

23 September 2022

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

Unaudited Interim Results for the six months to 30 June 2022

Oracle Power PLC (AIM: ORCP), the international natural resources project developer, announces its unaudited interim results for the six months ended 30 June 2022, which will also be made available on its website at: www.oraclepower.co.uk.

Chairman's Statement for the six months to 30 June 2022

Summary of Interim Results

Oracle has made significant process in relation to its multi-project portfolio consisting of two gold tenements in Western Australia, the Thar coal project in Pakistan (the "Thar 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 Dalmook Al Maktoum. As is to be expected for a project development company with four pre-revenue projects at development stages, the Company's financial results for the six months to 30 June 2022 show the Group to have made a loss after taxation of £356,295 (2021: £301,971). At 30 June 2022, the Group had cash and cash equivalents of £762,300 (2021: £975,820) and total assets less current liabilities of £6,890,348 (2021: £6,009,841).

Operational Update

Australia

The Company holds two prospective gold assets in a globally significant gold region of Western Australia, The Northern Zone Project and the Jundee East Gold Project. 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; and the Jundee East Gold Project is located approximately 9km east of Northern Star's Jundee Gold Mine, one of Australia's largest gold mines.

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 Australia and Pakistan.

Going Concern

The Company raised £800,000 before expenses in April 2022 to fund the Green Hydrogen Project and, subsequent to the period end, another £500,000 before expenses was raised in August 2022. The Board believes that the Company is sufficiently funded to progress its various projects.

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 very grateful for the patience and support of the Company's shareholders.

Mark W. Steed

Chairman of the Board - Oracle Power PLC

Date: 22 September 2022

Chief Executive Officer's statement for the six months ended 30 June 2022

In the first half of 2022, we made significant progress in relation to the development of our Green Hydrogen Project in Pakistan and have also conducted decisive activities on ground in Australia.

Review of Operations

Pakistan

Thar Block VI

As part of our continuing development of Thar Block VI, in January 2022, we signed an MoU with Sui Southern Gas Company Limited ("SSGC") a publicly listed company on the Pakistan Stock Exchange, and majority-owned by the Government of Pakistan. The MoU relates to the buy back and joint development of a synthetic natural gas project using Thar Block VI coal.

This development places us in the frontline for the commercialisation of coal to gas/liquid production at Thar Block VI, as the Government of Pakistan finalises a policy for initiatives of this nature.

Green Hydrogen Project

In the first half of 2022, Oracle has moved swiftly to implement a new focus on green energy development. In order to realise the objective of setting up one of the largest green hydrogen projects in the region, Oracle entered into a joint venture agreement with His Highness Sheikh Ahmed Dalmook Al Maktoum (represented through Kaheel Energy, a company wholly owned by him) in March 2022. The primary objective of partnering with His Highness Sheikh Ahmed Dalmook Al Maktoum, was to leverage his influence and financial strength in the region and thereby expedite the development of this project of significant importance.

A joint venture company, Oracle Energy, has been established, and has already received the first tranche of funds from both Oracle and Kaheel Energy in the prescribed 30:70 ratio. Further funds have been invested post period end such that the capitalisation of Oracle Energy, is now almost £2 million.

In March 2022, we appointed a financial adviser specifically for the Green Hydrogen Project, Hannam and Partners Advisory. Furthermore, to progress the development of the Green Hydrogen Project, Oracle successfully raised £800,000 in April 2022 and, subsequent to the period end, another £500,000 was raised in August 2022.

As part of the partnership building strategy for the Green Hydrogen Project, encompassing technology suppliers, financiers and off takers, Oracle Energy signed an MoU with a United States hydrogen fuel cell company, Nuvera Fuel Cells LLC, in June 2022, and is jointly pursuing the roll-out of a pilot hydrogen bus project in collaboration with local bus companies. In June 2022, Oracle also entered into an MoU with a hydrogen storage company in China, Jiangsu Guofu Hydrogen Energy Equipment Co, in order to jointly explore storage and port infrastructure development for the Green Hydrogen Project.

During the first half of 2022, Oracle Energy also pursued approval for an LOI from the Directorate of Alternative Energy of the Government of Sindh, for the setting up of the 400 MW green hydrogen and 1200 MW hybrid power plant located in the wind corridor in Sindh and this has been approved and awarded post period end.

We also maintained an active dialogue with various departments within the Government of Pakistan for the allocation of land, following the identification of a suitable site after a thorough survey and technical analysis.

During this period, Oracle also built a credible relationship with KOTRA Korea Trade-Investment Promotion Agency, and developed meaningful relations with Korean enterprises, based on the importance of Korea in the global hydrogen economy. Active dialogue is continuing with a number of potential partners.

Oracle Energy has also pursued feasibility study contracts with important technology providers and many of these will be finalised in the second half of 2022.

Australia

In Western Australia, Oracle has extensively explored both of the Company's tenements during the first half of 2022.

Positive assay results were received in January 2022 from the maiden drilling programme at the Northern Zone Project. This first phase of reverse circulation drilling successfully targeted gold mineralisation within a series of stacked porphyry intrusions. An exploration target based on historical results and the results of the recent seven drill holes, identified an exploration target of 2.5 to 4.8Moz of gold.

Further to these encouraging results, Oracle stepped up testing and received promising test results for samples checked metallurgically for extraction. The test results of 9 June 2022 confirmed that good gold recoveries can be achieved within six hours of 83.3% and up to 90.4% over 72 hours. Results announced on 13 June 2022, indicated higher recoveries of 92.9% on average over 24 hours. These recovery results form the basis for moving forward with drilling to define a maiden inferred JORC resource, which would be similar to other large low grade systems in Australia. During the period, active dialogue has also taken place with possible partners to progress the development of the Northern Zone Project and these remain ongoing.

Extensive exploration work was also conducted at Jundee East Project. This included geochemical sampling over the block, which showed positive results and a drilling programme was subsequently carried out. The results of the drilling programme did not confirm positive results for gold mineralisation and further assessments have been commissioned for other minerals which are expected to be completed post period end.

Outlook

During the first half of 2022, we have actively pivoted towards a more environmentally responsible project development strategy, by selecting green hydrogen as the most relevant fuel to be our primary focus going forward. The Company is also reviewing other global opportunities, especially in green energy, with His Highness Sheikh Ahmed Dalmook Al Maktoum.

However, we also remain determined to generate value from the investments that we have made in gold by turning those projects into revenue generating assets for the Company. In parallel, we are pursuing the development of our coal block in Thar and are currently investigating strategies for development which would be more aligned with national and international energy priorities. We have

access to a large land resource located within a very viable geographical area, which is being developed actively. We aim to benefit from developments in this area which include water systems, a railway line for transporting coal and new transmission systems. It is expected that an exciting and innovative plan for development will be in place soon.

The management and board of the Company acknowledges the support of all shareholders and remain committed to generating an attractive return on their investment.

Naheed Memon

Chief Executive Officer - Oracle Power PLC

Date: 22 September 2022

**CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS TO 30 JUNE 2022**

	(Unaudited) 6 Months to 30 June 2022	(Unaudited) 6 Months to 30 June 2021	(Audited) Year ended 31 Dec 2021
	£	£	£
CONTINUING OPERATIONS			
Revenue	-	-	-
Administrative expenses	(356,538)	(302,032)	(881,973)
OPERATING LOSS	(356,538)	(302,032)	(881,973)
Finance costs	-	-	-
Finance income	243	61	94
LOSS BEFORE INCOME TAX	(356,295)	(301,971)	(881,879)
Income tax	-	-	-
LOSS FOR THE PERIOD	(356,295)	(301,971)	(881,879)

Earnings per share expressed in pence per share:

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

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS TO 30 JUNE 2022**

	(Unaudited) 6 Months to 30 June 2022	(Unaudited) 6 Months to 30 June 2021	(Audited) Year ended 31 Dec 2021
	£	£	£
LOSS FOR THE YEAR	(356,295)	(301,971)	(881,879)
OTHER COMPREHENSIVE INCOME			
Exchange difference on consolidation	(35,456)	1,973	(130,361)
OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD, NET OF INCOME TAX	(35,456)	1,973	(130,361)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(391,751)	(299,998)	(1,012,240)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE SIX MONTHS TO 30 JUNE 2022**

	(Unaudited) 6 Months to 30 June 2022	(Unaudited) 6 Months to 30 June 2021	(Audited) Year ended 31 Dec 2021
	£	£	£
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	5,640,968	5,362,049	5,403,066
Property, plant and equipment	4,948	7,330	5,856
Investments	120,284	-	-
Loans and other financial assets	435,871	362,148	369,390
	<u>6,202,071</u>	<u>5,731,527</u>	<u>5,778,312</u>
CURRENT ASSETS			
Trade and other receivables	73,530	52,853	50,108
Cash and cash equivalents	762,300	975,820	872,000
	<u>835,830</u>	<u>1,028,673</u>	<u>922,108</u>
TOTAL ASSETS	<u>7,037,901</u>	<u>6,760,200</u>	<u>6,700,420</u>
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	2,896,479	2,195,521	2,650,325
Share premium	18,358,858	17,075,316	17,853,012
Translation reserve	(852,122)	(684,332)	(816,666)
Share scheme reserve	66,733	172,434	66,733
Retained earnings	(13,579,600)	(12,749,098)	(13,223,305)
TOTAL EQUITY	<u>6,890,348</u>	<u>6,009,841</u>	<u>6,530,099</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	147,553	150,359	170,321
Borrowings	-	600,000	-
TOTAL LIABILITIES	<u>147,553</u>	<u>750,359</u>	<u>170,321</u>
TOTAL EQUITY AND LIABILITIES	<u>7,037,901</u>	<u>6,760,200</u>	<u>6,700,420</u>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2022**

	Called up share capital	Retained earnings	Share premium	Translation Reserve	Share Scheme Reserve	Total Equity
	£	£	£	£	£	£
Balance at 31 December 2020	2,146,862	(12,454,922)	16,908,975	(686,305)	180,229	6,094,839
Loss for the period	-	(301,971)	-	-	-	(301,971)
Other comprehensive income	-	-	-	1,973	-	1,973
Share warrants granted / exercised	-	7,795	-	-	(7,795)	-
Issue of Share Capital	48,659	-	166,341	-	-	215,000
Balance at 30 June 2021	2,195,521	(12,749,098)	17,075,316	(684,332)	172,434	6,009,841
Loss for the period	-	(579,908)	-	-	-	(579,908)
Other comprehensive income	-	-	-	(132,334)	-	(132,334)
Share warrants granted / exercised	-	105,701	-	-	(105,701)	-
Issue of Share Capital	454,804	-	777,696	-	-	1,232,500
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

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022**

		(Unaudited)	(Unaudited)	(Audited)
		6 Months to	6 Months to	Year ended
		30 June 2022	30 June 2021	31 Dec 2021
		£	£	£
Cash flows from operating activities				
Cash used in operations	CF note 1	(458,199)	(492,638)	(1,043,308)
Net cash used in operating activities		<u>(458,199)</u>	<u>(492,638)</u>	<u>(1,043,308)</u>
Cash flows from investing activities				
Purchase of intangible fixed assets		(262,283)	(100,888)	(284,916)
Purchase of investments in associates		(120,284)		
Interest received		243	-	94
Net cash used in investing activities		<u>(382,324)</u>	<u>(100,888)</u>	<u>(284,822)</u>
Cash flows from financing activities				
Proceeds of share issue		752,000	15,000	647,500
Issue of loans		(20,683)	-	-
Net cash from financing activities		<u>731,317</u>	<u>15,000</u>	<u>647,500</u>
		<u>(109,206)</u>	<u>(578,526)</u>	<u>(680,630)</u>
Decrease in cash and cash equivalents				
Cash and cash equivalents at beginning of period	CF note 2	872,000	1,554,424	1,554,424
Effect of exchange rate changes		(494)	(78)	(1,794)
Cash and cash equivalents at end of period	CF note 2	<u>762,300</u>	<u>975,820</u>	<u>872,000</u>

**NOTES TO THE CASH FLOW STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2021**

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

	(Unaudited) 6 Months to 30 June 2022	(Unaudited) 6 Months to 30 June 2021	(Audited) Year ended 31 Dec 2021
	£	£	£
Loss before tax	(356,295)	(301,971)	(881,879)
Depreciation	103	103	1,942
Loss/(Gain) on foreign exchange movement	(55,575)	1,454	(7,206)
Finance income	(243)	-	(94)
Taxes paid	-	-	46
	<hr/>	<hr/>	<hr/>
	(412,010)	(300,414)	(887,191)
Increase in trade and other receivables	(23,422)	(30,861)	(45,174)
Decrease in trade and other payables	(22,767)	(161,363)	(110,943)
Cash used in operations	<hr/> (458,199)	<hr/> (492,638)	<hr/> (1,043,308)

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 2022	(Unaudited) 6 Months to 30 June 2021	(Audited) Year ended 31 Dec 2021
	£	£	£
Cash and cash equivalents	762,300	975,820	872,000

NOTES TO THE FINANCIAL STATEMENTS - UNAUDITED RESULTS

FOR THE SIX MONTHS ENDED 30 JUNE 2022

1. Basis of preparation

These interim financial statements for the six month period ended 30 June 2022 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 2022, and which are also consistent with the accounting policies applied for the year ended 31 December 2021 except for the adoption of any new standards and interpretations.

These interim results for the six months ended 30 June 2022 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 2021 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 2,795,197,507 (30 June 2021: 2,180,298,841 and 31 December 2021: 2,257,793,111) 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 2022	(Unaudited) 6 Months to 30 June 2021	(Audited) Year ended 31 Dec 2021
Allotted, called up and fully paid			
Ordinary shares of 0.1p each	2,896,479,558	2,195,521,479	2,650,325,712

The number of shares in issue was as follows:

	Number of shares
Balance at 31 December 2020	2,146,862,217
Issued during the period	<u>48,659,262</u>
Balance at 30 June 2021	2,195,764,024
Issued during the period	<u>454,804,233</u>
Balance at 31 December 2021	2,650,325,712

Issued during the period

246,153,846

Balance at 30 June 2022

2,896,479,558

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