expenses	180	(122)
Total administrative expenses	180	(15,308)
Loss from discontinued operations	180	(15,308)
Finance cost	-	-
Loss before and after taxation, and total comprehensive loss attributable to the equity holders of the Company	180	(15,308)

STATEMENT OF FINANCIAL POSITION

	31 December 2023	31 December 2022
	$'000	$'000
LIABILITIES		
Current liabilities		
Trade and other payables	-	(255)
Total current liabilities and total liabilities	-	(255)
Total net (liabilities)/assets	-	255

Included in the Group Cash Flow Statement are the following amounts relating to discontinued operations:

	31 December 2023	31 December 2022
	$'000	$'000
Cash flow from operating activities	**(75)**	(57)

26. SUBSEQUENT EVENTS

On 3 September 2024, 13,250,000 Ordinary shares of 0.25p were issued in respect of fees totalling £265,000.

On 25 September 2024, 51,500,000 Ordinary shares of 0.25p were issued for cash raising gross proceeds of $1,377,276 (£1,030,000).

As described in the Chairman’s & CEO Statement and Strategic Report, in order to de-risk the Tunisian portfolio, in November 2024 the Company signed a Sale and Purchase Agreement (“SPA”). The transaction has an effective date of 23 August 2024 and is subject to the usual Tunisian governmental and regulatory approvals, of which the process is underway. Management have reviewed the effect of this transaction on the Group accounts. Should the effective date have been 31 December 2023, the disposal would have had a positive effect on the Statement of Financial position for the Group, and management expect the impact on the effective date to be positive also.

TENDE ENERGY PLC (formerly Sirius Petroleum Plc)

COMPANY STATUTORY FINANCIAL STATEMENTS

(PREPARED UNDER UK GAAP – FRS 102)

FOR THE YEAR ENDED

31 DECEMBER 2023

Company No 05181462

STATEMENT OF FINANCIAL POSITION

As At 31 December 2023

	Note	31 December 2023 $'000	31 December 2022 $'000
ASSETS			
Fixed assets			
Investments	*2*	**-**	5752
Tangible fixed assets	*3*	**-**	-
Total fixed assets		**-**	5,752
Current assets			
Cash and cash equivalents		**14,600**	467
Trade and other receivables	*4*	**10,372**	9,304
Total current assets		**24,972**	9,771
Total assets		**24,972**	15,523
LIABILITIES			
Current liabilities			
Trade and other payables	*5*	**4,304**	4,024
Loans payable	*6*	**35,480**	10,470
Embedded derivative	*6*	**-**	4,776
Total current liabilities		**39,784**	19,270
Liabilities due after one year			
Loans payable	*6*	**17,625**	13,908
Total liabilities		**57,409**	33,178
EQUITY			
Share capital	*8*	**18,736**	16,356
Share premium		**62,545**	46,103
Share-based payment reserve	*7*	**7,196**	4,986
Exchange reserve		**117**	117
Retained earnings		**(120,031)**	(85,217)
Equity attributable to equity holders of the Company		**(32,437)**	(17,655)
Total equity and liabilities		**24,972**	15,523

The Company’s loss for the year was $36,312,000 (year ended 31 December 2022: $5,149,000).

The financial statements were approved by the Board and authorised for issue on 20 December 2024.

J Pryde
Director
20 December 2024
Company number: 05181462

The accompanying principal accounting policies and notes form an integral part of these financial statements.

TENDE ENERGY PLC (FORMERLY SIRIUS PETROLEUM PLC)

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

	Share capital	Share premium	Share based payment reserve	Exchange & other reserves	Retained earnings	Total equity
	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 January 2023	15,671	42,595	3,126	118	(80,076)	(18,566)
Loss for the year	-	-	-	-	(5,149)	(5,149)
Total comprehensive (loss)/profit for the year	-	-	-	-	(5,149)	(5,149)
Share based payments	-	-	1,867	-	-	1,867
Share issue	685	3,715	-	-	-	4,400
Share issue costs	-	(207)	-	-	-	(207)
Equity element of convertible loans transferred on repayment	-	-	-	(1)	1	-
Transfer on lapse of options/warrants	-	-	(7)	-	7	-
Transactions with owners	685	3,508	1,860	(1)	8	6,060
Balance at 31 December 2022	16,356	46,103	4,986	117	(85,217)	(17,655)
Loss for the year	-	-	-	-	(36,312)	(36,312)
Total comprehensive loss for the year	-	-	-	-	(36,312)	(36,312)
Share based payments	-	-	2,708	-	-	2,708
Share issue	2,380	16,606	-	-	-	18,986
Share issue costs	-	(164)	-	-	-	(164)
Transfer on exercise of warrants	-	-	(187)	-	187	-
Transfer on lapse of warrants	-	-	(311)	-	311	-
Transactions with owners	2,380	16,442	2,210	-	498	21,530
Balance at 31 December 2023	**18,736**	**62,545**	**7,196**	**117**	**(121,031)**	**(32,437)**

The accompanying principal accounting policies and notes form an integral part of these financial statements.

BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention and in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102, and in accordance with the Companies Act 2006.

The individual accounts of Tende Energy Plc have also adopted the following disclosure exemptions, as permitted by section 408 of the Companies Act 2006, as it meets the definition of a qualifying entity due to the disclosures being made in the consolidated financial statements:

- the requirement to present a statement of comprehensive income and related notes
- the requirement to present a statement of cash flows and related notes
- the requirement to disclose financial instruments
- the requirement to disclose key management personnel compensation
- the requirement to disclose share based payments

GOING CONCERN

The Directors have prepared cash flow forecasts for the period up to December 2025. The Angolan acquisition has been excluded from these forecasts as it is subject to separate offtake funding arrangements.

Of the $84,871,000 or current loans outstanding at 31 December 2023, $43,180,000 have been eliminated from the Group's liabilities on the disposal of all of the economic assets and liabilities of ATOG. Repayment of a further $22,334,000 of current loans are now dependent upon the completion of the Angolan acquisition, and will be repaid from proceeds arising from the acquisition.

The Group secured additional secured loan financing of up to $50m in November 2024. With this funding, the projections indicate that the Group would have sufficient cash to cover liabilities as they fall due in the going concern period. This includes fully repaying all loans and creditors that are outstanding at the present time, when they fall due.

The Directors therefore believe that the Group and parent company will have sufficient cash resources to meet its liabilities as they fall due for a period of at least 12 months from the date that the financial statements are signed. Consequently, the financial statements have been prepared on a going concern basis.

While the group currently has sufficient cash flow to meet its obligations as they fall due within the next 12 months, its ability to continue as a going concern beyond that is dependent on the successful execution of future projects and its ability to raise additional funds as required to either settle existing obligations or fund its projects. These conditions indicate the existence of a material uncertainty that may place greater doubt on the group's ability to continue as a going concern.

TAXATION

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the Statement of Financial Position date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable result for the period. All changes to current tax assets or liabilities are recognised as a component of tax expense in the statement of comprehensive income.

Deferred income taxes are calculated using the liability method on temporary differences. This involves the comparison of the carrying amounts of assets and liabilities in the financial statements with their respective tax bases. In addition, tax losses available to be carried forward as well as other income tax credits to the Company are assessed for recognition as deferred tax assets.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognised to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the Statement of Financial Position date.

Most changes in deferred tax assets or liabilities are recognised as a component of tax expense in the statement of comprehensive income. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged or credited directly to equity or other comprehensive income are charged or credited directly to equity or other comprehensive income.

FINANCIAL ASSETS

The Company's financial assets comprise cash, loans receivable and trade and other receivables.

All financial assets are recognised when the Company becomes party to the contractual provisions of the instrument. All financial assets are initially recognised at fair value, plus transaction costs.

Financial assets categorised as loans and receivables are measured subsequent to initial recognition at amortised cost using the effective interest rate method.

Trade and other receivables are provided against when objective evidence is received that the Company will not be able to collect all amounts due to it in accordance with the original terms of the receivables. The amount of the write-down is determined as the difference between the asset’s carrying amount and the present value of estimated future cash flows, calculated by discounting using the original discounted rate.

Financial assets are derecognised when the rights to receive cash flows for the asset expire or the financial assets are transferred and the Company has transferred substantially all the risks and rewards of ownership of the financial asset. On derecognition of a financial asset, the difference between the assets carrying amount and the sum of the consideration is recognised in the statement of comprehensive income.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash at bank and in hand, bank deposits repayable on demand, and other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, less advances from banks repayable on demand from the date of the advance if the advance forms part of the Company's cash management.

CLASSIFICATION AS FINANCIAL LIABILITIES OR EQUITY

Financial instruments or their component parts are classified according to the substance of the contractual arrangements entered into.

A financial liability exists where there is a contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities under potentially unfavourable conditions. In addition, contracts which result in the entity delivering a variable number of its own equity instruments are financial liabilities.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Dividends and distributions relating to equity instruments are debited directly to equity.

A compound instrument is a non-derivative financial instrument which contains both a liability and an equity component. These components are accounted for separately as financial liabilities and equity components, and are presented separately in the statement of financial position.

EQUITY

Share capital is determined using the nominal value of shares that have been issued.

The share premium account represents premiums received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Where warrants have been issued for services in relation to procuring subscribers, the relevant fair value charge has been set against share premium as a cost of issue.

The share-based payment reserve represents the cumulative amount which has been expensed in the statement of comprehensive income in connection with share-based payments, less any amounts transferred to retained earnings on the exercise of share options or warrants.

Other reserves comprise the amounts arising on the initial recognition of compound instruments.

Translation reserves are amounts in respect of unrealised exchange differences.

Retained earnings include all current and prior year results as disclosed in the statement of comprehensive income.

FINANCIAL LIABILITIES

The Group's financial liabilities comprise trade and other payables, bank overdrafts, lease liability and loans payable.

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All interest related charges are recognised as an expense in finance costs in the statement of comprehensive income using the effective interest method.

Trade and other payables are recognised initially at fair value, net of direct issue costs, and are subsequently recorded at amortised cost using the effective interest method with interest related charges recognised as an expense in the statement of comprehensive income.

Loans payable are recognised initially at fair value, net of direct issue costs and subsequently measured at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are recognised in the statement of comprehensive income on an accruals basis using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise. The embedded derivative liability, relating to a convertible loan where the carrying liability converts into a variable number of shares, is held at "fair value through profit or loss".

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in the statement of comprehensive income.

COMPOUND INSTRUMENTS

On initial recognition, the fair value of the consideration for the liability component of the instrument is determined based on the fair value of a similar instrument that does not have an equity conversion option and recognised as a financial liability. Subsequent measurement is in accordance with the financial liabilities accounting policy.

The equity component is recognised initially as the residual value remaining when the fair value of the debt component is compared to the fair value of the compound instrument as a whole. The equity component is not remeasured after initial recognition except on expiry.

OTHER PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the Statement of Financial Position date, including the risks and uncertainties associated with the present obligation. Any reimbursement expected to be received in the course of settlement of the present obligation is recognised, if virtually certain as a separate asset, not exceeding the amount of the related provision. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. In addition, long-term provisions are discounted to their present values, where time value of money is material. All provisions are reviewed at each Statement of Financial Position date and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognised in the statement of financial position. Probable inflows of economic benefits to the Company that do not yet meet the recognition criteria of an asset are considered contingent assets.

SHARE-BASED PAYMENTS

Options

The Company issues equity-settled share-based payments to certain employees (including directors) in the form of options. Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, together with a corresponding increase in equity, based upon the Company's estimate of the shares that will eventually vest.

Fair value is measured using the Black-Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of share options expected to vest differs from previous estimates.

No adjustment is made to the expense recognised in prior periods if fewer share options are ultimately exercised than originally estimated. Upon exercise of share options, the proceeds received net of any directly attributable transaction costs up to the nominal value of shares issued are allocated to share capital with any excess being recorded as share premium. No share options were exercised in either year. All five directors hold share options.

Warrants

The Company has also issued equity settled share-based payments to certain employees (including directors), and in respect of services provided by external consultants in the form or warrants. The share-based payment is measured at fair value of the services provided at the grant date, or if the fair value of the services cannot be reliably measured using the Black-Scholes model. The expense is allocated over the vesting period. Where services provided relate to the issue of shares the expense has been charged to share premium.

FEES AND LOANS SETTLED IN SHARES

Where shares have been issued as consideration for services provided or loans outstanding they are measured at the fair value of the services provided. The difference between the carrying amount of the financial liability (or part thereof) extinguished, and the fair value of the shares, is recognised in the statement of comprehensive income.

PROPERTY, PLANT AND EQUIPMENT

Measurement basis

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to the working condition and location for its intended use. Subsequent expenditure relating to property, plant and equipment is added to the carrying amount of the assets only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.
All other costs, such as repairs and maintenance are charged to the statement of comprehensive income during the period in which they are incurred.

When assets are sold, any gain or loss resulting from their disposal, being the difference between the net disposal proceeds and the carrying amount of the assets, is included in the statement of comprehensive income.

Depreciation

Depreciation is calculated so as to write off the cost of property, plant and equipment, less its estimated residual value, over its useful economic life as follows:

Computer equipment	-	within the current financial year
Office equipment	-	straight-line over 3 years

OPERATING LEASES

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Payments, including prepayments, made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

FOREIGN CURRENCIES

In the individual financial statements foreign currency transactions are translated into the functional currency at the exchange rate at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the reporting date. Non-monetary items that are measured at historic cost in a foreign currency are translated at the exchange rate at the date of transaction and are not re-translated. Non-monetary assets that are measured at fair value in a foreign currency are translated into the functional currency using the exchange rates at the date when the fair value was determined. The functional currency of the Company has been retrospectively reassessed by Management as being USD effective from 2017, (previously GBP) and the presentational currency of the Company is USD. The effect of this reassessment was not material and has been included in the 2021 financial statements.

Any exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were initially recorded are recognised in the statement of comprehensive income in the period in which they arise.

Non-monetary assets that are measured at fair value in a foreign currency are translated into the functional currency using the exchange rates at the date when the fair value was determined.

Any exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were initially recorded are recognised in the statement of comprehensive income in the period in which they arise.

In the financial statements all individual financial statements that are originally presented in a currency different from the Company's presentational currency have been converted into USD. Assets and liabilities have been translated into USD at the closing rates at the reporting date. Income and expenses have been converted into USD at the exchange rates at the transaction dates, or at the average rates over the reporting period provided that the exchange rates do not fluctuate significantly. Any differences arising from this process have been recognised in other comprehensive income and accumulated separately in the currency exchange reserve in equity.

The average GBP exchange rate used during the year was USD 1.243481 (2022: 1.237053). The closing exchange rate at 31 December 2023 was USD 1.27314 (2022: 1.20972).

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(i) Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next accounting year are discussed below:

Share-based payment
The Group has used appropriate models for valuing share based payments. Management has made a number of assumptions in calculating the inputs for the models as detailed in note 15 of the group accounts.

Treatment of convertible loans

Management had assessed the Convertible Loan Notes ("CLN") issued on 22 September 2020 to have both a debt and an equity element. Management assessed the fair value of the Conversion element of the liability immediately prior to conversion using the Black-Scholes model, resulting in a value of £8,363,000 ($10,522,000). Full details of the assumptions made and inputs used are set out in note 6.

Valuation of Investments in Subsidiaries

The Company held an investment in the shares of ATOG which is unquoted at 31 December 2023. The Company is required to make judgments over the carrying value of investments in unquoted companies where fair values cannot be readily established and evaluate the size of any impairment required. It is important to recognise that the carrying value of such investments cannot always be substantiated by comparison with independent markets and, in many cases, may not be capable of being realised immediately. Management's significant judgement in this regard is that the value of their investment represents their cost less accumulated impairment. Management reviews each unquoted investment at each reporting date for indications of impairment. Management concluded that the asset should be fully impaired in the current year (see Note 2).

1 TAXATION

There is no current or deferred tax charge for the year (year ended 31 December 2022: $nil).

Unrelieved tax losses of approximately $50,563,000 (2022: $39,172,000) remain available to offset against future taxable trading profits. The unprovided deferred tax asset at 31 December 2023 is $12,641,000 (2022: $9,793,000) which has not been provided on the grounds that it is uncertain when or in what tax jurisdiction taxable profits will be generated by the Group to utilise those losses. There are no deferred tax liabilities. The 2021 budget increases the corporation tax rate to 25% from 1 April 2023. Deferred tax assets and liabilities at 31 December 2023 have been calculated based on the rate of 25% substantively enacted at the balance sheet date.

The tax assessed for the year differs from the standard rate of corporation tax of 23.5% (2022: 19%) in the UK as follows:

	2023	**2023**	**2022**	**2022**
	$'000	**%**	$'000	%
Loss before taxation	**(35,312)**		(5,149)	
Loss multiplied by standard rate of corporation tax in the UK	**(8,533)**	**23.50**	(978)	(19.00)
Effect of:				
Expenses not deductible for tax purposes	**5,856**	**23.50**	477	(19.00)
Unrelieved tax losses	**2,677**	**23.50**	501	(19.00)
Total tax charge for year	**-**		-	

2 FIXED ASSET INVESTMENTS

	Investment in group undertakings	Other investments	Total
	$'000	**$'000**	**$'000**
Cost			
At 31 December 2021	19,260	4,502	23,762
Additions	-	1,250	1,250
At 31 December 2022	19,260	5,752	25,012
Transfer	5,752	(5,752)	-
At 31 December 2023	25,012	-	25,012
Amounts written off			
At 31 December 2021 and 31 December 2022 and 31 December 2023	19,260	-	19,260
Impairment			
At 31 December 2021 and 31 December 2022	-	-	-
Impairment in year	5,752	-	5,752
At 31 December 2023	5,752	-	5,752
Net book value at 31 December 2023	-	-	-
Net book value at 31 December 2022	-	5,752	5,752
Net book value at 31 December 2021	**-**	**-**	**-**

Management have fully impaired the investment in ATOG of $5,752,000, as it is no longer considered to be recoverable.

Note 24 of the Group accounts describes the Company ordinary share capital holdings in subsidiary undertakings at 31 December 2023.

3 PROPERTY, PLANT AND EQUIPMENT

	Computer equipment	**Office equipment**	**Total**
	$' 000	**$'000**	**$'000**
Cost			
At 1 January 2022	67	299	366
Additions	3	-	3
Disposals	(51)	(8)	(59)
At 31 December 2022	**19**	**291**	**310**
Additions	20	-	20
Disposals			
At 31 December 2023	**39**	**291**	**330**
Depreciation			
At 1 January 2022	67	299	366
Charge for the year	3	-	3
Eliminated on disposals	(51)	(8)	(59)
At 31 December 2022	**19**	**291**	**310**
Charge for the year	20	-	20
Eliminated on disposals	0	0	0
At 31 December 2023	**39**	**291**	**330**
Net book value			
Balance at 31 December 2023	**-**	-	-
Balance at 31 December 2022	**-**	-	-
Balance at 1 January 2022	-	**-**	**-**

4 DEBTORS

	31 December 2023	31 December 2022
	$'000	$'000
Other debtors	**192**	247
Amounts owed by subsidiary undertakings	**10,060**	8,952
Prepayments and accrued income	**120**	105
	10,372	9,304

5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 2023	31 December 2022
	$'000	$'000
Trade creditors	**1,643**	1,864
Social security and other taxes	**65**	316
Other creditors	**128**	1,537
Loans	**53,105**	24,378
Accruals and deferred income	**2,468**	307
	57,409	28,402

The fair value of trade and other payables has not been disclosed as, due to their short duration, management consider the carrying amounts recognised in the Statement of Financial Position to be a reasonable approximation of their fair value.

6 LOANS PAYABLE

During the year the Company received loans from several unconnected parties to fund working capital as set out below. These loans are unsecured.

Convertible loans

During the year the Group received no new convertible loans (2022: $Nil). During the year $2,628,000 of the convertible loans were converted (2022: $Nil). No capital and fees were repaid (2022 $73,000 of which $9,000 reduced the derivative value, see below), No equity was extinguished in the year (2022 $1,000), and there was a $64,000) (2022: ($105,000) exchange movement. Interest of $1,051,000 was recognised in the year (2021: $838,000).

There was one outstanding convertible loan received prior to 2020, and the balance of $315,000 was written off in 2022.

Convertible Loan Notes amounting to $1,939,000 (GBP £1,500,000) were issued in the year 2020. The CLN has a notional of £1,500,000, 12.0% fixed interest paid in kind (“PIK” or the “Interest”) with a final maturity being 31 August 2023 (the “Redemption Date”). The CLN is unsecured, and it is convertible to the ordinary share of Tende at the conversion price (the “Conversion Price”) upon the listing of the Company or at option of the Noteholders. Pursuant to the CLN documentation the conversion price (the “Conversion Price”) is £0.004 per ordinary share of Tende when conversion occurs at the election of the Noteholders (“Noteholders’ Conversion”), however if the conversion occurs at the election of the Company (“Company Conversion”), the Conversion Price is the lower of £0.004 per share or 87.5% of the placing price of an ordinary share upon listing provided that if such calculation results in the Conversion Price being less than the nominal value of an ordinary share, the Conversion Price will be the nominal value.

The fair value of the conversion element embedded in the CLN was valued at inception using a Monte Carlo simulation to consider the values of the two conversion options. The major inputs used were as follows:
Share price at inception – 0.6p (as traded on JP Jenkins)
Share price at 31 December 2020 – 1p (as traded on JP Jenkins)
Volatility = 60% (Peer comparison)
Risk free interest rate – (GBP 6 month swap rate)
Probability of listing – 85% (Management assessment)

This resulted in the Conversion element of the CLN to be fair valued at $1,647,000 (GBP£1,289,000) at the time of issue and the debt element to be $292,000 (GBP: £211,129). The fair value of the Conversion element, which is also a liability, was revalued at $3,719,000 (GBP: £2,725,000) at 31 December 2020, and revalued annually thereafter.

6 LOANS PAYABLE (CONTINUED)

For the loans converted prior to the expiry date, the Conversion element was revalued prior to conversion using the Black Scholes model with the following inputs. For the loan converted on expiry the Conversion element was revalued at the difference between the prevailing share price of 2p and the exercise price of 0.4p times the number of shares issued. At 31 December it had been revalued using the Black-Scholes model with the following inputs.

	31/08/2023	24/07/2023	03/05/2023	31/12/2022
Share price (as traded on JP Jenkins)	2p	2p	2p	1.2p
Volatility (Peer comparison)	60%	60%	60%	60%
Conversion price	0.4p	0.4p	0.4p	0.4p
Number of shares to be issued	372,782,653	30,073,693	119,453,808	487,187,031
Remaining life (years)	0	0.10	0.33	0.67
Risk free interest rate	3.64%	2.91%	3.74%	4.03%
Black-Scholes per share (pence)	1.6	1.6012	1.6049	0.8118
Value of convertible element (GBP)	5,964,522	481,543	1,917,114	3,954,984

This resulted in a fair value of the Conversion element of $10,522,000 (GBP: £8,363,000), (31 December 2022 $4,776,000 – GBP £3,955,000).

The resultant EIR on the debt element of the CLN was approximately 78.72% and interest of $1,051,000 (2022: $838,000) was recognised in the year. Foreign exchange movements of $64,000) (2022: ($105,000)) were recognised, and a profit on conversion of $8,000 was recognised. $33,000 was repaid in 2022, of which $9,000 was allocated to the derivative, and the debt value of the loans at 31 December 2022 was $1,513,000.

Non-convertible loans

Year ended 31 December 2023
During the year the Company received short term non-convertible loans from third parties of $40,525,000 on which fees of $475,000 were paid in cash and 182,882,115 new ordinary fee shares were issued at a market value of $4,648,000 (GBP £3,658,000. Interest of $3,455,000 was recognised, and $8,500,000 was repaid in the year.

Interest of $3,717,000 was recognised on the Mezzanine loans received in 2021 and no repayments were made.

The balance of $8,957,000 was repaid on a loan outstanding for 2021.

Year ended 31 December 2022
During the year ended 31 December 2022, the Company received short term non-convertible loans from third parties of $522,000 on which fees of $Nil were paid, and no interest was recognised. $479,000 was repaid and foreign exchange of ($43,000) was recognised in the year.

Mezzanine loans of $13,034,000 net of loan fees of $266,000 were received in the year. The loan fees are amortised over the period of the loan giving an effective interest rate of 19.43%. The loans are repayable over five years. Interest of $874,000 was recognised in the year.

A charge over a Debt Service Reserve bank account has been registered as security for the Mezzanine loans.

Additionally, interest of $106,000 was recognised on loans outstanding from 2021, and $4,171,000, of these loans were repaid. Foreign exchange movements of ($23,000) were recognised in the year, leaving a balance of $8,957,000 outstanding.

6 LOANS PAYABLE (CONTINUED)

The movements in the loans are summarised below:

	31 December 2023	31 December 2022
Convertible loans	**$'000**	$'000
Balance at 1 January	**1,513**	1,159
Interest charged	**1,051**	838
Repaid in cash	**-**	(73)
Transferred to derivative liability	**-**	9
Converted	**(2,628)**	-
Written off	**-**	(315)
Foreign exchange	**64**	(105)
Balance at 31 December	**-**	1,513
Due within one year	**-**	1,513
Due after one year	**-**	-
Non-convertible loans		
Balance at 1 January	**22,865**	13,045
Loans received	**40,525**	13,556
Interest charged	**7,172**	980
Repaid in cash	**(17,457)**	(4,650)
Foreign exchange	**-**	(66)
Balance at 31 December	**53,105**	22,865
Due within one year	**35,480**	8,957
Due after one year	**17,625**	13,908

7 SHARE-BASED PAYMENTS

Details of share-based payments are disclosed in note 15 of the consolidated financial statements.

8 SHARE CAPITAL & SHARE PREMIUM

Share capital	**31 December 2023**	31 December 2022
	$'000	$'000
Allotted, issued and fully paid		
5,256,410,044 (2022: 4,500,607,775) ordinary shares of 0.25p	**18,736**	16,356

8 SHARE CAPITAL & SHARE PREMIUM (continued)

The movement in share capital is analysed as follows:

	Ordinary shares No.	Share capital $000	Share premium $000
Allotted and issued			
At 31 December 2021	4,282,688,699	15,671	42,595
Shares issued for cash	217,919,076	685	3,715
Loan conversions			
Shares issued for investments			
Share issue costs	-	-	(207)
At 31 December 2022	**4,500,607,775**	**16,356**	**46,103**
Shares issued for cash	15,000,000	47	327
Loan conversions	526,510,154	1,656	11,538
Warrant conversions	31,250,000	96	673
Shares issued in respect of fees and creditors	183,042,115	581	4,068
Share issue costs	-	-	(164)
At 31 December 2023	**5,256,410,044**	**18,736**	**62,545**

The ordinary shares carry one vote each and on winding up of the Company the balance of assets available for distribution will, subject to any relevant restrictions, be divided amongst the shareholders.

9 LOSS FOR THE FINANCIAL YEAR

The Company has taken advantage of the exemption under the Companies Act 2006 and has not included its own profit and loss account in these financial statements. The Company's loss for the year was $36,312,000 (2022: $5,149,000).

10 OPERATING LEASES

On 21 March 2018, the Company entered into a lease on its premises at 25 Bury Street for a minimum term of three years. Revised terms were agreed in 2021 for a new four year term. The amounts due under this lease are as follows:

	Land and Buildings	
	2023	**2022**
	$'000	**$'000**
Amounts due within one year	**191**	184
In two to five years	**-**	172

11 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

There were no capital commitments or contingent liabilities at 31 December 2023, or 31 December 2022.

12 CONTINGENT ASSETS

There were no contingent assets at 31 December 2023 or 31 December 2022.

13 UNDRAWN BORROWINGS

At 31 December 2023 and 31 December 2022 there was an undrawn convertible loan facility of $4,138,000 (£3,250,000). The drawdown of this loan is subject to the Company relisting on AIM, and shareholder approval.

14 RELATED PARTY TRANSACTIONS

At 31 December 2023 and 31 December 2022 the following amounts were due to/(from) directors:

31 December 2023	Expenses	Bonuses
J Pryde	-	115,537

31 December 2022	Expenses	Accrued salary
T Hayward	6,437	
M Henderson	(360)	

During the year, the Company made loans of $74,600 (2022: $92,753) to Sirius Taglient Petro Limited (a subsidiary undertaking) for cash advances to cover operating expenses and invoices paid on their behalf. At 31 December 2023, Tende was owed $4,676,062 (2022: $4,601,462) from Sirius Taglient Petro Limited, which has been written off in full, as the company has now been dissolved.

15 EMPLOYEE REMUNERATION

The expense recognised for employee benefits, including the Directors' emoluments, is analysed below:

	2023	2022
	$'000	$'000
Wages and salaries	**1,572**	902
Pension contributions	**72**	19
Social security	**205**	119
Share-based payments	**1,047**	379
Benefits in kind	**32**	24
	2,928	1,443

The Directors are the Key Management Personnel of the Company. The remuneration of the highest paid employee in the Company was $389,951 (2022: $279,849) and pension contributions of $13,721 (2022: $2,603) were made by the company. Pension contributions were made in respect of three of the five directors.

The expenses recognised in respect of Directors is:

	2023	**2022**
	$'000	**$'000**
Directors remuneration	**458**	**486**
Pension contributions	**22**	**6**
Social security	**73**	**64**
Share-based payments	**315**	**285**
Benefits in kind	**19**	**22**
	887	**863**

15 EMPLOYEE REMUNERATION (continued)

The average number of employees during the year was:

	2023 No.	2022 No.
Directors	**5**	**5**
Other	**5**	**5**
	10	**10**

16 SUBSEQUENT EVENTS

On 3 September 2024, 13,250,000 Ordinary shares of 0.25p were issued for in respect of fees totalling $347,627 (£265,000).

On 25 September 2024, 51,500,000 Ordinary shares of 0.25p were issued for cash raising gross proceeds of $1,377,276 (£1,030,000).

As described in the Chairman's & CEO Statement and Strategic Report, in order to de-risk the Tunisian portfolio, in November 2024 the Company signed a Sale and Purchase Agreement. Management do not consider that this will have a significant impact on the Company Financial Statements.

GLOSSARY OF TERMS

bbl	barrel of oil
boe	barrel of oil equivalent
boepd	barrel of oil equivalent per day
mmbbl	million barrels of oil
2P	Proven and Probable Reserves
2C	Best Estimate of Contingent Resources
CPR	Competent Persons Report
NPV	Net Present Value