Interim Financial Statements

Six months ended 30 June 2010

Registered number 05239285

Ascent Resources Plc

Interim Financial Statements for the six months ended 30 June 2010

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Highlights

- Maiden interim profit
- Restructured and refined the portfolio of European oil and gas interests through consolidation and divestment
- Gas production continues from the Penészlek project in eastern Hungary
- Drilling in Slovenia in the Petişovci/Lovaszi project is ready to commence
- Drilling in Switzerland and Italy awaiting permit award
- Seismic acquisition on-going in Hungary and Italy
- Strengthened the technical experience of the Board with the appointment of international energy specialist Dr Cameron Davies
- High activity levels set to continue throughout 2011

Ascent Resources Managing Director Jeremy Eng said, **"**With a repositioning of our strategy, based on the concentration of our activities focussed on a more defined portfolio development programme of large scale assets, I believe we can advance rapidly up the value curve and gain true recognition of our portfolio's worth. We believe our portfolio has strong potential to generate upside through both production and reserve definition and upgrade, particularly in Hungary and Slovenia. The energy dynamic in Europe is highly favourable, with the reliance on Russian gas being at the forefront of many countries' development policy. With all these positive factors, we believe we have a very strong foundation for growth."

For further information visit www.ascentresources.co.uk or contact:

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Strategy and Current Operations Review

On a foundation of continued operations and sustained production during the first half of 2010, Ascent has proactively restructured, refined and re-focussed its portfolio of European oil and gas assets. The purpose of this reorganisation is to concentrate on medium term value generation and to focus on three main areas being the Hungarian-Slovenian Petişovci/Lovaszi project, the Italian oil exploration and redevelopment in the Latina Valley and the Netherlands M10/11 appraisal project. The Company maintains an interest in the Swiss assets, now under the stewardship of eCorp, although participation is limited to a technical advisory role, until such time that a commercial development in the conventional reservoirs is proven and Ascent's back-in rights are exercised.

Ascent's portfolio of operated assets now consists of five key projects. However, the balance of the portfolio with development, appraisal and exploration projects, is combined with complete retention of the business model that fuses the benefits of European fiscal and legal stability, in-country management, economically efficient operations and industry funding partnerships.

Operated Assets

Penészlek Gas Production Project (48.78%):

After commencement at full flow rates in late May, gas production (gross) now continues at over 2.5 MMscfd (72,000 Msm^3/d; 425 Boepd) from the PEN-101 and PEN-105 wells. Pipeline modifications are planned that will cause a reduction in operating pressure and consequently an increase in production rates. The partners in the development, plan to decide early in 2011 regarding possible additional wells after the Mining Plot that supersedes the Exploration permit is issued.

Petişovci/Lovaszi Exploration and Development :

This project, where the results of 200 km^2 of new 3-D seismic has been acquired and processed, has the potential to be the largest asset in the portfolio. The main redevelopment project, which lies across the Hungarian-Slovenian border, is in tight (low permeability) gas sands in Miocene formations in the Petişovci/Lovaszi structure. Exploration targets exist in similar parallel structures as well as flank plays identified on the seismic. Ascent's partner in Slovenia, Geoenergo d.o.o., has a 25% interest while MOL Oil & Gas, its partner in Hungary, has a 50% interest. The Pg-11 well, the first in the Slovenian part of the project, is ready to drill. The Company has engaged independent experts to assess potential reserve size, to confirm management's assessment of the project and to assist partners in the planning of future activities. Importantly the infrastructure is in place to allow for early production and the project can potentially provide a significant contribution to the Slovenian and Hungarian gas markets where strong regional gas pricing prevails.

The Company believes this to be a unique project for onshore Europe, due to its scale and risk reward profile, and a considerable work programme will be needed to potentially follow on from the successful drilling of the PG-11 well. The Board is currently considering the best means to advance this project to maximise shareholder exposure to the significant potential upside, whilst considering the risks associated with undertaking the work programme on a sole risk basis. In essence, due to the prospectivity, the Board is maintaining as much control as possible under its current financial position.

Igal-II Exploration (60%):

Seismic is currently being acquired on this project which is an exploration venture focussed on pre-Pannonian sediments in western central Hungary. Three nearby wells demonstrate excellent prospectivity at depths of 1,000 m and a number of Hungarian fields produce good quality oil from similar horizons.

Latina Valley Exploration and Redevelopment:

During the summer, seismic has been acquired over the Ripi oilfield where redevelopment activities are planned. Nearby, in the area where the Anagni-2 appraisal well is planned, a small 2-D seismic acquisition is due to commence imminently with the objective of confirming the accuracy of drilling locations. Ascent has a 50% interest in Ripi and an 80% interest in Anagni. Permitting is underway for the Anagni-2 appraisal well and it is expected that the permit will be issued prior to the end of the year.

M10/11 – Offshore Netherlands Gas Appraisal:

Over the period, a substantial amount of work has been completed on this project. A conceptual development plan demonstrates the viability of producing the gas reserves that have already been discovered in this exploration permit. Ascent has a 54% interest in this project and partners, EBN (the Dutch State Oil Company) with a 40% interest, and GTO Limited, with a 6% interest, are required to decide on the drilling of the M10-6 appraisal well before the end of 2010. With a successful appraisal, this well would then become a production well.

Portfolio Divestments

In April, Ascent's Swiss portfolio was sold to eCORP Europe International, a subsidiary of eCORp LLC, an American unconventional resource and gas storage specialist. The consideration was €8 million and back-in rights were retained so that on discovery of conventional reserves in any of six prospects, Ascent can participate with either 45% or 22.5% of the development of those reserves.

Under the terms of the transaction, Ascent retained the right to acquire 45% of any conventional discovery from the Hermrigen 2, Essertines 2 and Linden 2 appraisal wells by paying 45% of drilling costs post any discovery - with no obligation to participate. Additionally Ascent retains the right to 22.5% of any discovery from certain additional conventional prospects by paying 22.5% of the drilling costs post discovery, again with no obligation to participate. eCORP has irrevocably committed to drill the Hermrigen-2 appraisal well with permitting nearing completion. Ascent is awaiting notification from the operator for a firm drilling date. The first well to be drilled will be Hermrigen-2, an appraisal to the Hermrigen-1 gas discovery drilled by Elf-Aquitaine in 1982.

The small Gorbehaza-1 discovery in eastern Hungary has been sold to existing project partners and is awaiting completion, while the Bajcsa joint venture agreement in western Hungary has been dissolved with the Company's 50% interest reverting to MOL. The Company believed that its capital could be expended elsewhere for potentially better returns.

The Company's 22.5% interest in Perazzoli Drilling (now known as LP Drilling srl) was sold to the original owners with the retention of preferential rights to utilise LP Drilling's fleet of three drilling rigs at discounted rates.

No further divestments are being contemplated at this time.

Other Activities

Board Structuring: Dr Cameron Davies has been appointed as a non-executive Director and Malcolm Groom and Jonathan Legg have both resigned from the Board. Dr Davies brings a deep experience of both the oil and gas exploration business as well as experience in AIM listed energy companies, having been a founder and former CEO of Alkane Energy plc.

Financial Review

Results for the period:

The Board is reporting a maiden profit of £448,321. The results for the period reflect continued development of the Group's assets, principally in Hungary, Italy and Slovenia and the profitable disposal of the Company's Swiss assets. As set out in the Operations Review there has been a wide range of testing, geological and geophysical activity in the period. Given the capital spend in the period, the impairment of certain exploration expenditure and the timing of revenue, the profit for the period was as expected.

Liquidity and Capital Resources:

The Company continues to be an emerging business with limited production cash flows; consequently, it has to manage its working capital and liquidity position by balancing the timing of critical expenditure with income from joint venture arrangements and, where appropriate, profits from strategic divestments. Further information on future funding arrangements and the Directors' assessment of the Group's going concern position is set out in note 1 of these Interim Financial Statements.

Principal Risks and Uncertainties:

The principal risks and uncertainties affecting the business activities of the Group remain those detailed on page 16 of the Annual Review 2009, a copy of which is available on the Company's website at www.ascentresources.co.uk.

The interim financial information to 30 June 2010 and 30 June 2009 is unaudited and does not constitute statutory financial information. The information given for the year ended 31 December 2009 does not constitute statutory accounts within the meaning of Section 19 of the Companies (Amendment) Act 1986. The statutory accounts for the year ended 31 December 2009 have been filed with the Registrar and are available on the Company's web site www.ascentresources.co.uk.

On behalf of the Board of Directors

Managing Director

30 September 2010

Ascent Resources Plc

Consolidated Income Statement

for the Period ended 30 June 2010

	Notes	**Six months ended 30 June 2010 Unaudited £ 000's**	Six months ended 30 June 2009 Unaudited £ 000's	Year ended 31 December 2009 Audited £ 000's
Continuing operations				
Revenue		**435**	504	898
Cost of sales	3	**(331)**	(575)	(1,117)
Gross profit/(loss)		**104**	(71)	(219)
Administrative expenses	4	**(956)**	(685)	(1,477)
Results from operating activities before other costs		**(852)**	(756)	(1,696)
Impairment write down of exploration costs		**(1,467)**	-	(8,528)
Impairment of equity accounted investee		-	-	(300)
Loss from operating activities		**(2,319)**	(756)	(10,524)
Finance income	5	**36**	22	53
Finance cost	5	**(1,011)**	(210)	(510)
Profit on sale of investments		-	127	127
Net finance costs		**(975)**	(61)	(330)
Loss before taxation		**(3,294)**	(817)	(10,854)
Income tax expense		**-**	-	-
Profit/(Loss) for the period from continuing operations		**(3,294)**	(817)	(10,854)
Discontinued operations				
Profit/(loss) for the period from discontinued operations	6	**3,742**	259	232
Profit/(loss) for the period		**448**	(558)	(10,622)
Profit/(Loss) attributable to:				
Owners of the Company		**448**	(692)	(10,756)
Non-controlling interests		**-**	134	134
Profit/(Loss) for the year		**448**	(558)	(10,622)
Profit/(Loss) per share				
Continuing operations				
Basic and diluted Loss per share	7	**(0.70)p**	(0.27)p	(3.17p)
Discontinued operations				
Basic and diluted profit/(Loss) per share	7	**0.79p**	0.09p	0.06p
Total operations				
Basic and diluted profit/(Loss) per share	7	**0.09p**	(0.18)p	(3.11p)

Ascent Resources Plc

Consolidated Statement of Comprehensive Income

for the Period ended 30 June 2010

	Notes	**Six months ended 30 June 2010 Unaudited £ 000's**	Six months ended 30 June 2009 Audited £000's	Year ended 31 December 2009 Unaudited £ 000's
Profit/(Loss) for the period		**448**	(558)	(10,622)
Other comprehensive income				
Foreign currency translation differences for foreign operations		**(818)**	(80)	(1,055)
Realisation of foreign exchange on disposal of subsidiary		**41**	-	-
Net change in fair value of available-for-sale financial assets		**-**	52	-
Other comprehensive income for the year		**(777)**	(28)	(1,055)
Total comprehensive income for the year		**(329)**	(586)	(11,677)
Total comprehensive income attributable to:				
Owners of the Company		**(329)**	(720)	(11,811)
Non-controlling interest		**-**	134	134
Total comprehensive income for the year		**(329)**	(586)	(11,677)

Ascent Resources Plc

Consolidated Statement of Changes In Equity

for the Period ended 30 June 2010

	Share capital	Equity Reserve	Share premium	Share based payment reserve	Translation Reserve	Retained earnings	Total	Non-controlling interest	Total equity
	£'000s	**£'000s**	**£'000s**	**£'000s**	**£'000s**	**£'000s**	**£'000s**	**£'000s**	**£'000s**
Balance at 1 January 2009 (audited)	**305**	**84**	**13,067**	**1,042**	**3,928**	**(7,816)**	**10,610**	**40**	**10,650**
Comprehensive income									
Loss for the period	-	-	-	-	-	(720)	(720)	134	**(586)**
Other comprehensive income:									
Currency translation differences	-	-	-	-	(1,798)	-	(1,798)	-	**(1,798)**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**(1,798)**	**(720)**	**(2,518)**	**134**	**(2,384)**
Transactions with owners recorded directly									
in equity Share based payments	-	-	-	43	-	-	43	-	**43**
Issue of shares during period	17	-	1,204	-	-	-	1,221	-	**1,221**
Total transactions with owners	**17**	**-**	**1,204**	**43**	**-**	**-**	**1,264**	**-**	**1,264**
Balance at 30 June 2009 (unaudited)	**322**	**84**	**14,271**	**1,085**	**2,130**	**(8,536)**	**9,356**	**174**	**9,530**
Comprehensive income									
Loss for the period	-	-	-	-	-	(11,317)	(11,317)	-	**(11,317)**
Other comprehensive income:									
Currency translation differences	-	-	-	-	743	-	743	-	**743**
Total comprehensive income for the year					**743**	**(11,317)**	**(10,574)**	**-**	**(10,574)**
Transactions with owners									
Issue of shares during the period	178	-	8,668	-	-	-	8,846	-	**8,846**
Share issue costs	-	-	(399)	-	-	-	(399)	-	**(399)**
Share based payments	-	-	-	1,411	-	-	1,411	-	**1,411**
Total transactions with owners	**178**	**-**	**8,269**	**1,411**	**-**	**-**	**9,858**	**-**	**9,858**
Balance at 31 December 2009 (audited)	**500**	**84**	**22,540**	**2,496**	**2,873**	**(19,853)**	**8,640**	**174**	**8,814**
Comprehensive income									
Profit for the period	-	-	-	-	-	448	448	-	**448**
Other comprehensive income:									
Currency translation differences	-	-	-	-	(780)	-	(780)	-	**(780)**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**(780)**	**448**	**(332)**	**-**	**(332)**
Transactions with owners									
Issue of shares during the year	15	-	827	-	-	-	842	-	**842**
Purchase of non-controlling interest	-	-	-	-	-	-	-	(174)	**(174)**
Share based payments	-	-	-	71	-	-	71	-	**71**
Total transactions with owners	**15**	**-**	**827**	**71**	**-**	**-**	**913**	**(174)**	**739**
Balance at 30 June 2010 (unaudited)	**515**	**84**	**23,367**	**2,567**	**2,093**	**(19,405)**	**9,221**	**-**	**9,221**

Ascent Resources Plc

Consolidated Statement of Financial Position

As at 30 June 2010

	Notes	**30 June 2010 £ 000's**	30 June 2009 £ 000's	31 December 2009 £ 000's
Assets				
Non-current assets				
Property, plant and equipment		**1,796**	333	158
Exploration and decommissioning costs	8	**8,674**	11,941	9,738
Investments in equity-accounted investees		-	1,423	1,191
Total non-current assets		**10,470**	13,697	11,087
Current assets				
Inventories		**368**	325	431
Trading investments		-	80	46
Trade and other receivables	9	**2,025**	1,968	2,927
Cash and cash equivalents		**3,023**	1,362	5,518
Total current assets		**5,416**	3,736	8,922
Total assets		**15,886**	17,433	20,009
Equity and liabilities				
Attributable to the equity holders of the parent company				
Share capital		**515**	322	500
Equity reserve		**84**	84	84
Share premium account		**23,367**	14,271	22,540
Share based payment reserve		**2,567**	1,085	2,496
Translation reserves		**2,093**	2,130	2,873
Retained earnings		**(19,405)**	(8,536)	(19,853)
Total equity attributable to the shareholders of the Company		**9,221**	9,356	8,640
Non-controlling interest		-	174	174
Total equity		**9,221**	9,530	8,814
Non-current liabilities				
Borrowings	11	**318**	4,033	851
Provisions		**132**	29	152
Total non-current liabilities		**450**	4,062	1,003
Current liabilities				
Trading and other payables	10	**3,004**	3,324	6,601
Borrowings	11	**3,211**	517	3,591
Total current liabilities		**6,215**	3,841	10,192
Total liabilities		**6,665**	7,903	11,195
Total equity and liabilities		**15,886**	17,433	20,009

Ascent Resources Plc

Consolidated Statement of Cash Flows

for the six months ended 30 June 2010

	Six months ended 30 June 2010	Six months ended 30 June 2009	Year ended 31 December 2009
Cash used in operations	**£ 000's**	£ 000's	£ 000's
Profit/(Loss) before tax	**274**	(721)	(10,756)
DD&A charge	**213**	61	125
Decrease in receivables	**902**	1,613	587
(Decrease)/Increase in payables	**(3,696)**	(1,192)	2,089
Decrease in inventories	**63**	-	178
Impairment in associate	**-**	-	300
Profit on sale of subsidiary	**(3,816)**	-	-
Loss on sale of equity accounted investee	**74**	-	-
Loss/(Profit) on sale of current asset investments	**406**	-	(127)
Revaluation of quoted securities	**-**	(179)	(18)
Impairment of exploration expenditure	**1,259**	-	8,528
Decrease in decommissioning provision	**(20)**	(3)	-
Share-based payment charge	**71**	43	173
Exchange differences	**(65)**	416	(66)
Share of profit of associate undertakings	**-**	(260)	(140)
	(4,335)	(222)	873
Finance income	**(36)**	(22)	(53)
Finance cost	**1,105**	210	510
Net cash generated/(used) in operating activities	**(3,266)**	(34)	1,330
Cash used in investing activities			
Interest received	**36**	22	36
Payments for investing in exploration	**(3,912)**	(879)	(6,031)
Acquisition of property, plant and equipment	**-**	(80)	(30)
Proceeds from disposal of subsidiary	**4,463**	-	-
Costs of disposal of subsidiary	**(116)**	-	-
Proceeds from disposal of equity accounted investee	**252**	-	-
Proceeds from disposal of current asset investment	**831**	245	247
Net cash received from non-controlling interest	**-**	133	-
Net cash flows used in investing activities	**1,554**	(559)	(5,778)
Cash flows from financing activities			
Interest paid	**(174)**	(210)	(328)
Loans repaid	**(297)**	(423)	(524)
Proceeds from issue of shares	**-**	1,221	10,067
Share issue costs	**-**	-	(399)
Net cash flows from financing activities	**(471)**	588	8,816
Net (decrease)/increase in cash and cash equivalents for the period	**(2,183)**	(5)	4,368
Net foreign exchange differences	**(312)**	131	(85)
Cash and cash equivalents at beginning of the period	**5,518**	1,236	1,235
Cash and cash equivalents at end of the period	**3,023**	1,362	5,518

1 Accounting Policies for the six months ended 30 June 2010

Reporting entity

Ascent Resources plc ('the Company') is a company domiciled in England. The address of the Company's registered office is One America Square, Crosswall, London EC3N 2SG. The unaudited consolidated interim financial statements of the Company as at 30 June 2010 comprise the Company and its subsidiaries (together referred to as the 'Group') and the Group's interest in associates.

Basis of preparation

The interim financial statements have been prepared using policies based on International Financial Reporting Standards (IFRS and IFRIC interpretations) issued by the International Accounting Standards Board (IASB) as adopted for use in the EU. The interim financial information has been prepared using the accounting policies which will be applied in the Group's statutory financial statements for the year ended 31 December 2010 and were applied in the Group's statutory financial statements for the year ended 31 December 2009, except as noted below:

- The adoption of IFRS 3 Revised, which would materially affect the presentation and financial impact of a business combination
- The adoption of IAS 27, which would affect the treatment of non-controlling interests.

All amounts have been prepared in British Pounds, this being the Group's presentational currency.

Going Concern

The interim financial statements of the Group and Company are prepared on a going concern basis.

In common with many similar companies, the Group and Company raise finance for its exploration and appraisal activities in discrete tranches. Ultimately, the Group and Company must either raise additional tranches of funding and/or generate sufficient net cash flows from operations.

The Directors are of the opinion that the Group and Company will have sufficient cash to fund its activities based on forecast cash flow information for a period in excess of twelve months from the date of approval of these financial statements. Management continues to monitor all working capital commitments and balances on a weekly basis and believe that they have secured appropriate levels of financing for the Group and Company to continue to meet their liabilities as they fall due for at least the next twelve months.

In preparing base and sensitised cash flow forecasts the Directors have identified a number of cash receipts and cash payments where they have had to use their best judgement to make certain estimates. The base forecasts are calculated using estimates of planned production from existing producing fields, future gas prices and estimates of costs for planned exploration activities. On a number of projects certain assumptions have also been made with regard to working capital management and matching cash inflows from cash calls to cash outflows.

Accordingly, the Directors have also prepared sensitised forecasts to reflect the risk that production volumes and gas prices may be lower than estimated and exploration costs may be higher. These forecasts indicate that the Group and Company can continue to operate within existing facilities for the foreseeable future. If the amount or timing of forecast inflows and outflows were to change adversely the Group and Company may be required to reconsider discretionary exploration activity and/or seek additional bridging finance to meet any shortfall.

2 Financial reporting period

The interim financial information for the period 1 January 2010 to 30 June 2010 is unaudited. In the opinion of the Directors the interim financial information for the period presents fairly the financial position, and the results from operations and cash flows for the period are in conformity with generally accepted accounting principles consistently applied. The financial statements incorporate unaudited comparative figures for the interim period 1 January 2009 to 30 June 2009 and the audited financial year to 31 December 2009.

The financial information contained in this interim report does not constitute statutory accounts as defined by section 435 of the Companies Act 2006.

The comparatives for the full year ended 31 December 2009 are not the Group's full statutory accounts for that year. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditors' report on those accounts was unqualified and did not include references to any matters to which the auditors drew attention by way of emphasis without qualifying their report and did not contain a statement under section 498(2)-(3) of the Companies Act 2006.

3 Cost of sales	**30 June 2010 £ 000's**	30 June 2009 £ 000's	31 December 2009 £000's
Operating Costs relating directly to producing assets	**46**	74	173
DD&A of producing assets	**186**	213	122
Other directly incurred costs	**99**	288	822
	331	575	1,117

4	Administrative Expenses	**30 June 2010 £ 000's**	30 June 2009 £ 000's	31 December 2009 £000's
	Depreciation of property, plant and equipment	**9**	2	3
	Employee Costs	**397**	327	801
	Consulting charges	**60**	251	178
	Profit on sale of property, plant and equipment	**-**	1	-
	Revaluation of quoted securities	**-**	(52)	(18)
	Other office costs	**490**	156	513
		956	685	1,477

5	Finance income and costs recognised in loss	**30 June 2010 £ 000's**	30 June 2009 £ 000's	31 December 2009 £000's
	Financial Income			
	Income on bank deposits	**20**	22	36
	Foreign exchange movements realised	**16**	-	17
		36	22	53
	Financial cost			
	Interest payable on borrowings	**(158)**	(127)	(393)
	Foreign exchange movements realised	**(853)**	(83)	(117)
		(1,011)	(210)	(510)

6	Discontinued operations	**30 June 2010**
	Profit on sale of investments	**£ 000's**
	Sale proceeds	**4,463**
	Less pre-disposal carrying values	
	Exploration costs	**(539)**
	Liabilities	**7**
	Less costs of disposal	**(115)**
	Total gain on disposal of discontinued operations	**3,816**

	Loss on sale of equity accounted investees	**30 June 2010 £ 000's**
	Sale proceeds	**1,191**
	Less carrying value of investment	**(1,265)**
	Loss on disposal	**(74)**

Result of discontinued operations	**30 June 2010 £ 000's**	30 June 2009 £ 000's	31 December 2009 £000's
Loss for the period	-	(1)	(42)
Share of profit of equity accounted investees	-	260	274
Gain from selling discontinued operations after tax	3,742	-	-
Gain/(loss) from discontinued operations	**3,742**	259	232

The cash flow statement includes the following amounts relating to discontinued operations

Result of discontinued operations	**30 June 2010 £ 000's**	30 June 2009 £ 000's	31 December 2009 £000's
Operating activities	**(4,681)**	(259)	232
Investing activities	**4,499**	-	(281)
Financing activities	**-**	-	-
Net cash (used in) discontinued operations	**(182)**	**(259)**	**(49)**

The profit on sale of investments relates to the sale of Ascent's 100% owned Swiss subsidiary, PEOS AG, to eCORP Europe International Ltd., for a cash consideration of €8 million, together with various farm-in options on certain potentially successful discoveries. The cash consideration consists of €5 million payable immediately, with €3 million payable on completion of agreed commercial conditions.

The loss on sale of equity accounted investees relates to the sale of Ascent's 45% interest in Italian drilling contractor Perazzoli Drilling srl for a consideration of €1.35 million in addition to the return of a €500,000 deposit. The Company's original interest was purchased to provide priority access, and ensure optimal contract terms for drilling services. These advantages will be retained through a five year service alliance with Perazzoli, which provides for a 30% discount on €10 million of drilling services to Ascent and first call on uncommitted drilling units.

7 Profit/(Loss) per share

Profit/(Loss)	**Period ended 30 June 2010 £ 000's**	Period ended 30 June 2009 £ 000's	Year ended 31 December 2009 £ 000's
Profit/(Loss) for the purposes of basic earnings per share being net loss attributable to equity shareholders			
From continuing operations	**(3,294)**	(817)	(10,854)
From discontinued operations	**3,742**	259	232
From total operations	**448**	(558)	(10,622)
Profit/(Loss) for the purposes of diluted earnings per share being adjusted net loss attributable to equity shareholders			
From continuing operations	**(3,294)**	(817)	(10,854)
From discontinued operations	**3,742**	259	232
From total operations	**448**	(558)	(10,622)

Number of shares	**Number**	Number	Number
Weighted average number of ordinary shares for the purposes of basic earnings per share	**471,653,542**	305,827,895	341,433,823

Number of shares	**Number**	Number	Number
Weighted average number of ordinary shares for the purposes of diluted earnings per share	**472,353,542**	305,827,895	341,433,823

The calculation of diluted earnings per share assumes conversion of all potentially dilutive ordinary shares. Dilutive shares arise from share options, warrants and the convertible bond held by the Company. A calculation is done to determine the number of shares that could have been acquired at fair value, based upon the monetary value of the subscription rights attached to outstanding share options, warrants and convertible bonds.

8 **Exploration costs - Group**

Group	Italy	Hungary	Slovenia	Other Europe	Total
	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's
Cost					
At 1 July 2009	10,733	3,429	656	696	15,514
Additions	707	1,108	3,204	24	5,043
Additions to decommissioning asset	-	120	-	-	120
Effects of movements in exchange rates	989	458	94	(33)	1,508
At 31 December 2009	12,429	5,115	3,954	687	22,185
At 1 January 2010					
	12,429	5,115	3,954	687	22,185
Additions	811	2,642	277	10	3,740
Assets disposed of with subsidiaries	-	-	-	(539)	(539)
Transfer to tangible assets	-	(1,910)	-	-	(1,910)
Effects of movements in exchange rates	(1,152)	(805)	(368)	(14)	(2,339)
At 30 June 2010	**12,088**	**5,042**	**3,863**	**144**	**21,137**
Impairment					
At 1 July 2009	1,647	1,926	-	-	3,573
Additions	7,810	609	-	96	8,515
Effects of movements in exchange rates	242	117	-	-	359
At 31 December 2009	9,699	2,652	-	96	12,447
At 1 January 2010	9,699	2,652	-	96	12,447
Additions					
	-	1,259	-		1,259
Effects of movements in exchange rates	(857)	(378)	-	(8)	(1,243)
At 30 June 2010	**8,842**	**3,533**	**-**	**88**	**12,463**
Carrying value					
At 30 June 2010	**3,246**	**1,509**	**3,863**	**56**	**8,674**
At 31 December 2009	2,730	2,463	3,954	591	9,738
At 1 July 2009	9,086	1,503	656	696	11,941

'Other Europe' includes the Netherlands and Switzerland.

The impairment charge for the period relates to the abandonment of the Bajcsa Gasfield redevelopment and the plugging of the PEN 104AA and PEN 106 wells at the Peneszlek development.

The transfer in the period to tangible assets relates to the Pen 101 and Pen 105 wells in Hungary. Both wells went on production in the period and have therefore been transferred in accordance with Ascent's accounting policies.

9 **Trade and other receivables**

	30 June 2010	30 June 2009	31 December 2009
Group	**£ 000's**	£ 000's	£ 000's
Trade receivables	**961**	446	39
VAT recoverable	**801**	836	1,277
Other receivables	**209**	116	451
Prepayments & accrued income	**54**	570	1,160
	2,025	1,968	2,927

10 Trade and other payables

Group	30 June 2010	30 June 2009	31 December 2009
	£ 000's	£ 000's	£ 000's
Trade payables	**2,812**	3,027	6,230
Tax and social security payable	**91**	(4)	17
Other creditors	**41**	-	115
Accruals and deferred income	**60**	301	239
	3,004	3,324	6,601

11 Borrowings

Bank loan
The Group has a loan outstanding with Cassa Di Risparmio de Cento Bank. The Loan expires on 5 June 2012. Interest is calculated by reference to the three month Euribor rate plus a margin of 1%. The loan is secured by cash on deposit held as security and is repaid on a monthly basis.

Convertible loan note
On 14 November 2007 the Company issued 2,500,000 £1 loan notes at par to finance further working capital requirements of the Group. The term of the loan notes is three years and the debt is unsecured. The conversion price into ordinary shares was originally 20p, revised for subsequent issues of equity, and interest is calculated at a fixed 8.5% to be paid bi-annually on 1 January and 1 July each year.

12 Post balance sheet events

On 1 July 2010, Ascent increased its interest in the Petišovci project in Slovenia, following the transfer of Kulczyk Oil Ventures Inc's (formerly Loon Energy Inc) ('KOV') 30% stake in the Dolina shallow oil field, and 10.5% stake in the Globoki deep gas field. In addition to a small cash payment, a royalty will be paid by Ascent to KOV of an additional 60,000 USD for each billion cubic feet of independently certified 2P gas reserves produced in the future, applicable to the acquired interest. Under the terms, Ascent will assume all development costs related to the acquired interest.

On 15 July 2010 Ascent, through its subsidiary Ascent Resources (Netherlands) BV ('ARN'), increased its interest in the M10/11 block in the southern North Sea off the Netherlands' coast. Following the transfer of McLaren Resources Inc's ('McLaren') 27% interest in the block, ARN now holds a 54% interest in the project. McLaren will receive a 3% net profit interest from ARN on the 27% interest transferred and a one-off payment of $125,000 CDN if the licence extension for drilling is granted. Other partners in the project are EBN with 40% and GTO with 6%.

On 14 September 2010 Ascent announced the appointment of Cameron Davies to the Board as Non-executive Director with immediate effect. Dr. Davies is an international energy sector specialist and the former Chief Executive of Alkane Energy plc. He has an excellent track record of exploration success and growing profits in a quoted energy company. He brings with him the technical skills and broad network of international energy industry contacts which will be invaluable in progressing Ascent's extensive portfolio of European oil and gas development and exploration assets. At the same time, both Legal Director Malcolm Groom and Non-executive Director Jonathan Legg, who have been with the Company since 2005, have stepped down from the Board to focus on other commitments.

On 23 September 2010, Ascent acquired a 60% interest in the 1,990 sq km Igal-II exploration permit in Central Hungary though its 60% equity interest in Hungarian company Pelsolaj kft. The exploration permit, to the south east of Lake Balaton, was acquired from Winstar Resources Limited in exchange for a 4% net profit interest derived from future production from the permit area.

On 29 September 2010 Ascent announced that, further to the announcement of the 22 April 2010, it has completed the commercial conditions required to receive the additional €3million of consideration from the disposal of its Swiss subsidiary PEOS AG.

13 Related party transactions

Directors

MDJ Groom

During the year, the group disposed its interest in Perazzoli Drilling . The Company issued 15,529,981 Ascent shares in return for the 50% interest in Ascent Drilling Limited held by then Director Mr Malcolm Groom and the settlement of the debt owed to Mr Groom by Ascent Drilling Limited.

Thereafter, the 45% interest in Perazzoli held by the Group was sold for a consideration of €1.35 million (approximately £1.2million) to a major shareholder of Perazzoli. The Company's original interest was purchased to provide priority access, and ensure optimal contract terms for drilling services. These advantages will be retained through a five year service alliance with Perazzoli, which provides for a 30% discount on €10 million of drilling services to Ascent and first call on uncommitted drilling units. This transaction was approved at an Extraordinary General Meeting of the Company on 12 March 2010.

DIRECTORS AND ADVISERS

Directors	John Patrick Kenny Jeremy Eng Simon Cunningham William Cameron Davies Nigel Sandford Johnson Moore
Secretary	John Michael Bottomley
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Auditors	BDO LLP 55 Baker Street London W1U 7EU
Solicitors	Sprecher Grier Halberstam LLP One America Square Crosswall London, EC3N 2SG
Bankers	Barclays Commercial 1 Churchill Place London E14 5HP
Financial PR	St Brides Media and Finance 38 Bow Lane London, EC4M 9AY
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Company's registered number	05239285