

Curzon Energy Plc

Registered company number: 09976843

Annual Report and Financial statements for the period ended 31 December 2016

Contents	Page Number
Company information	(i)
Chairman's Statement	1
Strategic Report	2-5
Directors' Report	6-14
Statement of Directors' Responsibilities in respect of the Strategic Report, the Directors' Report and the Financial Statements	15
Independent Auditors' Report to the Members of Curzon Energy Plc	16-17
Statement of Financial Position	18
Statement of Comprehensive Income	19
Statement of Changes in Equity	20
Statement of Cash Flows	21
Notes to the Financial Statements	22-26

Company information

Directors

John McGoldrick	Chairman and Non-Executive Director
Thomas Wagenhofer	Executive Director
Thomas Mazzarisi	Executive Director
Stephen Schoepfer	Executive Director
Brian James Kinane	Non-Executive Director
Owen May	Non-Executive Director

Company secretary

Thomas Mazzarisi

Company number

09976843

Registered address

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Independent auditors

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Company's Solicitors

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Financial advisor and broker

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Registrars

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Bankers

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Competent Person

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Chairman's Statement

I am pleased to present the first annual report for the Company covering its results for the period from its incorporation on 29 January 2016 to 31 December 2016.

The Company was incorporated for the purposes of investing in the oil and gas sector.

The Company had not commenced trading activities at 31 December 2016. However, the Company entered into negotiations to acquire the entire membership interest of Coos Bay Energy LLC ('Coos Bay') which resulted in a membership interest purchase agreement dated 20 May 2017 (the 'Acquisition').

The consideration for the Acquisition was completed on 03 October 2017 by the issue of an aggregate of 40 million Ordinary Shares to the members of Coos Bay.

On 4 October, the Company admitted its shares to the Standard Listing segment of the Official List, to trade on London Stock Exchange's main market for listed securities, raising gross proceeds of £2.3 million (approximately £1.6 million net of expenses). The Company is pursuing a targeted acquisition strategy of oil and gas assets, the first of which is its 100% interest in Coos Bay, the owner and operator of c.45,370 acres of coalbed methane leases in Coos Bay, Oregon, USA. The net proceeds are to be used to connect five existing wells to sales lines and to drill two new production wells

The Board has been significantly strengthened since the year-end in order to pursue this strategy. Corporate governance will remain a topic close to the top of the Board's agenda going forward.

The Company incurred a loss of £293,661 in the period ended 31 December 2016. A majority of this loss comprised expenditure in relation to the acquisition of Coos Bay and the Company's admission to the London Stock Exchange.

Following the Acquisition, the Group's main focus is on developing the business of Coos Bay. Going forward, the Group's main objectives are to complete Phase I (proof of concept) which involves re-entering the five existing wells and bringing them to production followed by the drilling and completion of two additional wells with first gas from these new wells projected in Q2 of 2018. Should Phase I be successful, the Company would seek further capital to progress to Phase II (initial development). Should Phase II prove successful, a further funding round will be required to commence and complete Phase III (large scale development).

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 the shareholders for their support given to the Company. With the Coos Bay acquisition now complete, the Board believes this will provide the potential to deliver significant value to shareholders.

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

John McGoldrick

Non-Executive Chairman
06 December 2017

Strategic Report**Financial Results**

The Company was formed in January 2016 to undertake acquisitions in the oil and gas sector. During the period ended 31 December 2016, the Company has not traded but, as noted in the Chairman's Statement, it has since acquired Coos Bay.

The acquisition of Coos Bay was successfully concluded in September 2017 for an agreed consideration of £3.2 million, payable by way of the issue of shares to the former owners of Coos Bay. We also completed a placing of shares for a cash consideration of £2.3 million, pursuant to the Company's admission to the Official List. The costs of admission (including fees and commissions) were £0.7 million. The net proceeds, after deducting fees and expenses in connection with admission were approximately £1.6 million.

The loss for the period to 31 December 2016 was £293,661. There were no revenues and the majority of the loss related to preliminary expenditure in connection with the Company's acquisition of Coos Bay and admission to the Official List.

As a result of these initial losses, there is no tax charge for the period.

The loss per share was 6.27 pence.

The Company's cash balances at the end of 2016 totalled £10,715. With the net proceeds from the Company's placing of shares in September 2017, the Company's cash resources are considered sufficient to meet its obligations.

The Directors are now looking to implement the development of the Coos Bay business whilst keeping day-to-day overhead costs under control. The acquisition of Coos Bay is the first step in the Company's acquisition strategy.

The Board believes that the Company will be able to raise, as required, sufficient cash or reduce its commitments to enable it to continue these objectives, and to continue to meet, as and when they fall due, its liabilities for at least the next twelve months from the date of approval of these financial statements. The financial statements have, therefore, been prepared on the going concern basis.

Following the acquisition of Coos Bay, the Group has 7 staff (including Directors).

Principal activities

The Company was incorporated on 29 January 2016 in England and Wales as an investment company to acquire oil and gas assets. Its first acquisition was of Coos Bay. The Company is not currently evaluating and has not identified any other projects. The Directors expect to identify and assess other oil and gas opportunities in the future and expect to return to the market if they wish to acquire and/or raise funds for other projects.

Following the acquisition of Coos Bay by the Company, the Group's main focus will be to develop the business of Coos Bay and to focus on the Coal Bed Methane ("CBM") gas sector in Oregon. The Company raised £650,362 in a private funding round principally from UK, US and European investors prior to admission. These funds were primarily used to meet start-up costs and costs associated with acquiring Coos Bay. The consideration for the acquisition was by the issue of 40 million Ordinary Shares to the members in Coos Bay and assumption by the Company of certain loan notes as described in note 10 to the financial statements.

Coos Bay owns certain CBM and related assets, which it acquired on 4 November 2016 by acquiring Westport Energy Acquisition, Inc. and its wholly owned subsidiary Westport Energy LLC (the 'US Group') from Westport Energy Holdings Inc., a publicly held company trading on the OTC Pink Market. The US Group had been operating a CBM business in Coos Bay, Oregon for 6 years. At the time of the Acquisition, the US Group's CBM business consisted of leases to approximately 45,370 acres in Coos Bay, Oregon.

The management team of the US Group, will continue in their management roles allowing the Group to maintain management continuity and continuity in-field operations.

The Group's business will be operated through the US Group, with a focus on oil and gas exploration, appraisal and development, with the goal of commencing production from certain assets in the near term. Its first project is to appraise, develop and produce CBM gas from Prospective and Contingent Resources in the Coos Bay Basin, primarily targeting natural gas from coal seams of the Coaledo Formation in the Coos Bay Basin. Secondary objectives of the Group may include the exploration, production and acquisition of natural gas, and possibly oil, trapped in conventional reservoirs

Following the acquisition of Coos Bay, the Company is a holding company with the following subsidiaries:

<i>Name</i>	<i>Country of Incorporation</i>	<i>Proportion of equity ownership</i>	<i>Principal activity</i>
Coos Bay Energy LLC	Nevada, USA	100%	Gas Exploration & Development
Westport Energy Acquisition, Inc.	Delaware, USA	100%	Holding Company
Westport Energy, LLC	Delaware, USA	100%	Gas Exploration & Development

Coos Bay, which employs the Group's employees and conducts operations in the Coos Bay Basin Area, is held directly by the Company. Its two indirectly owned subsidiaries are Westport Energy Acquisition Inc. and its wholly-owned subsidiary, Westport Energy LLC.

Review of the business

2016 saw the Company's formation and development of management's long-term plans for an acquisition strategy in the oil and gas sector. These have been progressed further during 2017 culminating with the acquisition of Coos Bay and the Company's listing on the London Stock Exchange.

Key performance indicators (KPIs)

The Directors have identified the following key performance indicators ('KPIs') that the Company will track over 2017 and into future years. These will be refined and augmented as the Group's business matures: The Directors consider that the KPIs are:

- i) A well-funded business in terms of cash resources; and
- ii) Appraisal and drill results of its CBM assets.

Principal Risks and Risk Management

Exploration is an inherently extremely risky business:

- Even the most promising prospects can have failures for many reasons, such as:
 - The coal bed methane assets may not be found in commercial quantities if there are errors in the underlying geological assumptions or analysis.
 - CBM may have been present, but escaped due to unexpected geological events
 - The reservoir may not flow at commercially viable rates of flow.
 - The drilling may encounter technical problems which make it impossible or too expensive to reach the target.
 - The ability of the Group to exploit and develop gas reserves depends on its current leases. The Group currently has under lease approximately 45,370 acres of prospective

coalbed methane lands in the Coos Bay Basin under two major leases and three ancillary leases. There is no guarantee that existing leases will be continued beyond their primary term.

- The Company may take on commitments for which it then cannot find adequate funding. Although the Company can then potentially sell all or part of its assets:
 - There is no guarantee it can find a buyer.
 - Even if it does find a buyer, the transaction may take too long and the Company's cash resources may become exhausted.

The Company's risk mitigation strategies include the following:

- Partnering with key experts that have demonstrated an ability to predict the presence or absence of hydrocarbons.
- Utilizing the Directors' experience who have excellent local knowledge as to where to seek assets.
- Securing the support of a number of key private shareholders, and actively pursuing other sources of funding.
- Utilizing third parties to assist with the management of currency risk.

Corporate Responsibility

The Company takes its responsibilities as a corporate citizen seriously. The Board's primary goal is to create shareholder value but in a responsible way which serves all stakeholders.

Governance

The Board considers sound governance as a critical component of the Company's success and the highest priority. The Company has an effective and engaged Board, with a strong non-executive presence from diverse backgrounds and well-functioning governance committees. Through the Company's compensation policies and variable components of employee remuneration, the Remuneration Committee of the Board seeks to ensure that the Company's values are reinforced in employee behaviour and that effective risk management is promoted.

Employees and their development

The Company is dependent upon the qualities and skills of its employees and the commitment of its people plays a major role in the Company's business success. The Company invests in training and developing its staff through internally arranged knowledge sharing events and through external courses.

Employees' performance is aligned to the Company's goals through an annual performance review process and via incentive programmes. The Company provides employees with information about its activities through regular briefings and other media. The Company operates a share option and warrant scheme operated at the discretion of the Remuneration Committee.

Diversity and inclusion

The Company does not discriminate on the grounds of age, gender, nationality, ethnic or racial origin, non-job-related-disability, sexual orientation or marital status. The Company gives due consideration to all applications and provides training and the opportunity for career development wherever possible. The Board does not support discrimination of any form, positive or negative, and all appointments are based solely on merit.

Health and safety

The Company endeavours to ensure that the working environment is safe and healthy and conducive to the wellbeing of employees who are able to balance work and family commitments. The Company has a

Health and Safety at Work policy which is reviewed regularly by the Board and is committed to the health and safety of its employees and others who may be affected by the Company's activities. The Company provides the information, instruction, training and supervision necessary to ensure that employees are able to discharge their duties effectively. The Health and Safety procedures used by the Company ensure compliance with all applicable legal, environmental and regulatory requirements as well as its own internal standards.

Outlook

The Company's near-term goals are to develop the business of Coos Bay and to focus on the Coal Bed Methane gas sector in Oregon.

The Company has successfully completed two fundraisings and is building a talented team to implement its plans.

We have achieved significant progress and are confident that we can meet the challenges that lie ahead.

Signed by order of the board



Stephen Schoepfer
Chief Executive Officer

Date 06 December 2017

Directors Report for the period ended 31 December 2016

The Directors present their first report on the Company, together with the audited financial statements of the Company for the period from 29 January 2016 to 31 December 2016.

Principal activities

The Company was formed to undertake acquisitions in the oil and gas sector. Following the acquisition of Coos Bay in September 2017, the principal activities of the Group have been that of coal bed methane exploration and development.

Cautionary statement

The review of the business and its future development in the Strategic Report has been prepared solely to provide additional information to shareholders to assess the Company's strategies and the potential for these strategies to succeed. It should not be relied on by any other party for any other purpose. The review contains forward looking statements which are made by the Directors in good faith based on information available to them up to the time of the approval of the reports and should be treated with caution due to the inherent uncertainties associated with such statements

Results and dividends

Given the nature of the business and its development strategy, it is unlikely that the Board will recommend a dividend in the next few years. The Directors believe the Company should seek to re-invest profits to fund the Company's growth strategy over the medium term.

Business review and future developments

Details of the business activities and developments made during the period can be found in the Strategic Report and in note 1 to the Financial Statements respectively.

Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Financial instruments and risk management

Disclosures regarding financial instruments are provided within Note 7 to the Financial Statements.

Capital structure and issue of shares

Details of the Company's share capital, together with details of the movements during the period are set out in Note 5 to the Financial Statements. The Company has one class of ordinary share which carry no right to fixed income.

Post balance sheet events

On 28 May 2017, the Company subdivided each Ordinary Share of £1 each into 100 Ordinary Shares of £0.01 each. Following the subdivision, the aggregate number of Ordinary Shares in issue was 8,129,700.

In September 2017, the Company completed the acquisition of Coos Bay and raised £2.3 million via a placing of new shares to fund the exploration and development of its CBM assets and to provide working capital.

On 26 September 2017, Coos Bay assigned to the Company loan notes from YA Global Investments L.P., Jonathan Gellis and Cuart Investments PCC Ltd. Full details are disclosed in Note 10 to the Financial Statements.

Subsequent to 31 December 2016, Coos Bay has paid £101,000 of costs on behalf of the Company. This amount remains outstanding as at the date of this report.

On admission to the Official List, the Company granted a total of 8,263,904 Options and Warrants pursuant to the terms of the Company's stock option plan to subscribe for Ordinary Shares of £0.01 each in the capital of the Company.

Directors

The Directors of the Company who have served during the period and at the date of this report are:

Director	Role	Date of appointment	Board Committee
John McGoldrick	Chairman and Non-Executive Director	4/10/2017	N
Thomas Wagenhofer	Executive Director	27/9/2016	A
Thomas Mazzarisi	Executive Director	29/1/2016	
Stephen Schoepfer	Executive Director	29/1/2016	
Brian James Kinane	Non-Executive Director	29/1/2016	N, R, A
Owen May	Non-Executive Director	27/9/2016	N, R

Board Committee abbreviations are as follows: N = Nomination Committee; A = Audit and Risk Committee; R = Remuneration Committee

Board of Directors

Details of the current Directors and their backgrounds are as follows:

John McGoldrick *(Chairman and Non-Executive Director, aged 60)*

John McGoldrick has over thirty years of experience in a variety of senior management roles, notably at Enterprise Oil where he was responsible for its US operations up until Shell's takeover in 2002. Since then Mr. McGoldrick has served as executive chairman of Caza Oil & Gas Inc. (formerly Falcon Bay Energy LLC), a US onshore exploration and production company, which went public in Toronto and London in 2007, becoming non-executive chairman in 2010. From 2008 to 2013, Mr. McGoldrick was a non-executive director of Vanguard Natural Resources LLC, a NYSE-listed Oil & Gas company focused on the US. In January 2012 Mr. McGoldrick joined Dart Energy International as CEO, subsequently becoming CEO of Dart Energy in March 2013. He held this post until Dart Energy's £ takeover by IGas at the end of 2014. Mr. McGoldrick holds a Bachelor of Engineering in Chemical Engineering with Management economics from University of Bradford.

Thomas Wagenhofer *(Technical Executive Director, aged 46)*

Mr. Wagenhofer is a petroleum engineer and oil and gas executive with over 20 years' international industry experience. He offers an excellent blend of technical, commercial and financial acumen from a diversified career in operations, reserves evaluations and energy finance. He is the president of Gate Energy, a UK based oil and gas consulting firm as well as a founder partner of Giant Capital, an oil and gas investment specialist. He was non-executive chairman of AIM listed Magnolia Petroleum plc, which has assets in the United States, until 31 March 2017. Prior to founding Giant Capital and Gate Energy,

Mr. Wagenhofer served as Senior Managing Director of Macquarie Bank's oil and gas investment division in London. Prior to that he was Vice President at Ryder Scott Company in Houston, Texas, where his responsibilities included reserves evaluations and field development studies. He started his career in 1996 as a petroleum engineer with Atlantic Richfield Company in Dallas, Texas. Mr. Wagenhofer holds a MS degree in Petroleum Engineering from the University of Texas at Austin (1995) and a BS degree in Petroleum Engineering from the University of Alaska Fairbanks (1994). He is a registered Professional Engineer with the Texas Board of Professional Engineers (current status inactive) in the State of Texas, USA

Thomas Mazzarisi *(Executive Director, Chief Financial Officer, Executive Vice President & General Counsel, Secretary, aged 60)*

Mr Mazzarisi has over 30 years of experience in legal and executive positions with varied organizations. He began his career in 1983 as Deputy General Counsel for the New York Convention Center Development Corporation, the developer of the Jacob K. Javits Convention Center in New York City. While there he represented the corporation in various legal matters, including various real estate, construction law, corporate and finance matters in connection with the development and operation of the Jacob K. Javits Convention Center.

In 1988 Mr. Mazzarisi joined the international law firm of Coudert Brothers, where he represented U.S. and foreign clients in various real estate acquisition, development, leasing and financing matters, international construction projects, such as cogeneration plants, wastewater treatment plants, oil pipeline projects, pulp & paper mill plants and mixed-use high-rise and hotel projects, as well as dispute resolutions in connection with such projects.

Following his position at Coudert Brothers, Mr. Mazzarisi started his own firm in 1997 where he continued to represent clients involved in domestic and international construction projects.

In 1999 Mr. Mazzarisi joined JAG Media Holdings, Inc., a publicly traded company, which provided live online video-streamed financial news and mobile video surveillance software products, and which broadcast its live programming from NYC into 20 million cable homes and streamed its live programming to countless financial websites. Mr. Mazzarisi served as director and Executive Vice President & General Counsel of JAG Media, and subsequently as its Chairman and Chief Executive Officer, where he oversaw the company's U.S. operations and legal matters, as well as the expansion of its operations in Europe and Latin America.

After leaving JAG Media in 2009, Mr. Mazzarisi provided management consulting services to CardioGenics, a Canadian development stage company engaged in the development and marketing of an ultrasensitive immunoassay point-of-care analyser and a battery of four cardiovascular diagnostic tests that seek to create a major shift in the way heart attacks and heart failure are diagnosed and treated, resulting in improved patient outcomes and reduced costs associated with such healthcare. As part of these services, Mr. Mazzarisi advised the company on various matters including strategic partnerships, product distribution, joint ventures, corporate restructurings and other operational matters.

In 2010, Mr. Mazzarisi became a manager of Westport Energy LLC, where he helped take the company public on the OTC market in the U.S., oversaw its recapitalization and currently supervises all corporate, financial, legal and operational matters in connection with the company's development of its gas properties in Coos Bay, Oregon.

Mr. Mazzarisi is a graduate of Fordham University in New York, where he received a B.A. in Political Economy in 1979 and was elected to Phi Beta Kappa, and Hofstra University School of Law, where he received his J.D in 1982. Mr. Mazzarisi is admitted to the bar in the State of New York, USA.

Stephen Schoepfer *(Executive Director, Chief Executive Officer, aged 57)*

Mr. Schoepfer has over 20 years of senior management and consulting experience working with start-up companies in the US, Canada and the UK. Mr. Schoepfer has also negotiated cross-border transactions

and raised early stage funding for development stage companies, including investments from various hedge funds and Wall Street investment banks.

After starting on Wall Street with Prudential Securities in 1993 and Legg Mason in 1995, where he managed clients' assets and trained brokers, he then moved to working with early stage companies. He joined JAG Media Holdings, Inc., in 1999. While at JAG Media Holdings, Mr. Schoepfer served as a director of the company, as well as Chief Operating Officer and Chief Financial Officer overseeing the company's operations in the U.S., UK and Latin America.

Mr. Schoepfer subsequently provided management consulting services to CardioGenics, including assisting the company with investor relations, regulatory filings and business development. CardioGenics is a Canadian development stage company engaged in the development and marketing of an ultrasensitive immunoassay point-of-care analyser and a battery of four cardiovascular diagnostic tests that seek to create a major shift in the way heart attack and heart failure are diagnosed and treated, resulting in improved patient outcomes and reduced costs associated with such healthcare.

Mr. Schoepfer served as Chief Executive Officer of Westport Energy LLC since 2010. Among his many functions with the company, Mr. Schoepfer reorganized the company, took it public on the OTC market in 2010 and negotiated a plan of commercialization with NW Natural Gas, a leading gas utility and manager of the Northwest pipeline which traverses several states in the western U.S.

Mr. Schoepfer attended Wagner College in New York from 1976-1980 where he studied economics and finance.

Brian James Kinane *(Non-Executive Director, aged 46)*

Brian Kinane is a UK-based corporate finance executive with over 20 years of industry and finance experience.

After graduating from Trinity College Dublin, Mr. Kinane joined the Ericsson Group, a global leader in telecommunications systems, and worked for Ericsson group companies in product management.

Mr. Kinane was subsequently recruited by Telenor Group, a major Nordic telecoms group where he worked as a management consultant in the transition from voice to data-based business models.

Subsequently, Mr Kinane moved into an entrepreneurial phase including being a founding shareholder and executive director of MobileAware Ltd and FeedHenry Ltd, specialist mobile technology companies. In 2014, FeedHenry was acquired by Red Hat Inc. for approximately Euro 63 million. RedHat Inc. is a public software company with a market capitalisation in excess of \$15bn.

Mr Kinane is currently a partner at Shard Capital and a director of Riverfort Global Capital, both FCA-authorized investment advisors, where he is an investment manager for venture capital and special situations mezzanine/venture debt funds. Prior to his current role, Mr Kinane was a partner at Yorkville advisors UK LLP, an FCA-authorized investment advisor allocating capital to mezzanine special situations debt investments. Mr. Kinane holds a BA in Computer Science from Trinity College Dublin and Master of Business Administration Degrees from Columbia Business School and London Business School.

Owen May *(Non-Executive Director, aged 57)*

Mr. Owen May is an American banker with over 30 years of experience on Wall Street. He currently serves as a Managing Director of MD Global Partners, a full-service investment-banking firm, and is actively involved in a broad range of investment activities in Israel, China, and Europe.

Mr. May started his career at Lehman Brothers as a Financial Advisor in the high net worth division in 1985. After leaving Lehman Brothers in 1989, Mr. May joined D.H. Blair & Co., a small boutique firm on Wall Street.

In 1993, Mr May went on to establish May Davis Group, a full-service investment banking firm on Wall Street that offered a full range of investment banking, research, sales, trading and retail brokerage

services. The firm had offices in New York and Baltimore, and catered to a niche clientele, mainly small to middle-sized firms that were too small to gain access to large investment banking services.

In 2007 Mr. May established MD Global Partners LLC, a firm that specializes in corporate finance, mergers & acquisitions, restructuring and business development.

Mr. May has been involved in advising, restructuring and taking public many biotech firms and is actively seeking investment opportunities in start-up companies in the medical science sector, especially in Israel. In 2013, Mr May acted as an advisor to IntelliCell Biosciences Inc, a regenerative medicine company utilizing adult autologous vascular fraction cells (SVFCs) derived from the blood vessels in lipoaspirate, to advise on the company's restructuring, corporate positioning, and strategic opportunities.

Following his undergraduate degree in biology at University of Miami, Mr. May earned an MBA in finance from Duke University's Fuqua School of Business, where he currently sits on the Board of Visitors and offers career coaching and opportunities to program participants. He also continues to hold a position on the President's Council for the University of Miami.

Directors' interests in shares

Directors' interests in the shares of the Company at the date of this report are disclosed below.

Director	Ordinary shares held	% held
John McGoldrick	-	-
Thomas Wagenhofer	125,000	0.17
Thomas Mazzarisi	1,200,000	1.70
Stephen Schoepfer	1,200,000	1.70
Brian James Kinane	125,000	0.17
Owen May	-	-

Substantial interests

As at 06 December 2017, the Company has been advised of the following significant interests (greater than 3%) in its ordinary share capital:

Shareholder	Ordinary shares held	% held
YA Global Investments L.P. ("YA Global")	32,462,500	44.72
Regency Mines PLC	4,000,000	8.91
Queensbury Inc	6,467,500	5.51
Mountainville Limited	3,200,000	4.41
Vikrant Bhargava	2,250,000	3.10

Except as referred to above, the Directors are not aware of any person who was interested in 3% or more of the issued share capital of the Company or could directly or indirectly, jointly or severally, exercise control.

Corporate Governance

As a Company listed on the Standard Segment of the Official List of the UK Listing Authority, the Company is not required to comply with the provisions of the UK Corporate Governance Code. However, the Board is committed to maintaining high standards of corporate governance and so far, as appropriate given the Company's size and the constitution of the Board, and intends to comply with The Corporate Governance Guidelines for Small and Mid-Sized Companies (the "QCA Code").

The Board

The Board currently comprises three executive directors and three non-executive directors. The Board is ultimately responsible for the day-to-day management of the Company's business, its strategy and key policies. Members of the Board are appointed by the Shareholders. The Board also has power to appoint additional directors, subject to such appointments being approved by Shareholders. At least eight board meetings are held per year.

As prescribed by the QCA Code, the Board has established three committees: An Audit and Risk Committee, a Remuneration Committee and a Nomination Committee.

Each of the committees were formed on admission of the Company to the Standard Listing Segment on 4 October 2017, and have not yet held any meetings.

Audit and Risk Committee

The Audit and Risk Committee, which comprises Brian Kinane and Thomas Wagenhofer, is responsible, amongst other things, for monitoring the Group's financial reporting, external and internal audits and controls, including reviewing and monitoring the integrity of the Group's annual and half-yearly financial statements, reviewing and monitoring the extent of non-audit work undertaken by external auditors, advising on the appointment of external auditors, overseeing the Group's relationship with its external auditors, reviewing the effectiveness of the external audit process and reviewing the effectiveness of the Group's internal control review function. The ultimate responsibility for reviewing and approving the annual report and accounts and the half-yearly reports remains with the Board. The Audit and Risk Committee gives due consideration to laws and regulations, the provisions of the UK Corporate Governance Code and the requirements of the Listing Rules. The Audit and Risk Committee shall meet at least three times a year at appropriate intervals in the financial reporting and audit cycle and otherwise as required.

Remuneration Committee

The Remuneration Committee, which comprises Brian Kinane and Owen May, is responsible, amongst other things, for assisting the Board in determining its responsibilities in relation to remuneration, including making recommendations to the Board on the Company's policy on executive remuneration, including setting the parameters and governance framework of the Group's remuneration policy and determining the individual remuneration and benefits package of each of the Company's Executive Directors and the Group. It is also responsible for approving the rules and basis for participation in any performance related pay-schemes, share incentive schemes and obtaining reliable and up-to-date information about remuneration in other companies. The Remuneration Committee shall meet at least two times a year.

Nomination Committee

The Nomination Committee, which comprises John McGoldrick as Chairman, Brian Kinane and Owen May, will identify and nominate, for the approval of the Board, candidates to fill Board vacancies as and when they arise. The Nominations Committee will meet as required.

Share dealing policy

The Company has adopted a share dealing policy which sets out the requirements and procedures for dealings in any of its listed securities. The share dealing policy applies widely to the Directors of the Company and its subsidiaries, certain employees' and person closely associated with them. The policy complies with the Market Abuse Regulations, which came into effect on 3 July 2016.

Dividend policy

The objective of the Directors is the achievement of substantial capital growth. In the short-term they do not intend to declare a dividend.

Anti-bribery and corruption policy

The Company has adopted an anti-corruption and bribery policy which applies to the Directors and all employees of the Company. The Directors believe that the Group, through its internal controls, has appropriate procedures in place to reduce the risk of bribery and that all employees, agents, consultants and associated persons are made fully aware of the Group's policies and procedures with respect to ethical behaviour, business conduct and transparency.

Health and safety

The safety of the Group's employees and contractors is critical to its operations. Coos Bay requires its contractors working on site to comply with all applicable laws in connection with the performance of its work, including applicable requirements of the Occupational Health and Safety Act and the rules promulgated thereunder (OSHA). As Coos Bay currently maintains a limited number of employees and almost all work on site is performed by independent contractors, Coos Bay has not developed any formal safety procedures or training programs beyond those that may be required by OSHA or other applicable laws. As Coos Bay's field operations expand, the Board intends to review Coos Bay's health and safety practices from time-to-time to ensure that they remain consistent with current industry standards.

Relations with shareholders

As detailed further below, the Directors seek to build on a mutual understanding of objectives between the Company and its shareholders by meeting to discuss long term issues and receive feedback, communicating regularly throughout the year and issuing trading updates as appropriate. The Board also seeks to use the Annual General Meeting to communicate with its shareholders.

Fair, balanced and understandable assessment of position and prospects

The Board has shown its commitment to presenting fair, balanced and comprehensible assessments of the Company's position and prospects by providing comprehensive disclosures within the financial report in relation to its activities. The Board has applied the principles of good governance relating to Directors' remuneration as described below. The Board has determined that there are no specific issues which need to be brought to the attention of shareholders.

Remuneration strategy

The Company operates in a competitive market. If it is to compete successfully, it is essential that it attracts, develops and retains high quality staff. Remuneration policy has an important part to play in achieving this objective. The Company aims to offer its staff a remuneration package which is both competitive in the relevant employment market and which reflects individual performance and contribution.

Share options and warrants

On admission to the Official List, the Company granted a total of 8,263,904 Options and Warrants pursuant to the terms of the Company's stock option plan to subscribe for Ordinary Shares of £0.01 each in the capital of the Company. Certain Directors have interests in these as follows:

<i>Name</i>	<i>Number of Options or Warrants</i>	<i>Exercise Price</i>	<i>Vesting</i>	<i>Expiry Date</i>
Riverfort Capital Limited – a company owned by Mr. Brian Kinane	421,152	£0.10	On Date of Grant	5 years from Admission
Riverfort Capital Limited – a company owned by Mr. Brian Kinane	421,152	£0.15	6-month anniversary of Admission	5 years from Admission
Riverfort Capital Limited – a company owned by Mr. Brian Kinane	421,152	£0.30	1 year from Admission	5 years from Admission

Gate Energy Limited – a company owned by Mr. Thomas Wagenhofer	842,562	£0.10	1 year from Admission	5 years from Admission
Gate Energy Limited – a company owned by Mr. Thomas Wagenhofer	842,562	£0.15	2 years from Admission	5 years from Admission
Gate Energy Limited – a company owned by Mr. Thomas Wagenhofer	842,562	£0.30	3 years from Admission	5 years from Admission
John McGoldrick	280,854	£0.10	1 year from Admission	5 years from Admission
John McGoldrick	280,854	£0.15	2 years from Admission	5 years from Admission
John McGoldrick	280,854	£0.30	3 years from Admission	5 years from Admission
James Lewis	500,000 warrants	£0.15		1 year from Admission

Communication with shareholders

The Board attaches great importance to communication with both institutional and private shareholders.

Regular communication is maintained with all shareholders through Company announcements, the half-year Statement and the Annual Report and financial statements.

The Directors seek to build on a mutual understanding of objectives between the Company and its shareholders. Institutional shareholders are in contact with the Directors through presentations and meetings to discuss issues and to give feedback regularly throughout the year. With private shareholders, this is not always practical.

The Board therefore intends to use the Company's Annual General Meeting as the opportunity to meet private shareholders who are encouraged to attend, and at which the Board will give a presentation on the activities of the Company.

Following the presentation there will be an opportunity to meet and ask questions of Directors and to discuss development of the business.

The Company operates a website at; <http://www.curzonenergy.com/investor-relations>

The website will contain details of the company and its activities; regulatory announcements, Company announcements, interim statements, preliminary statements and annual reports.

Donations

No political or charitable donations have been made in the period.

Independent auditors

During the period, Crowe Clark Whitehill LLP were appointed as auditor to the Company.

Provision of information to auditors

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as that Director is aware, there is no information relevant to the audit of which the Company's auditors are unaware, and;
- each Director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information.

Signed by order of the board



Thomas Mazzarisi
06 December 2017

Statement of Directors' Responsibilities in respect of the Strategic Report, the Directors' Report and the Financial Statements

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU and applicable law.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the members of Curzon Energy Plc

We have audited the financial statements of Curzon Energy Plc for the period ended 31 December 2017 which comprise the Statement of Financial Position, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Cash Flow Statement and the related notes numbered 1 to 11.

The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss for the period then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Matthew Stallabrass
Senior Statutory Auditor
For and on behalf of
Crowe Clark Whitehill LLP
Statutory Auditor
St Bride's House
10 Salisbury Square
London
EC4Y 8EH

18 December 2017

STATEMENT OF FINANCIAL POSITION

The statement of financial position of the Company as at 31 December 2016 is set out below:

	Note	As at 31 December 2016 £
Assets		
<i>Current assets</i>		
Related party receivables	3	437,427
Cash and cash equivalents		10,715
Total assets		448,142
Equity and liabilities		
<i>Capital and reserves</i>		
Share capital	4	81,295
Share premium	4	569,052
Accumulated losses		(293,661)
Total equity attributable to equity holders		356,686
Trade and other payables		91,456
Total liabilities		91,456
Total equity and liabilities		448,142

The notes are an integral part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 06 December 2017 and are signed on its behalf by:



Thomas Mazzarisi
Director

STATEMENT OF COMPREHENSIVE INCOME

The statement of comprehensive income of the Company from the date of incorporation on 29 January 2016 to 31 December 2016 is stated below:

	Note	Period ended 31 December 2016 £
Revenue and gross profit		-
Administrative expenses	5	(315,084)
Loss from operations		(315,084)
Finance income	3	21,423
Loss before tax		(293,661)
Income tax expense		-
Loss for the period from continuing operations		(293,661)
Total comprehensive loss attributable to equity owner		(293,661)
Loss per Ordinary Share		
Basic and diluted (£ per Ordinary Share)	6	£(0.06)

The notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

The statement of changes in equity of the Company for period from incorporation on 29 January 2016 to 31 December 2016 are set out below:

	Share capital £	Share premium £	Accumulated deficit £	Total £
On incorporation*	2	-	-	2
Result for the period	-	-	(293,661)	(293,661)
Issue of Ordinary Shares	81,293	569,052	-	650,345
<hr/>				
As at 31 December 2016	81,295	569,052	(293,661)	356,686
<hr/>				

The share capital comprises the Ordinary Shares of the Company.

*Issued share capital was 2 ordinary shares of £1.00 each.

The notes are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

The cash flow statement of the Company from the date of incorporation on 29 January 2016 to 31 December 2016 is set out below:

	Period ended 31 December 2016 £
Cash flows from operating activities	
Loss for the period	(293,661)
Finance income	(21,423)
<i>Movements in working capital:</i>	
Increase in trade and other payables	91,456
Cash used in operations	(223,628)
Financing activities	
Proceeds from issue of Ordinary Shares	650,347
Net cash from financing activities	650,347
Investing activities	
Increase in related party receivables	(416,004)
Net cash used in investing activities	(416,004)
Net increase in cash and cash equivalents	10,715
Cash and cash equivalents at beginning of period	-
Cash and cash equivalents at end of period	10,715

NOTES TO THE FINANCIAL STATEMENTS**1. General information**

The Company was incorporated and registered in England and Wales on 29 January 2016 as a public limited company under the name Westport Energy Plc. The Company was re-registered as a public company on 2 December 2016 and changed its name to Curzon Energy Plc. 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 subsidiaries in companies which operate in the coalbed methane gas sector.

2. Accounting Policies**Basis of preparation**

The principal accounting policies adopted by the Company in the preparation of these financial statements are set out below.

The financial statements have been presented in British Pounds (£), being the functional currency of the Company.

The financial statements have been prepared in accordance with IFRS, including interpretations made by the International Financial Reporting Interpretations Committee issued by the International Accounting Standards Board. The standards have been applied consistently.

Going concern

At 31 December 2016 the Company held cash balances of £10,715. Subsequent to the year end the Company raised £1.6m net proceeds from the placing of shares in September 2017, the Company's post placing cash resources are considered sufficient to meet its obligations.

The Directors are now looking to implement the development of the Coos Bay business whilst keeping day-to-day overhead costs under control. The acquisition of Coos Bay is the first step in the Company's acquisition strategy.

The Board believes that the Company will be able to raise, as required, sufficient cash or reduce its commitments to enable it to continue these objectives, and to continue to meet, as and when they fall due, its liabilities for at least the next twelve months from the date of approval of these financial statements. The financial statements have, therefore, been prepared on the going concern basis.

Comparative figures

No comparative figures have been presented as the financial statements cover the period from incorporation on 29 January 2016 to 31 December 2016.

Standards and interpretations issued but not yet applied

A number of new standards and amendments to standards and interpretations have been issued but are not yet effective and in some cases have not yet been adopted by the European Union.

The Directors do not expect that the adoption of these standards will have a material impact on the financial statements of the Company in future periods, except that IFRS 9 “*Financial Instruments*” will impact both the measurement and disclosures of financial instruments, IFRS 15 “*Revenue from Contracts with Customers*” may have an impact on revenue recognition and related disclosures and IFRS 16 “*Leases*” will have an impact on the recognition of operating leases. At this point it is not practicable for the Directors to provide a reasonable estimate of the effect of these standards as their detailed review of these standards is still ongoing.

Financial assets and liabilities

The Directors determine the classification of the Company’s financial assets and liabilities at initial recognition.

Cash and cash equivalents

The Company considers any cash on short-term deposits and other short-term investments to be cash equivalents.

Use of assumptions and estimates

In preparing the Company’s financial statements, the Directors have to make judgements on how to apply the Company’s accounting policies and make estimates about the future. The Directors do not consider there to be any critical judgments that have been made in arriving at the amounts recognised in these financial statements.

3. Related party receivables

	As at 31 December 2016 £
US Group	<u>437,427</u>

The US Group (comprising Westport Energy Acquisition, Inc. and its wholly owned subsidiary Westport Energy LLC) is a related party through common control.

During the period ended 31 December 2016, the maximum amount owed by the US Group to the Company was £437,427. The related party loan is unsecured and is repayable on demand. Interest is receivable at a rate of 9%. At 31 December 2016 £21,423 was accrued and included in the above balance.

4. Share capital

	As at 31 December 2016 No
Share capital	
2 ordinary £1 shares issued at par	2
Shares issued	<u>81,293</u>
Total number of shares	<u>81,295</u>

On 29 January 2016, the Company was incorporated and on incorporation, the issued share capital of the Company was £2, comprising 2 fully paid ordinary shares of £1.00 each issued to 4 Sea-Sons, LLC and M10 Ventures LLC fully paid up.

During the period to 31 December 2016 the Company issued 81,293 ordinary £1 shares at £8 per share.

5. Administrative expenses

	Period ended 31 December 2016 £
Costs in connection with the Acquisition and Admission	305,052
Auditor's remuneration audit of the financial statements	6,000
other services	-
Directors' remuneration	-
Bank charges	32
	<u>315,084</u>

No remuneration was paid to Directors, key management or employees during the period.

Other than its five Directors, the Company did not have any employees during the period ended 31 December 2016.

6. Loss per Ordinary Share

The calculation of loss per Ordinary Share (basic and diluted) for the relevant period is based on the loss after income tax attributable to equity holders for the period from incorporation on 29 January 2016 to 31 December 2016, as amended for the subdivision of shares as set out in note 10 as follows:

Loss attributable to equity holders (£) £(293,661)

Weighted average number of Ordinary Shares 4,681,713

Loss per Ordinary Share (£) (basic and diluted) £(0.06)

The Company did not have any potential ordinary shares in the period reported.

7. Financial instruments – risk management

The Company is exposed through its operations to credit risk and liquidity risk. In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Directors' objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout the Company's financial statements.

Financial instruments

The carrying value of the financial instruments of the Company as at 31 December 2016 comprised £10,715 of cash, £ 437,427 of receivables and £91,456 of trade and other payables.

General objectives, policies and processes

The Directors have overall responsibility for the determination of the Company's risk management objectives and policies. Further details regarding these policies are set out below:

Credit risk

The Company had cash of £10,715 as at 31 December 2016. The maximum exposure to credit risk at the end of the reporting period is the fair value of cash set out above. The Company held no collateral as security.

Liquidity risk

Liquidity risk arises from the Directors' management of working capital. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Directors' policy is to ensure that the Company will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, the Directors seek to maintain a cash balance sufficient to meet expected requirements.

The Directors have prepared cash flow projections on a monthly basis through to 31 December 2019. At the end of the period under review, these projections indicated that the Company expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances.

8. Capital risk management

The Directors' objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company has been financed by equity. In the future, the capital structure of the Company is expected to consist of borrowings and equity attributable to equity holders of the Company, comprising issued share capital and reserves.

9. Segment information

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Company that are regularly reviewed by the Board. As at 31 December 2016, the Company did not trade. Accordingly, no segmental analysis has been provided in these financial statements.

10. Subsequent events

On 28 May 2017, the Company subdivided each Ordinary Share of £1 each into 100 Ordinary Shares of £0.01 each. Following the subdivision, the aggregate number of Ordinary Shares in issue was 8,129,700.

On 26 September 2017, Coos Bay assigned to the Company a \$150,000 short-term promissory note issued by Coos Bay to YA Global on 18 April 2017.

On 26 September 2017, the Company offered to YA Global, in full satisfaction of all amounts owed under its \$150,000 short-term promissory note, 1,200,000 ordinary shares of the Company, which offer was accepted by YA Global. The 1,200,000 ordinary shares are subject to a one-year lock-in agreement.

On 26 September 2017, Coos Bay assigned to the Company a promissory note for \$100,000 issued by Coos Bay to Jonathan Gellis.

On 26 September 2017, Coos Bay transferred to the Company a promissory note for £300,000 issued by Coos Bay to Cuart Investments PCC Ltd ("Cuart"). On 04 October 2017, Cuart transferred its entire interest in the promissory note to Barry Liben.

Subsequent to 31 December 2016, Coos Bay has paid £101,000 of costs on behalf of the Company. This amount remains outstanding as at the date of these financial statements.

On 03 October 2017, as consideration for the transaction, the Company issued 40 million shares to the shareholders of Coos Bay at a price per Ordinary Share of £0.08. The accounting for the transaction has not yet been finalised so no disclosures relating to the amounts to be recognised in the future consolidated financial statements have been provided. Details regarding the transaction can be found in the company's prospectus published 29 September 2017 which can be found on the Company's website (www.curzonenergy.com).

Under the terms of the Share Placing on 03 October 2017 a further 23,265,000 Ordinary Shares were issued at a price of £0.10 per Ordinary Share.

On admission to the Official List, the Company granted a total of 8,263,904 Options and Warrants pursuant to the terms of the Company's stock option plan to subscribe for Ordinary Shares of £0.01 each in the capital of the Company.

As at the date of these financial statements, the number of shares in issue were 72,594,700 Ordinary Shares of £0.01 each.

11. Ultimate controlling party

As at 31 December 2016, the Company did not have an ultimate controlling party.