ascent resources plc

Interim Financial Statements

Six months ended 30 June 2015

Company Number 05239285

Ascent Resources plc
Interim Financial Statements for the six months ended 30 June 2015

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Ascent Resources plc / Epic: AST / Index: AIM / Sector: Oil and Gas

Ascent Resources plc
("Ascent" or "the Company")

Interim results for the period ended 30 June 2015

Ascent presents its unaudited results for the six months ended 30 June 2015.

Introduction

Good progress was made during the period under review on acquiring the permits required to develop the Petišovci gas field in Slovenia ("the Petišovci Project"). The Integrated Pollution Prevention ("IPPC Permit") was provisionally awarded to the Company in June 2015 following a public consultation. However two parties have subsequently filed appeals against the decision. These appeals will be heard by the Environment Ministry in the first instance with a potential further appeal through the courts. Whilst guidelines for the duration of these appeals suggest they should be completed within six to nine months, it is not possible to say with certainty how long they will take.

In view of these further delays resulting from the appeals process, a decision has been made by the Board, to make further cuts in expenditure, and reduce amounts currently being incurred on field development to a minimum from 1 October 2015.

In parallel with our efforts to secure the permits required to produce gas into the Slovenian national grid, the Company is exploring alternative routes to market for gas production which would not require the IPPC Permit and which would require significantly lower capital expenditure. Discussions are currently in progress with third parties.

Petišovci Project

Background

Ascent has an interest in the Petišovci gas field in Slovenia with its partner Geoenergo. Forty-two million euros have been spent on the development of the field which could supply a significant proportion of Slovenia's future gas requirements thereby reducing its dependency on imported gas. In recognition of the key strategic importance of the project, earlier this year the Slovenian government designated Nafta Lendava, which holds an interest in the concession through its shareholding in Geoenergo, as one of 21 important national assets. The preferred field development plan is to install a gas gathering and separation station ("GGSS") to reduce the carbon dioxide content of the gas to meet national gas grid specifications, upgrade a metering station at the entry point to the national grid and connect the wells via the GGSS to the metering station.

IPPC Permit

Under Directives adopted by all EU Governments, the installation of the GGSS requires an IPPC Permit. The application was completed in July 2014 and submitted to the Environmental Agency ("ARSO") for approval. The Agency approved the permit in December 2014 subject to public consultation and in June 2015 it announced that, following the completion of this consultation, the Permit had been provisionally awarded subject to a statutory period for appeals. In August 2015, the Company received formal notification that two parties had lodged appeals to which Ascent submitted its responses in August 2015. The appeals will be heard in the first instance by the Environment Ministry with potentially a further appeal to the courts if either of them is found to have substance.

Based on legal and informal advice received by the Board, it remains firmly of the view that the required IPPC Permit will be issued in final form. Slovenian government guidelines indicate that the first appeal should take a maximum of three months and the second an average of six months. If the decision has to be referred to the Slovenian courts, the final permit may not be awarded until sometime in 2016.

In view of the slow progress on the IPPC Permit post-provisional award, the Company has decided to minimise expenditure until the award is unconditional. In the meantime, negotiations are underway to explore alternative routes to market for the gas.

In order to minimise expenditure while we wait for the IPPC Permit the Company has decided to reduce its headcount in Slovenia, terminate retained consultants and for Non-executive Directors to defer fees.

Current Funding

In February 2015 the Company drew down the final £500,000 which remained undrawn on the 2014 convertible loan notes ("CLNs").

The variation of the terms of the 2013 and 2014 notes was approved by shareholders and note holders on 19 February 2015. This pushed out the redemption date to 19 November 2015 and in return the conversion price on the notes was adjusted to 1,000 ordinary shares for every £1 Loan note. Further details are included in Note 6 below.

In May 2015 the Company agreed a £7 million facility with Henderson Global Investors. Whilst the facility was not intended to be used to cover delays in permitting, the Company agreed the drawdown of the first £250,000 to fund its working capital requirements in August and intends to make a further drawdown of £100,000 in the next few days. The Company is presently reliant on this facility to fund its working capital requirements with drawdowns made solely at the discretion of Henderson.

The CLNs which were varied in February 2015 and the liabilities to EnQuest are due for redemption on 19 November 2015.

Issues of equity

On 2 May 2015 the Company raised £550,000 (£525,250 net of costs) through the placing (the "Placing") of 275,000,000 ordinary shares in the capital of the Company at a price of 0.2p per Ordinary Share with investors using the Primarybid.com platform. PrimaryBid is a trading name of Darwin Strategic Limited which is regulated and authorised by the Financial Conduct Authority (FCA).

At the general meeting of shareholders on 3 September 2015, shareholders voted to give the Directors the authority to issue a further £1,500,000 nominal value of Ascent ordinary shares.

Other funding discussions

The Company has held discussions with a range of parties interested in participating in a farm out. Discussions are well advanced with several parties, the completion of which is likely to be subject to either the IPPC Permit being issued in final form or, failing that, an alternative method of transporting gas to market is found.

The Company continues to have positive discussions with banks who, following lengthy, technical due diligence, have expressed firm interest in providing up to €20 million of debt funding to the project. These funds would be available after the IPPC Permit has been declared valid and additional equity investment has been secured.

Board Changes

In line with the decision to limit expenditure management changes were implemented with a view to conserving the Company's cash until the IPPC Permit is awarded in final form or an alternative is found.

As part of this process, Len Reece, Ascent's CEO for the past three years, resigned as a director of the Company on 14 August 2015 and on 10 September the Company and Mr. Reece entered into a settlement agreement to terminate his employment. Colin Hutchinson, Finance Director, has become interim Chief Executive and with the support of the Non-executive Directors will lead the day-to-day activities of the Company.

The Board of Ascent would like to extend its thanks and appreciation for Len's work in leading the Company over the past three years. Len oversaw the move from a collection of disparate assets spread over five countries to a focus on its prime Slovenian asset. More recently he has been instrumental in moving the IPPC Permit forwards. We wish Len well for the future.

Results for the period

The result for the period was a loss of £2,684,000 (2014: £1,886,000)

Outlook

The attractions of the Petišovci Project remain strong: the verified gas in place is significant and the proximity to infrastructure means that once the permitting issue has been resolved the project should move forward into production. The decision in June 2015 to award the IPPC Permit provisionally was a major step forward. The Board is advised that the current challenges to that decision are unlikely to succeed and that the IPPC will be unconditionally awarded at the end of the permitted reviews and challenges. When this happens, the intended funding from the banks or new financial partners should become available to us.

During the past few months the Company and its partners have been exploring the possibility of bringing their unprocessed gas to market thereby bypassing the need for the IPPC Permit and the capital expenditure associated with the required processing plant. Whilst encouraging discussions are underway with a number of parties, at the time of writing it is not possible to say with certainty whether such arrangements will be concluded and a further announcement will be made in due course.

Enquiries:

Ascent Resources plc **0207 251 4905**
Clive Carver, Chairman
Colin Hutchinson, Interim CEO

finnCap Limited, Nominated Adviser **0207 220 0500**
Christopher Raggett

Consolidated Income Statement
for the Period ended 30 June 2015

	Notes	**Six months ended 30 June 2015 Unaudited £ '000s**	Six months ended 30 June 2014 Unaudited £ '000s
Continuing Operations			
Administrative expenses		**(1,011)**	(1,105)
Loss from operating activities		**(1,011)**	(1,105)
Finance income		**1**	2
Finance cost		**(1,674)**	(783)
Net finance costs		**(1,673)**	(781)
Loss before taxation		**(2,684)**	(1,886)
Income tax expense		**-**	-
Loss for the period		**(2,684)**	(1,886)
Basic & fully diluted loss per share (pence)		**(0.17)**	(0.13)

Consolidated Statement of Comprehensive Income
for the Period ended 30 June 2015

	Six months ended 30 June 2015 Unaudited £ '000s	Six months ended 30 June 2014 Unaudited £ '000s
Loss for the period	**(2,684)**	(1,886)
Other comprehensive income		
Currency translation differences on foreign operations	**(1,809)**	(752)
Total comprehensive loss for the year	**(4,493)**	(2,638)

* Foreign currency translation differences from foreign operations may be recycled through the income statement in the future if certain conditions arise

Consolidated Statement of Changes in Equity

for the Period ended 30 June 2015

	Share Capital	Share Premium	Equity reserve	Shares to be issued	Share based payment reserve	Translation Reserve	Retained Earnings	Total
Balance at 1 January 2014	**1,451**	**55,833**	**518**	**84**	**1,896**	**(498)**	**(34,171)**	**25,113**
Comprehensive expense								
Loss for the year	-	-	-	-	-	-	(1,886)	**(1,886)**
Other comprehensive expense								
Currency translation differences	-	-	-	-	-	(752)	-	**(752)**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**(752)**	**(1,886)**	**(2,638)**
Transactions with owners								
Shares issued	8	76	-	(84)	-	-	-	**-**
Issue of convertible loan notes	-	-	91	-	-	-	-	**91**
Share-based payments and expiry of options	-	-	-	-	(1,040)	-	1,113	**73**
Balance at 30 June 2014	**1,459**	**55,909**	**609**	**-**	**856**	**(1,250)**	**(34,944)**	**22,639**
Balance at 1 January 2014	**1,451**	**55,833**	**518**	**84**	**1,896**	**(498)**	**(34,171)**	**25,113**
Comprehensive income								
Loss for the year	-	-	-	-	-	-	(5,623)	**(5,623)**
Other comprehensive income								
Currency translation differences	-	-	-	-	-	(1,248)	-	**(1,248)**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**(1,248)**	**(5,623)**	**(6,871)**
Transactions with owners								
Issue of convertible loan notes	-	-	2,058	-	-	-	-	**2,058**
Conversion of loan notes	-	2	-	-	-	-	-	**2**
Issue of shares during the year net of costs	8	76	-	(84)	-	-	-	**-**
Share-based payments and expiry of options	-	-	-	-	(1,035)	-	1,181	**146**
Balance at 31 December 2014	**1,459**	**55,911**	**2,576**	**-**	**861**	**(1,746)**	**(38,613)**	**20,448**
Balance at 1 January 2015	**1,459**	**55,911**	**2,576**	**-**	**861**	**(1,746)**	**(38,613)**	**20,448**
Comprehensive income								
Loss for the year	-	-	-	-	-	-	(2,684)	(2,684)
Other comprehensive income								
Currency translation differences	-	-	-	-	-	(1,809)	-	(1,809)
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**(1,809)**	**(2,684)**	**(4,493)**
Transactions with owners								
Issue of shares during the year net of costs	275	250	-	-	-	-	-	525
Extinguishment of convertible loan notes	-	-	(2,576)	-	-	-	2,576	-
Extension of convertible loan notes	-	-	1,910	-	-	-	-	1,910
Share-based payments	-	-	-	-	73	-	-	73
Balance at 30 June 2015	**1,734**	**56,161**	**1,910**	**-**	**934**	**(3,555)**	**(38,721)**	**18,463**

Consolidated Statement of Financial Position

As at 30 June 2015

	30 June 2015 Unaudited	30 June 2014 Unaudited	31 December 2014 Audited
	£ '000s	£ '000s	£ '000s
Assets			
Non-current assets			
Property, plant and equipment	**2**	2	2
Exploration and evaluation costs	**31,455**	33,221	33,166
Total non-current assets	**31,457**	33,223	33,168
Current assets			
Trade and other receivables	**142**	88	98
Cash and cash equivalents	**239**	937	456
Total current assets	**381**	1,025	554
Total assets	**31,838**	34,248	33,722
Equity and liabilities			
Share capital	**1,734**	1,459	1,459
Share premium account	**56,161**	55,911	55,911
Equity reserve	**1,910**	609	2,576
Share-based payment reserve	**934**	856	861
Translation reserves	**(3,555)**	(1,250)	(1,746)
Retained earnings	**(38,721)**	(34,944)	(38,613)
Total equity	**18,463**	22,639	20,448
Non-current liabilities			
Provisions	**370**	420	410
Other non-current liabilities	**-**	2,417	-
Total non-current liabilities	**370**	2,837	410
Current liabilities			
Trade and other payables	**535**	457	647
Borrowings	**9,691**	8,315	9,624
Other current liabilities	**2,779**	-	2,593
Total current liabilities	**13,005**	8,772	12,864
Total liabilities	**13,375**	11,609	13,274
Total equity and liabilities	**31,838**	34,248	33,722

Consolidated Statement of Cash Flows

for the six months ended 30 June 2015

	Six months ended 30 June 2015 Unaudited	Six months ended 30 June 2014 Unaudited	Year ended 30 December 2014 Audited
	£ '000s	£ '000s	£ '000s
Cash flows from operations			
Loss before tax for the year	**(2,684)**	(1,886)	(5,623)
DD&A charge	-	1	2
(Increase) / Decrease in receivables	**(44)**	22	12
(Decrease) / Increase in payables	**(112)**	49	238
Share-based payment charge	**73**	73	146
Exchange differences	**30**	6	(42)
Finance income	**(1)**	(2)	(3)
Finance cost	**1,674**	783	3,516
Net cash flows from operating activities	**(1,064)**	(954)	(1,754)
Cash flows from investing activities			
Interest received	**1**	2	3
Payments for investing in exploration	**(174)**	(389)	(773)
Disposal of property, plant & equipment	**-**	-	(1)
Net cash used in investing activities	**(173)**	(387)	(771)
Cash flows from financing activities			
Interest paid and other finance fees	**(1)**	(55)	(60)
Proceeds from loans	**500**	2,150	3,650
Loans repaid	**(1)**	-	(761)
Loan issue costs	**-**	-	(32)
Proceeds from issue of shares	**550**	-	-
Share issue costs	**(25)**	-	-
Net cash generated from financing activities	**1,015**	2,095	2,797
Net increase in cash and cash equivalents for the year	**(214)**	754	272
Effect of foreign exchange differences	**(3)**	(1)	-
Cash and cash equivalents at beginning of the year	**456**	184	184
Cash and cash equivalents at end of the year	**239**	937	456

1. Accounting Policies

Reporting entity

Ascent Resources plc ('the Company') is a company domiciled in England. The address of the Company's registered office is 5 New Street Square, London EC4A 3TW. The unaudited consolidated interim financial statements of the Company as at 30 June 2015 comprise the Company and its subsidiaries (together referred to as the 'Group').

Basis of preparation

The interim financial statements have been prepared using measurement and recognition criteria 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 2015 and were applied in the Group's statutory financial statements for the year ended 31 December 2014.

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

The interim financial information for the six months to 30 June 2015 and 30 June 2014 is unaudited and does not constitute statutory financial information. The comparatives for the full year ended 31 December 2014 are not the Group's full statutory accounts for that year. The information given for the year ended 31 December 2014 does not constitute statutory financial statements as defined by Section 435 of the Companies Act. The statutory accounts for the year ended 31 December 2014 have been filed with the Registrar and are available on the Company's web site www.ascentresources.co.uk. The auditors' report on those accounts was unqualified and included an emphasis of matter drawing attention to the importance of disclosures made in the annual report regarding going concern. It did not contain a statement under Section 498(2)-(3) of the Companies Act 2006

Going Concern

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

In July 2015 the Company drew £250,000 from a working capital facility provided by Henderson. In order to continue to operate as a going concern the Company is currently wholly reliant on this facility. The Directors are pursuing a range of funding options, including a strategic investor or a farm-in arrangement. The Company is also wholly reliant on the support from shareholders to meets its current liabilities as recorded in trade and other payables, the majority of which are owed to partners in Slovenia.

However, there can be no guarantee over the outcome of these negotiations and as a consequence there is a material uncertainty of the Group's ability to raise additional finance, which may cast significant doubt on the Group's ability to continue as a going concern. Further, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors, however, remain confident of the Group's ability to operate as a going concern given the funding discussions that have and continue to take place and in light of the recent support from existing shareholders.

Liquidity and Capital Resources:

The Company continues to be an emerging business and currently has no production cash flows; consequently, it manages its working capital and liquidity position by balancing the timing of critical expenditure with available funds. Further information on future funding arrangements and the Directors' assessment of the Group's going concern position is set out above.

Principal Risks and Uncertainties:

The principal risks and uncertainties affecting the business activities of the Group remain those detailed on pages 50-52 of the Annual Review 2014, a copy of which is available on the Company's website at www.ascentresources.co.uk.

2. Operating loss is stated after charging

	Six months ended 30 June 2015 Unaudited	Six months ended 30 June 2014 Unaudited
Operating loss is stated after charging	**£ '000s**	£ '000s
Employee costs	**397**	382
Share based payments charge	**73**	73
Foreign exchange differences	-	-
Included within Admin Expenses		
Audit Fees	**26**	26
Fees payable to the Company's auditor for other services	**-**	-
	26	**26**

3. Finance income and costs recognised in loss

	Six months ended 30 June 2015 Unaudited	Six months ended 30 June 2014 Unaudited
	£ '000s	£ '000s
Finance income		
Income on bank deposits	**1**	2
	1	2
Finance cost		
Interest payable on borrowings	**(624)**	(564)
Bank Charges	**(1)**	(1)
Unwinding of EnQuest liability	**(186)**	(162)
Loss on extinguishment of convertible loan notes	**(854)**	-
Foreign exchange movements realised	**(9)**	(56)
	(1,674)	(783)

4. Loss per share

	Six months ended 30 June 2015 Unaudited	Six months ended 30 June 2014 Unaudited
	£ '000s	£ '000s
Total loss for the period attributable to equity shareholders	**(2,684)**	(1,856)
Wight average number of ordinary shares		
For basic earnings per share	1,541,219,096	1,451,164,395
Total loss per share (pence)	**(0.17)**	(0.13)

Potential shares to be issued are antidilutive so the basic earnings per share is equivalent to the diluted earnings per share.

5. Exploration and Evaluation Costs

	Slovenia	**Total**
Cost		
At 1 January 2014	33,628	**33,628**
Additions	389	**389**
Effects of movements in exchange rates	(796)	**(796)**
At 30 June 2014	33,221	**33,221**
At 1 July 2014	33,221	**33,221**
Additions	384	**384**
Effects of movements in exchange rates	(439)	**(439)**
At 31 December 2014	33,166	**33,166**
At 1 January 2015	33,166	**33,166**
Additions	174	**174**
Effects of movements in exchange rates	(1,885)	**(1,885)**
At 30 June 2015	31,455	**31,455**
Carrying value		
At 30 June 2015	33,221	**33,221**
At 31 December 2014	33,628	**33,628**
At 1 July 2014	33,061	**33,061**

6. Borrowings

	30 June 2015 Unaudited	30 June 2014 Unaudited	31 December 2014 Audited
	£ ’000s	£ ’000s	£ ’000s
Current			
Loan with financial institution	**-**	317	-
Convertible loan note	**9,691**	7,998	9,624
	9,691	8,315	754

	30 June 2015 Unaudited	30 June 2014 Unaudited	31 December 2014 Audited
	£ ’000s	£ ’000s	£ ’000s
Fair value of consideration received	**10,017**	2,000	3,500
Equity component	**(1,056)**	(91)	(107)
Liability component on initial recognition	**8,961**	1,909	3,393
Liability brought forward	**9,624**	5,561	5,561
Convertible loan notes drawn in 2015	**500**	0	0
Loan notes extinguished	**(10,017)**	-	(463)
Converted notes	**(1)**	-	(2)
Interest expense	**624**	549	1,168
Exchange movements	**-**	(21)	(1)
Liability on initial recognition	**8,961**	1,909	3,393
Deferral of set up costs	**-**	-	(32)
Liability at 31 December	**9,691**	7,998	9,624

2013 & 2014 Convertible Loan Notes ("CLNs")

On 19 February 2015 the shareholders and note holders approved the variation of the terms on the 2013 and 2014 CLNs. In total £4.95 million had been drawn under the 2013 CLNs and £4.0 million had been drawn under the 2014 CLNs: the final £0.5 million having been drawn on 4 February 2015. In total, including accrued interest, some £10 million in aggregate was due for repayment under the 2013 and 2014 CLNs, in part on 23 December 2014 and in part on 31 January 2015. In return for extending the maturity date of the Loan Notes to 19 November 2015 and terminating the accrual of further interest, the Board of Ascent agreed to adjust the conversion price in respect of both the 2013 and 2014 CLNs from 0.5p and 0.2p respectively to 0.1p for all loan notes.

The 2013 and 2014 CLNs were extinguished and replaced with another convertible loan. On initial recognition the liability and equity element of the CLNs have been fair valued. As part of this transaction, a loss on extinguishment of £0.85m was recognised as a finance costs. The loan has been recognised at a discount rate of 15% and the interest charge will accrete over the loan period. The loan amount is convertible at any time into ordinary shares of the Company. The loan matures on 19 November 2015 and is repayable in full on that date.

Conversion of convertible loan notes ("CLNs")

During the period under review there have been two drawdown requests received by loan note holders to convert loan notes and the interest accrued thereon into ordinary shares.

- On 26 March 2015 the Company issued 138,520 ordinary shares of 0.1pence each pursuant to a conversion notice received from the holder of 123 CLNs of £1 each.
- On 30 April 2015 the Company issued 473,030 ordinary shares of 0.1pence each pursuant to a conversion notice received from the holder of 123 CLNs of £1 each.

Subsequent to the end of the period on 27 July 2015 the Company issued 244,392 ordinary shares of 0.1pence each pursuant to a conversion notice received from the holder of 217 CLNs of £1 each.

£7million short term funding facility

On 12 May 2015 the Company announced that it had agreed a £7million loan facility (the "Loan") for general corporate purposes with Henderson Global Investors Limited ("Henderson").

The Loan can be drawn at any time from signing to 30 June 2016 at the discretion of Henderson. The Loan accrues interest at the rate of 7.5% per annum on the amount drawn and this is added to the amount of the Loan. The Loan is subject to a drawdown fee of 1.75% per tranche which is deducted from the funds advanced. The Loan is also subject to a repayment fee of 1.25% on any amounts repaid by the Company. The balance outstanding is repayable on demand at any time.

The first £250k was drawn on the 21 August 2015 and the Company is currently reliant on this facility for working capital funding going forward.

7. Other current liabilities

The other current liability of £2,779,000 (December 2014: £2,417,000) relates to the grant in 2011 of a nil cost option over 29,686,000 new ordinary shares of 0.1p each in the Company to EnQuest. Where the share price of the Company is below 10 pence on the exercise date the agreement provided for the liability to be settled in cash for £2,968,000; given the current share price, the Company considers it to be likely that the option will be settled in cash rather than through the issue of equity. As a result this was reclassified in 2012 from equity to current liabilities. This is held at a discounted rate and repayment is due in December 2015.

The discount rate used for the purposes of calculating accretion interest is 15% and the interest accreted for the period was £161,831.

Subsequent to the end of the reporting period the Company entered into an agreement to restructure this liability as detailed in Note 8 below.

8. Events subsequent to the reporting date

a) EnQuest restructuring

As detailed in Note 8 above, in December 2010 Ascent entered into an agreement with EnQuest to acquire their 48.75% interest in the Petišovci Project in Slovenia. The consideration consisted of:

- 150,903,958 new ordinary shares of 0.1p each in the Company, which were issued fully paid to EnQuest at closing;
- £14,830 payable in cash for each year between closing and the fifth anniversary of the date of closing payable on 20 December 2015 in total £74,150; and
- £2,968,000 consideration payable in cash on 20 December 2015 contingent on the share price being lower than 10 pence per share.

The total of £3,042,150 was to become due for payment to EnQuest on 20 December 2015 and has now been restructured into £2,038,241 of CLNs. The terms of these CLNs are identical to the £4million of notes issued in 2014 to Henderson Global Investors ("Henderson") and will benefit from security over the Company's shareholding in Ascent Slovenia Limited which owns an interest in the Petišovci concession. The notes accrue no interest, are redeemable on 19 November 2015 or can be converted at the option of the noteholder at the rate of 1,000 shares for every £1 of Loan Note.

b) Authority to allot shares

On 3 September 2015 the Company held a General Meeting at which the Directors received the authority to allot shares in the Company for a nominal value of up to £1,500,000. This was intended to give Directors the flexibility to raise additional funding for working capital or for the development of the project from sources other than the £7m Henderson facility.

c) Management changes

On 11 September 2015 the Company announced that CEO Len Reece, Ascent's CEO, had resigned as a director of the Company. Following further discussions, the Company and Len Reece have entered into a settlement agreement to terminate his employment effective from 10 September 2015. Colin Hutchinson, Finance Director, has become interim Chief Executive and with the support of the Non-executive Directors will lead the day-to-day activities of the Company.

DIRECTORS AND ADVISERS

Directors	Clive Nathan Carver Colin Hutchinson William Cameron Davies Nigel Sandford Johnson Moore
Secretary	Colin Hutchinson
Registered Office	5 New Street Square London, EC4A 3TW
Nominated Adviser & Broker	finnCap Ltd. 60 New Broad Street London, EC2M 1JJ
Auditors	BDO LLP 55 Baker Street London, W1U 7EU
Solicitors	Taylor Wessing LLP 5 New Street Square London, EC4A 3TW
Bankers	Barclays Corporate 1 Churchill Place London, E14 5HP
Share Registry	Computershare Investors Services plc The Pavilions Bridgwater Road Bristol, BS13 8AE
Company's registered number	05239285