

18 January 2019

**Path Investments plc**  
("Path" or the "Company")

**Interim Results for the six months to 30 June 2018**

Path Investments plc (TIDM: PATH), the energy investment company, announces its interim results for the six months to 30 June 2018.

There was no revenue in the period as activities were focused on completing the previously announced proposed transaction with 5P Energy GmbH ("5P"). However, as announced post period end on 5 November 2018, 5P decided not to continue with the Conditional Farm-In Agreement signed in December 2017.

Following the termination of the proposed transaction with 5P the Company sought alternative investment opportunities and the Company is pleased to have announced earlier today that it has entered into a Heads of Agreement with ARC Marlborough Pty Limited ("ARC") regarding the proposed acquisition of ARC by the Company (the "Proposed Transaction").

Whilst the reported loss before tax for the six months ended 30 June 2018 was £483,418 (H1 2017 profit of £73,048), during the period the Company sought to minimise its cash costs through the deferment of director's salaries and other cost saving measures. As at 30 June 2018 the Company held cash of £30,734 (31 December 2017 £159,505).

**Commenting, Christopher Theis, Chief Executive of Path, said:** "We were very disappointed that 5P decided not to complete the Farm-In Agreement, particularly when we had secured Institutional funding to do so. Nevertheless, we are delighted to have entered into the Heads of Agreement with ARC. We believe the Proposed Transaction is one that can deliver significant value for Path shareholders."

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX MONTHS ENDED 30 JUNE 2018**

	Notes	Six months ended 30 June 2018 Unaudited £	Six months ended 30 June 2017 Unaudited £	Year ended 31 December 2017 Audited £
Administrative expenses	3	(483,492)	110,543	(585,533)
Total administrative expenses		(483,492)	110,543	(585,533)
<b>Operating (loss)/profit</b>		(483,492)	110,543	(585,533)
Finance income		74	5	56
Finance cost		-	(37,500)	(38,500)
<b>(Loss)/profit on ordinary activities before taxation</b>		(483,418)	73,048	(623,977)
Tax on (loss)/profit on ordinary activities		-	-	-
<b>(Loss)/profit for the period and total comprehensive (loss)/profit for period</b>		(483,418)	73,048	(623,977)
<b>(Loss)/profit per share (pence)</b>				
- Basic & diluted	4	(0.25)	0.067	(0.42)

All operating income and operating gains and losses relate to continuing activities.

**STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS ENDED 30 JUNE 2018**

	Share Capital	Share Premium	Share based payments reserve	Retained earnings	Total
	£	£	£	£	£
<b>As at 1 January 2018</b>	8,979,767	25,413,617	-	(34,407,084)	(13,700)
<b>Comprehensive income</b>					
Loss for the period	-	-	-	(483,418)	(483,418)
<b>As at 31 June 2018</b>	8,979,767	25,413,617	-	(34,890,502)	(497,118)

	Share Capital	Share Premium	Share based payments reserve	Retained earnings	Total
	£	£	£	£	£
<b>As at January 2017</b>	8,805,838	24,134,750	715,752	(34,902,611)	(1,246,271)
<b>Comprehensive income</b>					
Loss for the period	-	-	-	(623,977)	(623,977)
Issue of share capital	173,929	1,565,363	--	-	1,739,292
Issue costs	-	(286,496)	-	-	(286,496)
Lapsed or waived share options	-	-	(382,479)	382,479	-
Transfer to retained reserves	-	-	(333,273)	333,273	-
Share based payment	-	-	-	403,752	403,752
<b>As at 31 December 2017</b>	8,979,767	25,413,617	-	(34,407,084)	(13,700)

	Share Capital	Share Premium	Share based payments reserve	Retained earnings	Total
	£	£	£	£	£
<b>As at 1 January 2017</b>	8,805,837	24,134,750	715,752	(34,902,611)	(1,246,272)
<b>Comprehensive income</b>					
Profit for the period	-	--	--	73,048	73,048
Issue of share capital	173,930	1,565,363	--	-	1,739,293
Share issue costs	-	(283,088)	-	-	(283,088)
Waived share options	-	--	(382,479)	382,479	-
Transfer to retained reserves	-	--	(333,273))	333,273	-
Share based payment	-	--	-	298,290	298,290
<b>As at 30 June 2017</b>	8,979,767	25,417,025	--	(33,815,521)	581,271

The Share Capital represents the nominal value of the equity shares.

The Share Premium represents the amount subscribed for share capital, in excess of the nominal amount, less costs directly relating to the issue of shares.

The Share Based Payments reserve represents the fair value of the equity settled share option scheme.

The Retained Earnings reserve represents the cumulative net gains and losses less distributions made.

**STATEMENT OF FINANCIAL POSITION  
FOR THE SIX MONTHS ENDED 30 JUNE 2018**

	Notes	As at 30 June 2018 Unaudited £	As at 30 June 2017 Unaudited £	As at 31 December 2017 Audited £
<b>ASSETS</b>				
<b>Current assets</b>				
Trade and other receivables		-	7,199	8,978
Cash and cash equivalents		30,734	586,726	159,505
		30,734	593,925	168,483
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	5	(527,852)	(12,654)	(182,183)
<b>Net Current (Liabilities)Assets</b>		(497,118)	581,271	(13,700)
<b>NET (LIABILITIES)ASSETS</b>		(497,118)	581,271	(13,700)
<b>SHAREHOLDERS' EQUITY</b>				
Called up share capital	6	195,943	195,943	195,943
Deferred shares	6	8,783,824	8,783,824	8,783,824
Share premium account		25,413,617	25,417,025	25,413,617
Retained earnings		(34,890,502)	(33,815,521)	(34,407,084)
<b>TOTAL EQUITY</b>		(497,118)	581,271	(13,700)

**STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS ENDED 30 JUNE 2018**

	<b>Six months to 30 June 2018 Unaudited £</b>	<b>Six months to 30 June 2017 Unaudited £</b>	<b>Year ended 31 December 2017 Audited £</b>
Operating (loss)/profit	(483,492)	110,543	(585,533)
Decrease in debtors	8,978	83,500	81,722
Increase/(decrease) in creditors within one year	345,669	(1,347,989)	(1,178,462)
Share based payment	-	298,290	403,755
Convertible loan note interest	-	(37,500)	(38,500)
<b>Net cash outflow from operating activities</b>	<b>(128,845)</b>	<b>(893,156)</b>	<b>(1,317,018)</b>
<b>Cash flows from investing activities</b>			
Interest received	74	5	56
Net cash generated from investing activities	74	5	56
<b>Cash flows from financing activities</b>			
Net proceeds from the issue of ordinary shares	-	1,456,205	1,452,795
Net cash inflow from financing activities	-	1,456,205	1,452,795
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(128,771)</b>	<b>563,054</b>	<b>135,833</b>
Cash and cash equivalents at beginning of period	159,505	23,672	23,672
<b>Cash and cash equivalents at end of period</b>	<b>30,734</b>	<b>586,726</b>	<b>159,505</b>

## 1. GENERAL INFORMATION

Path Investments Plc is a public limited company incorporated in the United Kingdom, registered under company number 04006413. The address of the registered office is Aston House, Cornwall Avenue, London, N3 1LF. The principal activity of the Company is the investment in oil and gas production and development assets.

## 2. ACCOUNTING POLICIES

### 2.1 Basis of preparation

The financial statements are presented in UK Sterling and all values are rounded to the nearest pound except where indicated otherwise.

The financial statements have been prepared under the historical cost convention or fair value where appropriate.

The results for the six months to 30 June 2018 have been prepared on the basis of the accounting policies set out in the company's 2017 annual report and accounts. The interim accounts do not constitute statutory accounts as defined by section 434 of the Companies Act 2006. The auditor has reported on the 2017 accounts and the report was unqualified and did not contain a statement under section 498(2) of (3) of the Companies Act 2006. The company's 2017 report and accounts have been filed with the registrar of companies.

During the period, there have been no changes in the nature of the related party transactions from those described in the company's 2017 accounts.

The results for the six months are unaudited.

### 2.2 Responsibility statement

The directors confirm that these condensed interim financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting", as adopted by the European Union and as issued by the IASB and that the interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely;

- a) An indication of the important events that have occurred during the first six months and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- b) Material related party transactions in the first six months and any material changes in related party transactions described in the last annual report.

## 3. ADMINISTRATIVE EXPENSES

	Six months to 30 June 2018 Unaudited £	Six months to 30 June 2017 Unaudited £	Year ended 31 December 2017 Audited £
Directors remuneration	131,960	(824,837)	(620,838)
Share based payment	-	298,291	400,346
Other administrative expenses	351,532	416,003	806,025
	<u>483,492</u>	<u>(110,543)</u>	<u>585,533</u>

Included in Directors Remuneration for the period ended 30 June 2017 and the year ended 31 December 2017 are previously accrued remuneration of £940,905 which have been waived.

Included in Directors remuneration for the period ended 30 June 2018 are accrued salaries of £95,781.

#### 4. LOSS PER SHARE

The calculation of the basic and diluted loss per share is based on the loss on ordinary activities after taxation of and on the weighted average number of ordinary shares in issue.

There was no dilutive effect from the share options or convertible loan notes outstanding during the period.

In order to calculate the diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares according to IAS33. Dilutive potential ordinary shares include convertible loan notes and share options granted to Directors and consultants where the exercise price (adjusted according to IAS 33) is less than the average market price of the Company's ordinary shares during the period.

	Six months to 30 June 2018 Unaudited £	Six months to 30 June 2017 Unaudited £	Year ended 31 December 2017 Audited £
Net (loss)profit for the period	(483,418)	110,543	(623,977)

The weighted average number of shares in the period were:

Basic and dilutive ordinary shares	195,943,802	108,274,675	149,164,700
Basic and dilutive (loss)/profit per share (pence)	(0.25)	0.067	(0.42)

#### 5. TRADE AND OTHER PAYABLES

	As at 30 June 2017 Unaudited	As at 30 June 2017 Unaudited £	As at 31 December 2016 Audited £
Trade payables	168,319	376	38,711
Taxation and social security	-	9,653	8,542
Other payables	68,000	-	-
Accruals and deferred income	291,533	2,625	134,930
	527,852	12,654	182,183

#### 6. SHARE CAPITAL



<b>Allotted, called up and fully paid</b>	<b>Unaudited no</b>	<b>Unaudited £</b>	<b>Unaudited no</b>	<b>Unaudited £</b>
	<i>Ordinary Shares of 0.1p each</i>	<i>Ordinary Shares of 0.1p each</i>	<i>Deferred Share of 39.9p each</i>	<i>Deferred Share of 39.9p each</i>
<b>At 1 January 2017</b>	22,014,596	22,014	22,014,596	8,783,824
<i>Share issues</i>				
On 22 March 2017, the company issued 140,000,000 Ordinary shares at 1p each	140,000,000	140,000		
On 16 May 2017, the company issued 20,300,000 Ordinary shares at 1p each on conversion of unsecured loan stock 2016	20,300,000	20,300		
On 16 May 2017, the company issued 13,629,206 Ordinary shares at 1p each in settlement of various invoices from the company's advisers.	13,629,206	13,630		
<b>As at 30 June 2017(unaudited), (December 2017 (audited) and June 2018 (unaudited))</b>	<u>195,943,802</u>	<u>195,943</u>	<u>22,014,596</u>	<u>8,783,824</u>
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