

28 August 2020

Curzon Energy Plc ("Curzon" or the "Company")

Unaudited Half-Year Results for the Six Months Ended 30 June 2020

Curzon Energy plc (LON:CZN) the London Stock Exchange listed oil and gas development company, announces its unaudited interim results for the six months to 30 June 2020.

CHAIRMAN'S STATEMENT

I am pleased to present the interim report for the Company covering its results for the six months ended 30 June 2020.

Financial review

The Company incurred a loss of US\$ 367,000 in the period. A majority of this loss comprised expenditures in relation to the maintenance of the commercial potential of its Coos Bay CBM project as well as corporate listing overheads in London. Additional expenditures were incurred conducting due diligence on a potential transaction with Sun Seven Stars Investment Group.

Net cash of US\$146,549 as at 30 June 2020 (US\$79,234 as at 31 December 2019). Basic loss per share of US\$ 0.004 (period ended 30 June 2019: US\$ 0.007).

Given the nature of the business and its development strategy, it is unlikely that the Board will recommend a dividend in the foreseeable future.

Outlook

The Company's near-term goal remains focused on exploring ongoing opportunities associated with the Company's historic Coos Bay coal bed methane project, as well as completing due diligence covering a potential transaction with Sun Seven Stars Investment Group ("SSSIG"). While the Company believes the Coos Bay assets hold residual potential value, progressing them materially has proven difficult in light of recent US natural gas markets and logistical restrictions associated with the COVID-19 pandemic.

Due diligence efforts on the potential transaction with SSSIG have taken longer than expected to date, in part due to COVID-19 related delays and disruptions, however all parties continue to work together constructively to provide the detail and data required to fully assess the opportunity presented.

On behalf of the Board, I would like to take this opportunity to thank our staff and advisers for their hard work as well as our shareholders for their continued support.

We look forward to updating shareholders on our progress in due course.

John McGoldrick
Chairman and Non-Executive Director

CHIEF EXECUTIVE OFFICER'S REVIEW

The Company remains focused on exploring development opportunities regarding its Coos Bay coal bed methane project, including active renewal discussions covering license extensions with the two major lease owners. With the oil and gas sector enduring very challenging conditions at present, the Company is exploring all options available to maintain and realize value from these historic flagship assets.

In London, the Company has cut costs significantly year on year, recognizing the need to maintain a low operating base in current market conditions. Meanwhile, discussions and data sharing continue with SSSIG, and as demonstrated by the recent extension announced on 12 August 2020, all sides remain engaged and working towards completing this key diligence stage. While no positive outcome can be ascertained at this time, the Company remains convinced of the potential of these discussions and diligence efforts.

In the meantime, the Company has transitioned exceptionally well to a post-COVID remote working environment, which has allowed it to cut its already low expense base further and to continue to operate successfully during and beyond the UK's pandemic lockdown.

With several exciting developments currently in play, we look forward to being able to provide more definitive outcomes in the near term, and we appreciate the patience of all stakeholders during this period.

Scott Kaintz
Chief Executive Officer

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE CONDENSED INTERIM REPORT AND CONDENSED FINANCIAL STATEMENTS

The Directors confirm that the condensed interim financial information has been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and that the Interim Report includes a fair review of the information required by DTR 4.2.7R and DTR 4.2.8R, namely: an indication of important events that have occurred during the first six months and their impact on the condensed interim financial information, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and material related-party transactions in the first six months and any material changes in the related-party transactions described in the last Annual Report.

By order of the Board

John McGoldrick
Chairman and Non-Executive Director

**Consolidated statement of comprehensive income
for the six months ended 30 June 2020**

	Notes	Six months ended 30 June 2020 Unaudited US\$	Six months ended 30 June 2019 Unaudited US\$	Year ended 31 December 2020 Audited US\$
Administrative expenses	5	(287,043)	(571,292)	(913,572)
Loss from operations		(287,043)	(571,292)	(913,572)
Finance expense	6	(76,470)	(14,645)	(112,093)
Impairment of exploration and evaluation assets		-	-	(2,559,000)
Foreign exchange differences		(3,487)	2,070	3,915
Loss before taxation		(367,000)	(583,867)	(3,580,750)
Income tax expense		-	-	-
Loss for the period attributable to equity holders of the parent company		(367,000)	(583,867)	(3,580,750)
Other comprehensive income/(expense)				
Gain/(loss) on translation of parent net assets and results from functional currency into presentation currency		78,311	6,474	(39,602)
Total comprehensive loss for the period		(288,689)	(577,393)	(3,620,352)
(Loss) per share				
Basic and diluted, US\$		(0.004)	(0.007)	(0.044)

*The accompanying notes on pages 7 to 11 are an integral part of this consolidated financial information.
This consolidated financial information has been approved by the Company's directors.*

Consolidated statements of financial position

	Notes	At 30 June 2020 Unaudited US\$	At 30 June 2019 Unaudited US\$	At 31 December 2019 Audited US\$
Assets				
Non-current assets				
Intangible assets		-	2,559,000	-
Property, plant and equipment		-	-	683
Restricted cash		125,000	125,000	125,000
Total non-current assets		125,000	2,684,000	125,683
Current assets				
Prepayments and other receivables		33,812	65,336	31,203
Cash and cash equivalents		146,549	79,234	28,709
Total current assets		180,361	144,570	59,912
Total assets		305,361	2,828,570	185,595
Liabilities				
Current liabilities				
Trade and other payables		813,274	701,442	835,826
Borrowings	6	933,382	453,964	698,798
Total current liabilities		1,746,656	1,155,406	1,534,624
Total liabilities		1,746,656	1,155,406	1,534,624
Capital and reserves attributable to shareholders				
Share capital	4	1,105,547	1,103,457	1,103,457
Share premium		3,619,332	3,586,947	3,586,947
Share-based payments reserve		474,792	454,026	474,792
Warrants reserve		375,198	213,250	213,250
Merger reserve		31,212,041	31,212,041	31,212,041
Foreign currency translation reserve		(25,065)	(57,300)	(103,376)
Accumulated losses		(38,203,140)	(34,839,257)	(37,836,140)
Total capital and reserves		(1,441,295)	1,673,164	(1,349,029)
Total equity and liabilities		305,361	2,828,570	185,595

The accompanying notes on pages 7 to 11 are an integral part of this consolidated financial information.
This consolidated financial information has been approved by the Company's directors.

Consolidated statements of changes in equity

	Share capital US\$	Share premium US\$	Consolidation reserve US\$	Share-based payment reserve US\$	Warrant reserve US\$	Foreign currency translation reserve US\$	Accumulated losses US\$	Total US\$
At 1 January 2019 (audited)	1,024,036	3,563,122	31,212,041	454,026	191,011	(63,774)	(34,255,390)	2,125,072
Loss for the period	-	-	-	-	-	-	(583,867)	(583,867)
Other comprehensive income for the period	-	-	-	-	-	6,474	-	6,474
Total comprehensive loss for the period	-	-	-	-	-	6,474	(583,867)	(577,393)
Issue of share options	79,421	46,064	-	-	-	-	-	125,485
Issue of warrants	-	(22,239)	-	-	22,239	-	-	-
At 30 June 2019 (unaudited)	1,103,457	3,586,947	31,212,041	454,026	213,250	(53,300)	34,839,257	1,673,164
At 1 January 2019 (audited)	1,024,036	3,563,122	31,212,041	454,026	191,011	(63,774)	(34,255,390)	2,125,072
Loss for the year 2019	-	-	-	-	-	-	(3,580,750)	(3,580,750)
Other comprehensive income for the year	-	-	-	-	-	(39,602)	-	(39,602)
Total comprehensive loss for the year	-	-	-	-	-	(39,602)	(3,580,750)	(3,620,352)
Issue of shares	79,421	46,064	-	-	-	-	-	125,485
Issue of share options	-	-	-	20,766	-	-	-	20,766
Issue of warrants	-	(22,239)	-	-	22,239	-	-	-
At 1 January 2020 (audited)	1,103,457	3,586,947	31,212,041	474,792	213,250	(103,376)	(37,836,140)	(1,349,029)
Loss for the period	-	-	-	-	-	-	(367,000)	(367,000)
Other comprehensive income for the year	-	-	-	-	-	78,311	-	78,311
Total comprehensive loss for the year	-	-	-	-	-	78,311	(367,000)	(288,689)
Issue of shares	2,090	206,871	-	-	-	-	-	208,961
Share issue costs	-	(12,538)	-	-	-	-	-	(12,538)
Issue of share warrants	-	(161,948)	-	-	161,948	-	-	-
At 30 June 2020 (unaudited)	1,105,547	3,619,332	31,212,041	474,792	375,198	(25,065)	(38,203,140)	(1,441,295)

The accompanying notes on pages 7 to 11 are an integral part of this consolidated financial information.
This consolidated financial information has been approved by the Company's directors.

Consolidated statement of cash flows

Notes	Six months ended 30 June 2020 Unaudited US\$	Six months ended 30 June 2019 Unaudited US\$	Year ended 31 December 2019 Audited US\$
Cash flow from operating activities			
Loss before taxation	(367,000)	(583,867)	(3,580,750)
Adjustments for:			
Finance expense	76,470	14,645	112,093
Share-based payments charge	-	-	20,766
Impairment of exploration assets	-	-	2,559,000
Foreign exchange movements	3,487	(2,070)	(3,915)
Operating cashflows before working capital changes	(287,043)	(571,292)	(892,806)
Changes in working capital:			
(Increase)/decrease in receivable	(2,610)	(29,180)	27,084
Increase in payables	(13,129)	203,185	309,917
Net cash used in operating activities	(302,782)	(397,287)	(555,805)
Financing activities			
Issue of ordinary shares	196,423	125,485	104,021
Costs of share issue	-	-	-
Proceeds from new borrowings	227,341	227,048	362,320
Net cash flow from financing activities	423,764	352,533	466,341
Net Increase in cash and cash equivalents in the period	120,982	(44,754)	(89,464)
Cash and cash equivalents at the beginning of the period	28,709	125,621	125,621
Restricted cash held on deposits	125,000	125,000	125,000
Total cash and cash equivalents at the beginning of the period, including restricted cash	153,709	250,621	250,621
Effect of the translation of cash balances into presentation currency	(3,142)	(1,633)	(7,448)
Cash and cash equivalents at the end of the period	146,549	79,234	28,709
Restricted cash held on deposits	125,000	125,000	125,000
Total cash and cash equivalents at the end of the period, including restricted cash	271,549	204,234	153,709

The accompanying notes on pages 7 to 11 are an integral part of this consolidated financial information.
This consolidated financial information has been approved by the Company's directors.

Curzon Energy Plc

Interim financial information for the six months ended 30 June 2020

NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION

1. General information and basis of preparation

The Company was incorporated and registered in England and a public limited company. The Company's registered number is 09976843 and its registered office is at Kemp House, 152 City Road, London EC1V 2NX. On 4 October 2017, the Company's shares were admitted to the Official List (by way of Standard Listing) and to trading on the London Stock Exchange's Main Market.

With effect from admission, the Company has been subject to the Listing Rules and the Disclosure Guidance and Transparency Rules (and the resulting jurisdiction of the UK Listing Authority) to the extent such rules apply to companies with a Standard Listing pursuant to Chapter 14 of the Listing Rules.

The principal activity of the Company is that of a holding company for its subsidiaries, as well as performing all administrative, corporate finance, strategic and governance functions of the Group. The Company's investments comprise of subsidiaries operating in the natural gas sector.

The Company has the following subsidiary undertakings:

Name	Country of incorporation	Issued capital	Proportion held by Group at reporting date	Activity
Coos Bay Energy, LLC	USA	Membership interests	100%	Holding company
Westport Energy Acquisitions, Inc.	USA	Shares	100%	Holding company
Westport Energy, LLC	USA	Membership interests	100%	Oil and gas exploration

More information on the individual group companies and timing of their acquisition is presented in the Company's audited consolidated financial information and notes thereto for the year ended 31 December 2019.

2. Accounting policies

The Group Financial statements are presented in US Dollars.

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations as endorsed by the EU ("IFRS") and the requirements of the Companies Act applicable to companies reporting under IFRS.

The preparation of the Group financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Directors to exercise their judgment in the process of applying the Group's accounting policies. The Group's accounting policies as well as the areas involving a higher degree of judgment and complexity, or areas where assumptions and estimates are significant to the Group financial statements are disclosed in the audited annual report for the year ended 31 December 2019 and are available on the Group's website.

In the opinion of the management, the interim unaudited consolidated financial information includes all adjustments considered necessary for fair and consistent presentation of this financial information. The interim unaudited consolidated financial information should be read in conjunction with the Company's audited financial statements and notes for the year ended 31 December 2019.

Curzon Energy Plc

Interim financial information for the six months ended 30 June 2020

Going concern

The Group financial statements have been prepared on a going concern basis as the Directors have assessed the Group's ability to continue in operational existence for the foreseeable future. The operations are currently being financed by third party loans and issuances of new equity. The Group is reliant on the continuing support from its shareholders and the expected support of future shareholders. The Group financial statements do not include the adjustments that would result if the Group were not to continue as a going concern.

Basis of consolidation

The consolidated financial statements of the Group incorporate the financial statements of the Company and entities controlled by the Company, its subsidiaries. More information on the individual group companies, details and timing of their acquisition is presented in the Company's audited consolidated financial information and notes thereto for the year ended 31 December 2019.

At the time of its acquisition by the Company, Coos Bay Energy, LLC consisted of Coos Bay Energy, LLC and its wholly owned US Group. It is the Directors' opinion that the Company at the date of acquisition of Coos Bay Energy, LLC did not meet the definition of a business as defined by IFRS 3 and therefore the acquisition is outside on the IFRS 3 scope. Where a party to an acquisition fails to satisfy the definition of a business, as defined by IFRS 3, management have decided to adopt a "merger accounting" method of consolidation as the most relevant method to be used.

The Group consistently applies it to all similar transactions in the following way:

- the acquired assets and liabilities are recorded at their existing carrying values rather than at fair value;
- no goodwill is recorded;
- all intra-group transactions, balances and unrealised gains and losses on transactions are eliminated from the beginning of the first comparative period or inception, whichever is earlier;
- comparative periods are restated from the beginning of the earliest comparative period presented based on the assumption that the companies have always been together;
- all the pre-acquisition accumulated losses of the legal acquire are assumed by the Group as if the companies have always been together;
- all the share capital and membership capital contributions of all the companies included into the legal acquiree sub-group less the Company's cost of investment into these companies are included into the merger reserve; and
- the Company's called up share capital is restated at the preceding reporting date to reflect the value of the new shares that would have been issued to acquire the merged company had the merger taken place at the first day of the comparative period. Where new shares have been issued during the current period that increased net assets (other than as consideration for the merger), these are recorded from their actual date of issue and are not included in the comparative statement of financial position.

The results and cash flows of all the combining entities were brought into the financial statements of the combined entity from the beginning of the financial year in which the combination occurred, adjusted so as to achieve uniformity of accounting policies. The comparative information was restated by including the total comprehensive income for all the combining entities for the previous reporting period and their statement of financial position for the previous reporting date, adjusted as necessary to achieve uniformity of accounting policies.

At 30 June 2020, 30 June 2019 and 31 December 2019, the group results include the results of Curzon Energy Plc, Coos Bay Energy, LLC, Westport Energy Acquisitions, Inc. and Westport Energy, LLC.

2. Segmental analysis

In the opinion of the directors, the Group is primarily organised into a single operating segment. This is consistent with the Group's internal reporting to the chief operating decision maker. Separate segmental disclosures have therefore not been included.

Curzon Energy Plc
Interim financial information for the six months ended 30 June 2020

3. Loss per share

The basic loss per share is derived by dividing the loss for the year attributable to ordinary shareholders of the Company by the weighted average number of shares in issue. Diluted loss per share is derived by dividing the loss for the year attributable to ordinary shareholders of the Company by the weighted average number of shares in issue plus the weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares.

The following reflects the loss and share data used in the basic and diluted loss per share computations:

	For six months ended 30 June 2020 Unaudited	For six months ended 30 June 2019 Unaudited	For year ended 31 December 2019 Audited
Loss after tax (US\$)	(367,000)	(583,867)	(3,580,750)
Weighted average number of ordinary shares of £0.0001 in issue	85,483,125	80,995,897	81,185,175
Effect of dilutive options and warrants		-	-
Weighted average number of ordinary shares of £0.01 in issue inclusive of outstanding dilutive options and warrants	85,483,125	80,995,897	81,185,175
Loss per share - basic and fully diluted (US\$)	(0.004)	(0.007)	(0.044)

At 30 June 2020, 31 December 2019 and 30 June 2019, the effect of all potentially dilutive instruments was anti-dilutive as it would lead to a further reduction of loss per share, therefore they were not included into the diluted loss per share calculation. Options and warrants, that could potentially dilute basic EPS in the future, but were not included in the calculation of diluted EPS for the periods presented:

	For six months ended 30 June 2020 Unaudited	For six months ended 30 June 2019 Unaudited	For year ended 31 December 2019 Audited
Share options granted to employees - fully vested at the end of the respective period	280,854	280,854	280,854
Warrants given to shareholders as a part of placing equity instruments - fully vested at the end of the respective period	23,243,125	5,636,531	5,636,531
Total instruments fully vested	23,523,979	5,917,385	5,917,385
Total number of instruments and potentially issuable instruments (vested and not vested) not included into the fully diluted EPS calculation	23,523,979	5,917,385	5,917,385

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Interim financial information for the six months ended 30 June 2020

4. Share capital

Issued equity share capital

	At 30 June 2020 Unaudited		At 30 June 2019 Unaudited		At 31 December 2019 Audited	
	Number	US\$	Number	US\$	Number	US\$
Issued and fully paid						
Existing Ordinary Shares of £0.01 each	-	-	83,032,972	1,103,457	83,032,972	1,103,457
After subdivision*:						
New Ordinary shares of £0.0001 each	99,639,565	13,124	-	-	-	-
Deferred Shares of £0.0099 each	83,032,972	1,092,423	-	-	-	-
Total Share Capital, US\$		1,105,547		1,103,457		1,103,457

*On 6 May 2020, the Company's shareholders approved the subdivision and re-designation of the 83,032,971 Existing Ordinary Shares ("Existing Ordinary Shares") of £0.01 each in the capital of the Company into (i) 83,032,971 New Ordinary Shares ("New Ordinary Shares") of £0.0001 each and (ii) 83,032,971 Deferred Shares ("Deferred Shares") of £0.0099 each in the capital of the Company, and to amend the Company's Articles of Association accordingly.

Each New Ordinary Share carries the same rights in all respects under the amended Articles of Association as each Existing Ordinary Share did under the existing Articles of Association, including the rights in respect of voting and the entitlement to receive dividends. Each Deferred Share carries no rights and is deemed effectively valueless.

Warrants

Curzon Energy has raised £166,066 by way of a placing of 16,606,594 new ordinary shares of £0.0001 each ("Placing Shares") to institutional investors at a price of £0.01 per share, plus 17,606,594 twenty-four month warrants, exercisable into ordinary shares at a price of £0.015 per ordinary share for a period of twenty-four months. On 30 June 2020, the following warrants were in issue:

Warrant exercise price	Number of warrants granted	Expiry date	Fair value of individual option
£0.10	130,200	4 Oct 2020	£0.061
£0.125	1,500,000	4 Oct 2020	£0.056
£0.0158	3,006,331	5 Mar 2021	£0.0056
£0.02	1,000,000	31 Dec 2020	£0.0001
£0.015	17,606,594	3 June 2022	£0.00731
Total warrants in issue at 30 June 2020	23,243,125		

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5. Administrative expenses

	For six months ended 30 June 2020 Unaudited US\$	For six months ended 30 June 2019 Unaudited US\$	For year ended 31 December 2019 Audited US\$
Staff costs			
Directors' salaries	115,382	81,064	212,164
Consultants	28,363	33,111	66,943
Employer's NI	5,254	5,949	7,800
Professional services			
Accounting, audit & taxation	38,181	53,178	87,927
Legal	-	-	5,684
Marketing	9,573	17,771	29,647
Other	18,411	8,961	20,757
Regulatory compliance	15,681	45,286	101,471
Standard Listing Regulatory Costs	2,098	269,532	260,281
Travel	485	6,069	14,306
Business development	-	-	29,345
Office and Admin			
General	5,215	5,324	6,329
IT related costs	2,164	2,039	2,355
Mineral rights lease (outside of IFRS 16 scope)	24,190	14,486	32,049
Temporary storage and office rent	9,440	12,970	17,545
Insurance	12,606	15,552	18,969
Total administrative costs	287,043	571,292	913,572

6. Borrowings

The following loans from third parties were outstanding during the six months ended 30 June 2020. Details of the notes are disclosed in the table below:

	Origination date	Contractual settlement date	Loan value in original currency (principal)	Annual interest rate	Security
C4 Energy Ltd	3 Oct 2018	1 Oct 2020	\$100,000	10%	Unsecured
C4 Energy Ltd	25 Apr 2019	1 Oct 2020	\$100,000	10%	Unsecured
Bruce Edwards	1 Sep 2017	1 Oct 2019	\$100,000	15%	Unsecured
HNW Investor Group	26 Jun 2019	1 Oct 2020	£200,000	13%	100% of Coos Bay assets
Sun Seven Stars Investment Group	13 Mar 2020	13 Mar 2021	£185,000	10%	Unsecured

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Interim financial information for the six months ended 30 June 2020

No interim payments are required under the promissory notes, as the payment terms require the original principal amount of each note, and all accrued interest thereon, to be paid in single lump payments on the respective contractual settlement dates.

	30 June 2020 Unaudited US\$	30 June 2019 Unaudited US\$	31 December 2019 Audited US\$
At the beginning of the period	698,798	213,812	213,812
Received during the year	227,341	227,048	362,320
Interest accrued during the period	49,960	14,645	110,700
Exchange rate differences	(42,717)	(1,541)	11,966
At the end of the period	933,382	453,694	698,798

7. Post balance sheet events

On 1 July 2020 the Company announced that the exclusivity period entered into with Sun Seven Stars Investment Group had been agreed to be extended, and that formal terms covering the extension of the exclusivity period and the nature of the additional financial support to be provided by SSSIG had yet to be finalized. These terms and the details surrounding the financial support associated with the extension will be announced once formalized.

On 12 August 2020, the Company announced a further update regarding a potential transaction with Sun Seven Stars Investment Group. The period of exclusivity between SSSIG and the Company has been extended to 1 September 2020 by the payment of £75,000 to be added to the one-year loan note carrying an annual interest rate of 10% per annum and convertible at the price of any subsequent share issue in the contemplated transaction. SSSIG has the right to further extend this period through to 1 December 2020 by making additional payments.