

25 September 2023

Oracle Power PLC
("Oracle", the "Company" or the "Group")

Unaudited Interim Results for the six months to 30 June 2023

Oracle Power PLC (AIM: ORCP), the international natural resources project developer, announces its unaudited interim results for the six months ended 30 June 2023, which is also available on its website at: www.oraclepower.co.uk.

Chairman's Statement for the six months to 30 June 2023

Summary of Interim Results

Oracle has made significant progress in relation to its multi-project portfolio consisting of one gold project progressing work in Western Australia via a joint venture, the multiple project Thar coal block in Pakistan (the "Thar Project"), which includes a large solar project, and a very exciting green hydrogen project in the south of Pakistan (the "Green Hydrogen Project"). For the Green Hydrogen Project, the Company has set up a joint venture company, Oracle Energy Limited ("Oracle Energy"), with Kaheel Energy FZE ("Kaheel Energy"), which is wholly owned by His Highness Sheikh Ahmed Bin Dalmoock Al Maktoum.

As is to be expected for a project development company with pre-revenue projects at development stages, the Company's financial results for the six months to 30 June 2023 show the Group to have made a loss after taxation of £613,773 (6 months ended 30 June 2022: £356,295). The increase in overheads during the period of £257,478 is principally due to foreign exchange losses and an adjustment to how the Company accounts for associate company investments.

At 30 June 2023, the Group had cash and cash equivalents of £326,946 (30 June 2022: £762,300) and total assets less current liabilities of £6,117,075 (30 June 2022: £6,890,347).

Operational Update

Australia

The Company currently holds one prospective gold asset, the Northern Zone Project, which is located in a globally significant gold region of Western Australia. The Northern Zone Project is located 25km east of the major gold mining centre of Kalgoorlie, the home of the 'Super Pit' mine which is the second largest gold mine in Australia. At the end of 2022, we decided to spend no further funds exploring the Jundee East mine and the carrying value of this asset was impaired in that period.

In the Chief Executive Officer's statement contained within this report, Ms Memon has prepared a separate operational update which further details the Company's progress in Australia.

Pakistan

The Pakistan authorities continue to work with the Chinese Government through the China-Pakistan Economic Corridor ("CPEC"). This will assist with the obtaining of finance to develop Thar Block VI. We keep in close touch with the Government of Pakistan at both federal and provincial levels to ensure the continued support for the Thar Project.

Post period end, we received the letter of intent ("LOI") from Directorate of Alternative Energy of the Government of Sindh relating to the establishment of a 1,200MW hybrid solar/wind, green hydrogen/power project in Pakistan, enabling development of the Green Hydrogen Project to commence.

In the Chief Executive Officer's statement contained within this report, Ms Memon has prepared a separate operational update which further details the Company's progress in Pakistan.

Conclusion

The Board extends its appreciation to the Energy Department, the Government of Sindh, as well as the Ministry of Energy (Power Division), Government of Pakistan, for their continued support. The Board also continues to be most grateful for the patience and support of the Company's shareholders.

Mark W. Steed

Chairman of the Board - Oracle Power PLC

Date: 25 September 2023

Chief Executive Officer's statement for the six months ended 30 June 2023

In the first half of 2023, we have made significant progress in relation to the development of all our projects in Pakistan and Western Australia.

Review of operations

Pakistan

Thar Block VI

As part of our continuing development of Thar Block VI, in May 2023 we signed a strategically significant off-take and development MOU with the Government of Sindh, K electric; the largest private electricity distributor in Pakistan, and PowerChina International. The 1.32 MW coal to power plant will be developed within CPEC, where it is on the priority list. The MOU allows for the development of the power plant either on the Block VI site or at Port Qasim for ease of transmission.

As part of our strategy to build our green energy portfolio, we also initiated a project to develop a proposed 1GW solar facility on our mine site at Block VI and signed a development MOU with PowerChina International. We also obtained provisional permission from the Government of Sindh for this development and have since commenced the necessary work to fulfil their requirements. This project places us at the forefront of companies in the region that are committed to developing responsible and sustainable energy solutions. Furthermore, the solar project at Thar will also offset carbon emissions from existing and future coal power plants, by providing green energy to local industry and communities. Oracle also continued to work on its CTG/L initiative during this period and, given the growing natural gas crisis in Pakistan, the government has become more engaged with us regarding the commencement of feasibility work.

Green Hydrogen Project

In the first half of 2023, Oracle has continued swiftly to develop its green hydrogen project in partnership with Kaheel Energy. Significantly in March 2023, a development and financing MOU was signed with the State Grid Corporation of China, the world's third largest company by revenue. During this period, State Grid has commissioned and funded a Hybrid Power and Transmission study.

We also signed two very important off-take MOUs as we continued to de-risk this investment. The first one with Emirates Global Aluminium was signed in February 2023, to meet the de-carbonisation needs of its aluminium smelters. In June 2023, we continued to strengthen our off-take prospects by signing another important off-take MOU for all our future green ammonia and green hydrogen production along with carbon credits, with PetroChina Middle East Company.

In February 2023, Oracle established a senior position in the green hydrogen development universe by becoming an associate partner of Dii, Desert Energy Alliance, a partnership network for the development and commercialisation of green hydrogen. In March 2023, Oracle also successfully completed the award and registration of the land lease.

In June 2023, the Company was also pleased to announce a collaboration for project development assistance and knowledge sharing, with Global Green Growth Institute, headquartered in Seoul under the Chairmanship of Ban ki-Moon.

Post period end, in September 2023, the Company was pleased to announce the completion of the technical and commercial Feasibility Study relating to the Green Hydrogen Project. The study, undertaken by leading international construction engineering company, thyssenkrupp Uhde, supports the development of a 400MW capacity green hydrogen production facility. The results of the study were noted to be very encouraging and on a par with industry expectations as observed in other green hydrogen projects announced worldwide, providing significant confidence in the development route towards commercialisation. The Company are now moving into a highly active period as it works towards completing power and grid interconnectivity feasibility studies in collaboration with State Grid Corporation of China, followed by geotechnical and environmental studies, leading into the FEED stage, and formulation of the investment and lender consortium.

Australia

In Western Australia, Oracle entered into a farm-in agreement for the Northern Zone Project with Riversgold Limited (“Riversgold”) (ASX:RGL), an ASX-listed gold exploration company in May 2023. As a result of this deal, the Company and its shareholders will be able to participate in the potential upside of any exploration success from the Riversgold committed workplan. An extensive diamond drilling programme was completed in August 2023 which substantiated previous exploration work, with very wide zones of intense alteration in all four diamond drill holes demonstrating high gold prospectivity. The Company is currently awaiting assay results and will report these to the market in due course.

The Riversgold transaction highlights Oracle’s strategy of forming partnerships to create value for shareholders and the Company is optimistic about the development of the partnership moving forwards.

With regard to Jundee East, the results of our exploration programme did not warrant any further work and the value of the asset was impaired in 2022.

Outlook

During the first half of 2022, we actively pivoted towards a more environmentally responsible project development strategy, by selecting green energy development to be a part of our portfolio. This has continued into 2023 and the Company is also reviewing other global green energy opportunities with His Highness Sheikh Ahmed Dalmook Al Maktoum.

We remain determined to generate value from the investments that we have made. We have launched another significant renewable power project to create further development opportunities on our coal block in Thar. At the same time, with an eye on critical energy needs and market demand, we have also forged a strategically valuable off-take partnership for coal to power and are now working towards securing financing support for our coal to power project under the CPEC umbrella.

The last six months have taken us further forward in terms of progressing our strategic vision and project developments and we are committed to continuing this progress going forward.

Naheed Memon

Chief Executive Officer - Oracle Power PLC

Date: 25 September 2023

**CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS TO 30 JUNE 2023**

	(Unaudited)	(Unaudited)	(Audited)
	6 Months to	6 Months to	Year ended
	30 June 2023	30 June 2022	31 Dec 2022
	£	£	£
CONTINUING OPERATIONS			
Revenue	-	-	-
Administrative expenses	(621,197)	(356,538)	(1,311,012)
OPERATING LOSS	(621,197)	(356,538)	(1,311,012)
Finance costs	-	-	-
Finance income	7,424	243	14,592
Amounts written off and p/l on disposals	-	-	6,762
LOSS BEFORE INCOME TAX	(613,773)	(356,295)	(1,289,658)
Income tax	-	-	-
LOSS FOR THE PERIOD	(613,773)	(356,295)	(1,289,658)

Earnings per share expressed in pence per share:

Basic	(0.02)	(0.01)	(0.04)
Diluted	(0.02)	(0.01)	(0.04)

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS TO 30 JUNE 2023**

	(Unaudited)	(Unaudited)	(Audited)
	6 Months to	6 Months to	Year ended
	30 June 2023	30 June 2022	31 Dec 2022
	£	£	£
LOSS FOR THE YEAR	(613,773)	(356,295)	(1,289,658)
ITEMS THAT WILL OR MAY BE RECLASSIFIED TO PROFIT OR LOSS:			
Exchange gains arising on translation on foreign operations	(331,076)	(35,456)	(178,459)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF INCOME TAX	(331,076)	(35,456)	(178,459)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(944,849)	(391,751)	(1,468,117)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE SIX MONTHS TO 30 JUNE 2023**

	(Unaudited) 6 Months to 30 June 2023	(Unaudited) 6 Months to 30 June 2022	(Audited) Year ended 31 Dec 2022
	£	£	£
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	4,688,947	5,640,968	5,023,296
Property, plant and equipment	2,615	4,948	3,885
Investments in equity accounted associates	667,337	120,284	668,782
Loans and other financial assets	619,773	435,871	580,079
	<u>5,978,672</u>	<u>6,202,071</u>	<u>6,276,042</u>
CURRENT ASSETS			
Trade and other receivables	39,427	73,530	45,069
Cash and cash equivalents	326,946	762,300	150,905
	<u>366,373</u>	<u>835,830</u>	<u>195,974</u>
	<u>6,345,045</u>	<u>7,037,901</u>	<u>6,472,016</u>
TOTAL ASSETS			
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	3,695,415	2,896,479	3,078,297
Share premium	18,807,922	18,358,858	18,632,040
Translation reserve	(1,326,201)	(852,122)	(995,125)
Share scheme reserve	67,896	66,733	58,179
Retained earnings	(15,127,899)	(13,579,600)	(14,504,409)
TOTAL EQUITY	<u>6,117,133</u>	<u>6,890,348</u>	<u>6,268,982</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	227,912	147,553	203,034
Borrowings	-	-	-
TOTAL LIABILITIES	<u>227,912</u>	<u>147,553</u>	<u>203,034</u>
	<u>6,345,045</u>	<u>7,037,901</u>	<u>6,472,016</u>
TOTAL EQUITY AND LIABILITIES			

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2023**

	Called up share capital	Retained earnings	Share premium	Translation Reserve	Share Scheme Reserve	Total Equity
	£	£	£	£	£	£
Balance at 31 December 2021	2,650,325	(13,223,305)	17,853,012	(816,666)	66,733	6,530,099
Loss for the period	-	(356,295)	-	-	-	(356,295)
Other comprehensive income	-	-	-	(35,456)	-	(35,456)
Issue of Share Capital	246,154	-	505,846	-	-	752,000
Balance at 30 June 2022	2,896,479	(13,579,600)	18,358,858	(852,122)	66,733	6,890,348
Loss for the period	-	(933,363)	-	-	-	(933,363)
Other comprehensive income	-	-	-	(143,003)	-	(143,003)
Share warrants expired	-	8,554	-	-	(8,554)	-
Issue of Share Capital	181,818	-	273,182	-	-	455,000
Balance at 31 December 2022	3,078,297	(14,504,409)	18,632,040	(995,125)	58,179	6,268,982

Loss for the period	-	(613,773)	-	-	-	(613,773)
Other comprehensive income	-	-	-	(331,076)	-	(331,076)
Share warrants granted	-	(9,717)			9,717	-
Issue of Share Capital	617,118	-	175,882	-	-	793,000
Balance at 30 June 2023	3,695,415	(15,127,899)	18,807,922	(1,326,201)	67,896	6,117,133

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023**

		(Unaudited)	(Unaudited)	(Audited)
		6 Months to	6 Months to	Year ended
		30 June 2023	30 June 2022	31 Dec 2022
		£	£	£
Cash flows from operating activities				
Cash used in operations	CF note 1	(388,338)	(458,199)	(707,714)
Net cash used in operating activities		<u>(388,338)</u>	<u>(458,199)</u>	<u>(707,714)</u>
Cash flows from investing activities				
Purchase of intangible fixed assets		(39,199)	(262,283)	(378,963)
Purchase of investments in associates		-	(120,284)	(668,782)
Issue of loans		(193,747)	(20,683)	(184,929)
Interest received		7,424	243	14,592
Net cash used in investing activities		<u>(225,522)</u>	<u>(403,007)</u>	<u>(1,218,082)</u>
Cash flows from financing activities				
Proceeds of share issue		793,000	752,000	1,207,000
Net cash from financing activities		<u>793,000</u>	<u>752,000</u>	<u>1,207,000</u>
		<u>179,140</u>	<u>(109,206)</u>	<u>(718,796)</u>
Increase / (decrease) in cash and cash equivalents				
Cash and cash equivalents at beginning of period	CF note 2	150,905	872,000	872,000
Effect of exchange rate changes		(3,099)	(494)	(2,299)
Cash and cash equivalents at end of period	CF note 2	<u>326,946</u>	<u>762,300</u>	<u>150,905</u>

NOTES TO THE CASH FLOW STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2022

1. RECONCILIATION OF LOSS BEFORE TAX TO CASH USED IN OPERATIONS

	(Unaudited) 6 Months to 30 June 2023	(Unaudited) 6 Months to 30 June 2022	(Audited) Year ended 31 Dec 2022
	£	£	£
Loss before tax	(613,773)	(356,295)	(1,289,658)
Depreciation	103	103	205
Impairment loss on intangible assets	17,224	-	579,728
Impairment loss on loans to associates	145,230	-	25,785
Loss/(Gain) on foreign exchange movement	41,782	(55,575)	10,300
Finance income	(7,424)	(243)	(14,592)
Share of loss from associate undertaking	1,444	-	-
Gain on disposal of subsidiary undertaking	-	-	(6,762)
	<u>(415,414)</u>	<u>(412,010)</u>	<u>(694,994)</u>
Increase in trade and other receivables	(18,340)	(23,422)	(38,025)
Increase / (decrease) in trade and other payables	45,416	(22,767)	25,305
Cash used in operations	<u>(388,338)</u>	<u>(458,199)</u>	<u>(707,714)</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the cash flow statement in respect of cash and cash equivalents are in respect of the statement of financial position amounts:

	(Unaudited) 6 Months to 30 June 2023	(Unaudited) 6 Months to 30 June 2022	(Audited) Year ended 31 Dec 2022
	£	£	£
Cash and cash equivalents	326,946	762,300	150,905

NOTES TO THE FINANCIAL STATEMENTS - UNAUDITED RESULTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023

1. Basis of preparation

These interim financial statements for the six-month period ended 30 June 2023 have been prepared using the historical cost convention, on a going concern basis and in accordance with applicable UK adopted International Financial Reporting Standards and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to reporting groups under IFRS. They have also been prepared on a basis consistent with the accounting policies expected to be applied for the year ending 31 December 2023, and which are also consistent with the accounting policies applied for the year ended 31 December 2022 except for the adoption of any new standards and interpretations.

These interim results for the six months ended 30 June 2023 are unaudited and do not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The financial statements for the year ended 31 December 2022 have been delivered to the Registrar of Companies and filed at Companies House and the auditors' report on those financial statements was unqualified but contained an emphasis of matter in respect of a material uncertainty relating to going concern. The auditors' report did not contain a statement made under Section 498(2) or Section 498(3) of the Companies Act 2006.

2. Loss per share

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares of 3,311,808,627 (30 June 2022: 2,795,197,507 and 31 December 2022: 2,902,488,933) outstanding during the period. There is no difference between the basic and diluted loss per share.

3. Called up share capital

	(Unaudited) 6 Months to 30 June 2023	(Unaudited) 6 Months to 30 June 2022	(Audited) Year ended 31 Dec 2022
Allotted, called up and fully paid			
Ordinary shares of 0.1p each	3,735,415,387	2,896,479,558	3,078,297,740

The number of shares in issue was as follows:

	Number of shares
Balance at 31 December 2021	2,650,325,712
Issued during the period	<u>246,153,846</u>
Balance at 30 June 2022	2,896,479,558
Issued during the period	<u>181,818,182</u>
Balance at 31 December 2022	3,078,297,740
Issued during the period	<u>657,117,647</u>

Balance at 30 June 2023

3,735,415,387

For further information please contact:

Oracle Power PLC

+44 (0) 203 580 4314

Naheed Memon

Strand Hanson Limited (Nominated Adviser and Joint Broker)

+44 (0) 20 7409 3494

Rory Murphy, Matthew Chandler, Rob Patrick

Global Investment Strategy UK Limited (Joint Broker)

+44 (0) 20 7048 9432

Samantha Esqulant

St Brides Partners Limited (Financial PR)

+44 (0) 20 7236 1177

Susie Geliher, Isabel de Salis