



Annual Report and Financial Statements 2024



COMPANY DETAILS

TOMCO ENERGY PLC

Company Registration Numbers

Isle of Man 6969V
England & Wales FC022829

Country of Incorporation Isle of Man

Board of Directors

Malcolm Groat	<i>Executive Chairman</i>
Louis Castro	<i>Non-Executive Director</i>
Zac Phillips	<i>Non-Executive Director</i>

Registered Office

1st Floor
Sixty Circular Road
Douglas
Isle of Man IM1 1AE

Broker

Novum Securities Limited
2nd Floor, 7-10 Chandos Street
London
W1G 9DQ

Nominated Adviser

Strand Hanson Limited
26 Mount Row
London
W1K 3SQ

Registrars

Computershare Investor Services plc
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ



CONTENTS

	Page
Chairman's statement	2
Directors' report	4
Corporate governance statement	8
Audit committee report	14
Remuneration committee report	15
Independent auditor's report	16
Consolidated statement of comprehensive income	21
Consolidated statement of financial position	22
Consolidated statement of changes in equity	23
Consolidated statement of cash flows	24
Notes to the financial statements	25

CHAIRMAN'S STATEMENT

I am pleased to provide this statement to, amongst others, the stakeholders in TomCo Energy PLC ("TomCo" or the "Company", or, together with its subsidiaries the "Group") as part of the Annual Report and Financial Statements for its financial year ended 30 September 2024.

The period under review did not turn out as any of us could have anticipated. In late May, our much respected and well-liked Chief Executive, John Potter, passed away suddenly at the age of 54. I am most grateful to all who sent their condolences and who rallied around with support over the summer, particularly my fellow directors.

Operational Review

Prior to John's passing, progress in Utah had been frustratingly slow for some time, despite the team's best efforts. This was essentially due to the lack of a suitable funding package to pursue the construction of up to two oil sands separation plants capable of processing at least 6,000 tonnes per day of oil sands at our preferred permitted site in Uintah County, Utah, USA, which did not materialise during the period or subsequently. The potential funding source that John was focused on may yet come to fruition in 2025, however a successful conclusion and consummation of the requisite committed funding package remains uncertain, particularly as to timing. Alternative funding avenues such as potential strategic investors, joint venture or funding partners will continue to be explored.

In the absence of sufficient funding to enable us to purchase the remaining 90% of Tar Sands Holdings II LLC ("TSHII") and consequent expiration, at the end of 2023, of our subsidiary, Greenfield Energy, LLC's ("Greenfield") exclusive right to exercise its related option, we were

subsequently approached in early August 2024 by the counterparty, Endeavor Capital Group, LLC ("Endeavor Capital") with a proposal to redeem Greenfield's 10% membership interest for cash. Such redemption would serve to facilitate Endeavor Capital in disposing of 100% of TSHII to a third party interested in potentially refurbishing an historic dilapidated refinery on TSHII's acreage for the future processing of crude brought in from other locations. Cognisant of the Group's working capital requirements, we proceeded to negotiate terms for the redemption on the basis that:

- (i) TSHII agreed not to terminate the existing lease arrangement between AC Oil, LLC ("AC Oil"), a wholly-owned subsidiary of Greenfield, and TSHII (the "Lease") in respect of approximately 320 acres of land and associated rights and certain non-producing historic infrastructure, plant and equipment in Uintah County, Utah, USA, owned by TSHII (the "Lease Area"). Such Lease grants AC Oil the exclusive right to explore, drill and mine for, and extract, store, and remove oil, gas, hydrocarbons and other associated substances on and from the Lease Area, together, *inter alia*, with the right to erect, construct and use such plant and equipment and infrastructure as required; and
- (ii) TSHII also agreed to use best efforts to negotiate in good faith with Greenfield with respect to entering into an additional lease to provide mining rights on certain further acreage owned by TSHII that is not otherwise needed for the aforementioned planned refurbished refinery (the "Additional Lease") which could potentially be a source of additional tar sands to feed Greenfield's future proposed separation plants. Accordingly, once the Additional Lease is secured, Greenfield will remain well positioned to continue to pursue its existing tar sands

development project subject to ultimately securing the requisite additional funding and permitting going forwards.

Further to the receipt of shareholder approval at a duly convened general meeting of the Company and successful completion of the redemption of the Group's 10% membership interest in TSHII, we received, in aggregate, gross proceeds of \$1.575m in cash, thereby enabling us to settle the Group's then outstanding trade creditors and secure essential additional working capital. We are currently in discussions with Endeavor with respect to how best to formulate the Additional Lease.

On the ground, our partners Valkor began to drill for oil on neighbouring state lands, having secured permits from the Utah regulators for them to operate on those areas and on our AC Oil lease. Valkor experienced practical difficulties in the first few months of drilling, including a problem with heating the tar underground so that oil could readily be pumped to surface. They have ended up using a different heater in December 2024 that appears to be yielding much better results. We hope to finalise terms for Valkor to commence drilling on our adjacent AC Oil lease, subject to finance, in the first half of 2025. All being well, this should generate revenue for the Group.

TurboShale RF Technology

The potential future exploitation of the Company's legacy TurboShale and Oil Mining Company assets, which are fully impaired from an accounting perspective, will be reassessed when appropriate in due course. With a more positive and supportive political backdrop in the USA, the oil and gas industry continues to evolve with the application of increasingly advanced technological solutions. Time may therefore well be our friend in this regard.

Corporate Review

Whilst seeking to carefully manage our cash reserves and working capital position, the Company has undertaken a number of financing transactions throughout the year to progress its development plans for Greenfield, satisfy general overheads and repay certain indebtedness.

In summary, such transactions have comprised:

- October 2023: equity subscription to raise £0.1m gross at a price of 0.08p per share.
- January 2024: equity subscription to raise £0.05m gross at a price of 0.10p per share.
- February 2024: equity placing and subscription to raise, in aggregate, £0.3m gross at a price of 0.045p per share.

Maintaining a tight control over overhead costs is a constant theme for pre-revenue project development companies such as TomCo, particularly during periods of high inflation. Your Board believes that the potential participation in drilling on the Group's Lease offers the best prospect of revenue generation in the near term whilst Greenfield's tar sands development project affords the possibility of significant returns over a longer-term horizon, subject to securing the requisite project financing. Alongside our focus on these key strategic initiatives, we intend to continue to identify and evaluate appropriate new project opportunities to potentially expand the Company's asset portfolio going forwards.

Accordingly, I believe there are good grounds for optimism over the remainder of 2025 and beyond and we look forward to updating shareholders on our future progress.

Malcolm Groat
Executive Chairman

10 March 2025

DIRECTORS' REPORT

The Directors submit their report and the financial statements of the Group for the year ended 30 September 2024.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the Group is that of seeking to exploit the heavy oil contained in the Group's AC Oil Lease, and to extract and process oil sands resources from an additional lease area, still to be defined, on TSHII's wider site, through the use of separation technology to achieve sustained future production. A review of the Group's business is included within the Chairman's statement.

RISK ASSESSMENT

The Group's oil and gas activities are subject to a range of financial and operational risks which can significantly impact on its performance, with the key risks for the year ended 30 September 2024 set out below.

Operational risk

As set out in the Chairman's statement, in August 2024 the Board agreed to sell the Group's 10% minority interest in Tar Sands Holdings II LLC on the basis that (a) it would not impact on the Group's pre-existing lease with TSHII held by AC Oil to drill for oil on the property and (b) TSHII and its proposed new owners are required to use best endeavours to agree terms under which the Group's principal subsidiary, Greenfield, could potentially mine and process oil sands on additional areas of TSHII's site not required for the new owners planned refurbished refinery. We are currently investigating how best to proceed with developing some potential in situ wells on the existing lease area in conjunction with our partners, Valkor, albeit no formal agreement has been reached and additional funding will be required. We are also exploring with the proposed new owners of TSHII how to crystallise our mining rights whilst they finalise exactly what land area they will need to reserve for their separate development plans and own purposes. The ability to mine such additional oil sands would provide feed stock for our planned future oil separation plants for which, frustratingly, no appropriate financing package has yet been forthcoming. There can be no certainty that a suitable funding arrangement can be successfully concluded nor as to the precise terms and structure of any such funding package and the Group will continue to explore and assess a number of potential funding sources.

The Group continues to operate with a small team, on which it is highly reliant. Information is openly shared within the team to ensure no over reliance on specific individuals.

Risks relating to environmental, health and safety and other regulatory standards

The Group's proposed future extraction activities are subject to various US federal and state laws and regulations relating to the protection of the environment including the obtaining of appropriate permits and approvals by relevant environmental authorities. Such regulations typically cover a wide variety of matters including, without limitation, prevention of waste, pollution and protection of the environment, labour regulations and worker safety. Furthermore, the future introduction or enactment of new laws, guidelines and regulations could serve to limit or curtail the growth and development of the Group's business or have an otherwise negative impact on its planned operations. The Group ensures that it complies with the relevant laws and regulations in force in the jurisdictions in which it operates.

Liquidity and interest rate risks

The Group is ultimately dependent on sources of additional equity and/or debt funding to develop Greenfield and any of the Group's other exploration assets and/or technology and to meet its day-to-day capital commitments and overheads. Cash forecasts identifying the liquidity requirements of the Group are produced frequently and are reviewed regularly by management and the Board. This strategy will continually be reviewed in light of existing project developments and new project opportunities as they arise. For further information regarding the Group's cash reserves and future funding requirements, please refer to the 'Going Concern' section below.

Currency risk

Due to the limited income and expenses denominated in foreign currencies, it was not considered cost effective to manage transactional currency exposure on an active basis. Consequently, as the financial statements are reported in sterling, any movements in the exchange rate of foreign currencies against sterling may affect the Group's statements of comprehensive income and financial position. The Group holds some cash in US dollars to mitigate the foreign exchange risk and keeps its currency profile under regular review.

Financial instruments

It was not considered appropriate for the Group to enter into any hedging activities or trade in any financial instruments in 2024. Further information is set out in Note 20.

RESULTS AND DIVIDENDS

The statement of comprehensive income is set out on page 21 with the Group reporting a loss before taxation for the year of £6.34m (2023: £2.35m). The Directors do not propose the payment of a dividend (2023: £nil).

Directors

The Directors who served on the Board during the year to 30 September 2024 and to date were as follows:

Malcolm Groat
John Potter (passed away on 24 May 2024)
Louis Castro
Zac Phillips

Directors' interests in the ordinary shares of the Company, including family interests, as at 30 September 2024 were as follows:

	30 September 2024			30 September 2023		
	Ordinary shares of nil par value	Share warrants	Share options	Ordinary shares of nil par value	Share warrants	Share options
M. Groat	11,887	-	20,380,952	11,887	-	20,380,952
J. Potter	-	-	-	26,500	-	52,714,285
L. Castro	-	-	15,000,000	-	-	15,000,000
Z. Phillips	-	-	-	-	-	-
	11,887	-	35,380,952	38,387	-	88,095,237

Details of the Directors' remuneration, share warrants and share options can be found in the Remuneration Committee Report and Notes 6, 18 and 19 to these financial statements.

Significant shareholders

At the date of issuing this report, the Directors are aware of the following shareholdings of 3% or more of the Company's existing issued ordinary share capital:

Shareholder	No. of ordinary shares held	% of issued ordinary shares
Interactive Investor Services Nominees Limited	1,157,123,377	29.64
Hargreaves Landsdown (Nominees) Limited	295,970,210	7.58
HSDL Nominees Limited	335,776,128	8.60
Barclays Direct Investing Nominees Limited	246,998,493	6.33
Idealing Nominees Limited	223,651,213	5.72
Lawshare Nominees Limited	208,573,048	5.34
Vidacos Nominees Limited	165,755,290	4.25
Morgan Stanley Client Securities Nominees Limited	148,907,215	3.81
Interactive Brokers LLC	121,889,823	3.12

Payments of payables

The Group's policy is to negotiate payment terms with its suppliers in all sectors to ensure that they know the terms on which payment will take place when the business is agreed and to abide by those terms of payment.

Going Concern

At 31 January 2025, the Group had cash reserves of approximately £0.64 million.

The Group's financial statements have been prepared on a going concern basis, which presumes that the Group will be able to meet its obligations as they fall due for the foreseeable future.

The Directors have prepared a cash flow forecast for the twelve months to 10 March 2026 which shows that at the current burn rate the Group will have sufficient funds for such period.

On 30 November 2022, the terms of the historic loan from our partners Valkor (the "Valkor Loan"), which is unsecured, were varied such that the loan is only repayable on completion of a suitable funding transaction for Greenfield that provides sufficient funds to enable the Company to affect such repayment. Hence, the abovementioned cash flow forecast does not include any repayment of the Valkor Loan due to the uncertainty regarding consummation of a suitable financing package for Greenfield.

The forecast, which includes all commitments at the date of this report indicates that the Group will not need to secure any additional finance to meet its currently envisaged working capital requirements for the twelve months to 10 March 2026. Should any unplanned expenditures arise or participation by the Group in the drilling of potential production wells occur, then further funding will be required as appropriate. Based on historical support from new and existing investors and debt providers, the Board reasonably believes that additional funding can be obtained when required, via further debt or equity issuances such that it continues to consider it appropriate to prepare the Group's financial statements on a going concern basis. However, the Board's ability to raise such funds cannot be guaranteed. As a consequence, there is a material uncertainty as to the going concern status of the Group. The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

The Directors' consideration of the Group's going concern status is also set out in note 1.3 to the financial statements.

Directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The directors have resolved to prepare financial statements for each financial year end and have elected to prepare financial statements in accordance with UK-adopted International Accounting Standards. The financial statements are required to give a true and fair view of the state of the 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:

- consistently select and apply appropriate accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in International Financial Reporting Standards is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- state that the Group has complied with International Financial Reporting Standards, subject to any material departures disclosed and explained in the financial statements.

The Directors confirm that they have complied with these requirements, and, having a reasonable expectation that the Group has and will have adequate resources to continue in operational existence for the foreseeable future, have continued to adopt the going concern basis in preparing the financial statements.

Website publication

The directors are responsible for ensuring that the annual report and financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the Isle of Man governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the directors. The directors' responsibility also extends to the on-going integrity of the financial statements contained therein.

Auditors

All of the current Directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Directors are not aware of any relevant audit information of which the auditors are unaware.

PKF Littlejohn LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the Company's next annual general meeting.

By order of the Board

Malcolm Groat
Executive Chairman

10 March 2025

CORPORATE GOVERNANCE STATEMENT

As Chairman, I am pleased to present the Company's Governance Statement under the QCA Corporate Governance Code (the "QCA Code"). Establishing effective corporate governance structures that evolve with the business and protect shareholder value is a key element of my role, together with the Board as a whole. Set out below are details of the Company's governance framework benchmarked against the QCA Code principles.

The Board of Directors of TomCo (the "Board") monitors the business affairs of the Company and its subsidiaries on behalf of its shareholders. The Board currently consists of the Executive Chairman and two Non-Executive Directors. None of the Non-Executive Directors have previously held an executive position with the Company. The Directors have responsibility for the overall corporate governance of the Company and recognise the need for the highest standards of behaviour and accountability. The Directors are committed to the principles underlying best practice in corporate governance and have adopted the QCA Code.

This statement explains, at a high level, how the QCA Code is applied by the Company and how its application supports the Company's medium to long-term development. Further information on the application of the QCA Code can be found on the Company's website at <https://tomcoenergy.com/investors/governance/>.

The Board is responsible for the stewardship of the Company through consultation with the management of the Company. Management comprises the Executive Chairman. Any responsibility that is not delegated to management or to the specific committees of the Board remains with the Board, subject to the powers of shareholder meetings. The frequency of Board meetings, as well as the nature of agenda items, varies depending on the state of the Company's affairs and in light of the opportunities or risks which the Company faces. Members of the Board are in frequent contact with one another, and meetings of the Board are held as deemed necessary.

Statement of compliance with the QCA Code

Throughout the year ended 30 September 2024, the Company has been in compliance with the provisions set out in the QCA Code.

Application of the QCA Code principles

The Company has applied the principles set out in the QCA Code, by complying with it as reported above. Further explanations of how the principles have been applied is set out below.

Principle One - Business Model and Strategy

In September 2024, TomCo completed the redemption of its 10% minority membership interest in Tar Sands Holdings II LLC ("TSHII") but retained its leased acreage from TSHII via AC Oil on which it intends, subject to, *inter alia*, securing the requisite funding, to participate in the drilling of one or more in situ oil production wells alongside its partner Valkor. The Company also intends to seek to agree terms with the proposed new owners of TSHII, to enable its subsidiary, Greenfield, to potentially mine oil sands on an additional lease area thereby providing feed stock for potential future oil separation plants, the construction of which is again dependent on ultimately being able to secure sufficient funding.

Principle Two - Understanding Shareholder Needs and Expectations

The Board is committed to maintaining good communications and having constructive dialogue with its shareholders. Shareholders and analysts have the opportunity to discuss issues and provide feedback at meetings with the Company and management.

All shareholders are encouraged to attend and participate in shareholder meetings duly convened by the Company, in particular its Annual General Meeting (AGM). Investors also have access to current information on the Company and the Group through the Company's website at: www.tomcoenergy.com.

Principle Three - Considering Wider Stakeholder and Social Responsibilities

The Board recognises that the long-term success of the Group is reliant upon the efforts of the employees of the

Group, its partners, consultants, contractors, suppliers, regulators and other stakeholders. The Board have put in place a range of processes and systems to ensure that there is close oversight and contact with its key stakeholders.

The Group is subject to oversight by a number of different U.S. State and other regulatory bodies, who directly or indirectly are involved with the permitting and approval process for its oil and gas operations in Utah, including those conducted by Greenfield. Additionally, given the nature of the Group's business, including the activities of Greenfield there are other parties who, whilst not having regulatory power, nonetheless have an interest in seeing that the Group conducts its operations in a safe, environmentally responsible, ethical and conscientious manner.

The Group makes all reasonable efforts, directly or through its advisers, to engage in and maintain active dialogue with each of these governmental and non-governmental bodies, to ensure that any issues faced by the Group, including but not limited to regulations or proposed changes to regulations, are well understood and ensuring to the fullest extent possible that the Group is in compliance with all relevant regulations, standards and specific licensing obligations, including environmental, social and safety aspects, at all times.

Principle Four - Risk Management

In addition to its other roles and responsibilities, the Board is responsible for ensuring that procedures are in place and are being implemented effectively to identify, evaluate and manage the significant risks faced by the Group.

As a result of the process described above, a number of risks have been identified. The principal risks and the manner in which the Company and its Board seek to mitigate them are set out below. The Board reviews the principal risks facing the business as part of its meetings throughout the year and changes to those risks as the Company develops. Where risks change or new risks are identified the Board amends existing or implements new risk management strategies as applicable.

Risk	Comment	Mitigation
Operational risks	See Directors' Report.	In August 2024, the Company announced that it had agreed to sell its 10% minority membership interest in Tar Sands Holdings II LLC on the basis that (a) it would not impact on the Group's pre-existing lease (held via AC Oil) to drill for oil on the property and (b) the proposed new owners and TSHII are required to use their best endeavours to agree terms for an additional lease for Greenfield whereby it could potentially mine and process oil sands on additional areas of TSHII's site not required for the acquirer's planned refurbished refinery. We are currently investigating how best to proceed with developing some potential in situ wells on the existing lease area in conjunction with our partners, Valkor, albeit no formal agreement has been reached and additional funding will be required. The Company is also exploring with the proposed new owners of TSHII how to crystallise its mining rights whilst they finalise exactly what land area they will need to reserve for their separate development plans and own purposes. The ability to mine such additional oil sands would provide feed stock for our planned future oil separation plants although this remains subject to suitable financing. There can be no certainty that a suitable funding arrangement can be successfully concluded nor as to the precise terms and structure of any such funding package and the Company will continue to explore and assess a number of potential funding sources.
Environmental, health and safety and other regulatory standards	See Directors' Report.	The Company has engaged leading advisers to assist it in maintaining relevant permits or licences to operate. The Company maintains ongoing oversight of health and safety and environmental compliance.

Liquidity risk	See Directors' Report including 'Going Concern' section.	The Company maintains a detailed cashflow forecast and carefully monitors expenditure and seeks to raise additional funding as required and as referred to in Note 1.3.
Currency risk	See Directors' Report.	The Company aims to manage currency exposures by holding funds in the applicable currency to match anticipated expenditure.

The Board considers that an internal audit function is not necessary or practical due to the current size of the Group and the close day to day control exercised by the Executive Chairman. However, the Board will continue to monitor the need for an internal audit function. The Executive Chairman has established appropriate reporting and control mechanisms to ensure the effectiveness of the Group's control systems for the size of the business and its activities. The Board obtains regular updates on risks from the Executive Chairman, which allows it to monitor the effectiveness of risk management and through its regular engagement and review of reporting on areas such as the status of the Company's projects, budgets, results and cash flow position of the Company, it considers the effectiveness of controls on an ongoing basis.

Principle Five - A Well-Functioning Board of Directors

The Board currently comprises an Executive Chairman, Malcolm Groat, and two independent Non-Executive Directors, Louis Castro and Zac Phillips.

Biographies for each of the current Directors are set out on the Company's website. The Directors are subject to re-election usually at the Company's Annual General Meeting, at intervals of no more than three years.

The Board meets on a regular basis, typically at least once a month.

The Board is responsible for formulating, reviewing and approving the Group's strategy, budgets and corporate actions. As such, the Company has established separate Audit and Remuneration Committees.

The Audit Committee comprises Louis Castro (Chairman) and Zac Phillips. The Audit Committee meets at least twice a year to consider the integrity of the financial statements of the Company, including its annual and interim accounts; the effectiveness of the Company's internal controls and risk management systems; auditor reports; and terms of appointment and remuneration for the auditor.

The Company's Remuneration Committee comprises Louis Castro (Chairman) and Zac Phillips. The Remuneration Committee meets from time to time, but not less than once a year, to review and determine, amongst other matters, the remuneration of Executives on the Board and any share incentive plans of the Company.

The QCA Code recommends that the Chairman must have adequate separation from the day-to-day business to be able to make independent decisions. The Board comprises three members, Malcolm Groat who is the Executive Chairman and two non-executive directors. It is the non-executive directors, who are in the majority, who have adequate separation from the day-to day business and ensure that the Board can, overall, make decisions independent of the executive function. As the Board is comprised of only three members, one of whom is an Executive and two of whom are independent Non-Executive Directors, the Board does not believe it is currently necessary to appoint a senior independent director.

Whilst each of the Non-Executive Directors are considered to be part time, they are expected to provide as much time to the Company as is required. The attendance record of the Directors at Board and committee meetings held during the year ended 30 September 2024 was as follows:

	Main Board	Audit Committee	Remuneration Committee
Meetings held	11	3	1
Attendance:			
Malcolm Groat	11	2	1
John Potter	3	-	-
Louis Castro	11	3	1
Zac Phillips	11	3	1

Principle Six - Appropriate Skills and Experience of the Directors

The Board believes that the current balance of skills held by the Board as a whole, reflects a very broad range of commercial and professional skills across geographies and industries and each of the Directors has previous experience of public markets.

The Board believes that the Directors are well suited to the Company's fundamental objective of enhancing and preserving long-term shareholder value and ensuring that the Group conducts its business in an ethical and safe manner. The Board is considered to be of a sufficient size to provide more than adequate experience and perspective to its decision-making process and, given the size and nature of the Group, the Board does not consider at this time that it is appropriate to increase the size of the Board or amend its composition.

As the Board is not currently anticipating any change to its size or composition, it has not yet implemented a written policy regarding the identification and nomination of female directors. In the event that one of the existing members of the Board stands down from their current position, the Company will, at that time, give further consideration to the specific selection of a female member of the Board and the adoption of a formal policy relating to the positive appointment of additional female members of the Board for future opportunities.

The Board is responsible for: (a) ensuring that all new Directors receive a comprehensive orientation, that they fully understand the role of the Board and its committees, as well as the contribution individual directors are expected to make (including the commitment of time and resources that the Company expects from its directors) and that they understand the nature and operation of the Group's business; and (b) providing continuing education opportunities for all directors, so that individuals may maintain or enhance their skills and abilities as directors, as well as to ensure that their knowledge and understanding of the Group's business remains current.

Given the size of the Company and the in-depth experience of its Directors, the Board has not deemed it necessary to develop a formal process of orientation for new Directors but encourages all its Directors to visit the Group's operations to ensure familiarity and proper understanding.

Skills & Experience of Board Members

Malcolm Groat

Malcolm is a Chartered Accountant and has extensive corporate experience, with roles as Chairman, Non-Executive Director, Chairman of Audit Committees, CEO, COO and CFO for a number of public companies. He is an adviser on compliance and governance, strategy and operational improvement, and managing the risks of rapid change.

Louis Castro

Louis is a graduate engineer and PwC trained Chartered Accountant who has spent his career in the City in investment banking, with SG Warburg (now UBS), and in capital markets, advising growth companies on a wide range of matters including fund-raising and M&A. He served as an AIM Nomad for many years before becoming CFO of a listed oil company. In recent years, Louis became Executive Chairman of Orosur Mining Inc. which is quoted on both the TSX-V and on AIM, and he is also a non-executive director of Tekcapital plc and Innovative Eyewear, Inc.

Zac Phillips

Zac has over 25 years' experience in oil and gas finance, having worked for BP, Chevron, Merrill Lynch and ING Barings. He was previously CFO for Dubai World's oil and gas business (DB Petroleum) with responsibility for risk management and authoring of investment proposals. He has a degree in Chemical Engineering and a PhD in Chemical Engineering from Bath University.

Principle Seven - Evaluation of Board Performance

The Board has determined that it shall be responsible for assessing the effectiveness and contributions of the Board as a whole and its committees (which currently comprise the Audit Committee and the Remuneration Committee). The small size of the Board allows for open discussion.

No formal assessments have been prepared in the year. However, the Board assesses its effectiveness on an ongoing basis. The Board will keep this matter under review and especially if either the size of the Board or the number of committees increases, which in turn may require a more formalised assessment and evaluation process to be established to ensure continued effectiveness.

Principle Eight - Corporate Culture

The Board recognises that their decisions regarding strategy and risk will impact the corporate culture of the Group as a whole and that this will have an effect on the performance of the Group. The Board is very aware that the tone and culture set by the Board will greatly impact all aspects of the Group. The corporate governance arrangements that the Board has adopted are designed to ensure that the Group delivers long-term value to its shareholders and that shareholders have the opportunity to express their views and expectations for the Company in a manner that encourages open dialogue with the Board.

A large part of the Group's activities is centred upon what needs to be an open and respectful dialogue with partners, suppliers, consultants and other stakeholders. Therefore, the importance of sound ethical values and behaviour is crucial to the ability of the Group to successfully achieve its corporate objectives.

The Directors consider that, at present, the Group has an open culture facilitating comprehensive dialogue and feedback and enabling positive and constructive challenge.

Principle Nine - Maintenance of Governance Structures and Processes

Ultimate authority for all aspects of the Group's activities rests with the Board, with the responsibilities of the Executive Chairman arising as a consequence of delegation by the Board.

The Board has adopted appropriate delegations of authority which set out matters which are reserved to the Board. The Executive Chairman, together with the two non-executives, is responsible for the effectiveness of the Board and compliance with the QCA Code. Management of the Group's business and primary contact with shareholders has been delegated by the Board to the Executive Chairman.

Non-Executive Directors

The Board evaluates its performance and composition on a regular basis and will make adjustments as and when required. When assessing the independence of each Non-Executive Director, length of service is one of the considerations. The Board will, when assessing new appointments in the future, consider the need to balance the experience and knowledge that each independent director has of the Group and its operations, with the need to ensure that independent directors can also bring new perspectives to the business.

In accordance with the Isle of Man Companies Act 2006, the Board complies with: a duty to act within their powers; a duty to promote the success of the Company; a duty to exercise independent judgement; a duty to exercise reasonable care, skill and diligence; a duty to avoid conflicts of interest; a duty not to accept benefits from third parties and a duty to declare any interest in a proposed transaction or arrangement.

Principle Ten - Shareholder Communication

The Board is accountable to the Company's shareholders and, as such, it is important for the Board to appreciate the aspirations of shareholders and equally that shareholders understand how the actions of the Board and short-term financial performance relate to the achievement of the Group's longer-term goals.

The Board reports to the Company's shareholders on its stewardship of the Group through the publication of interim and final financial results. The Company announces significant developments which are disseminated via various outlets including, before anywhere else, the London Stock Exchange's regulatory news service (RNS). In addition, the Company maintains a website (www.tomcoenergy.com) on which RNS announcements, press releases, corporate presentations and the Report and Financial Statements are available to view.

Enquiries from individual shareholders on matters relating to the business of the Group are welcomed. Shareholders and other interested parties can subscribe to receive notification of news updates and other documents from the Company via email.

The Annual General Meeting, and other meetings of shareholders that may be called by the Company from time to time, provide an opportunity for communication with all shareholders and the Board encourages shareholders to attend and welcomes their participation. The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. The Company has close ongoing relationships with its private shareholders.

Malcolm Groat
Executive Chairman

10 March 2025

AUDIT COMMITTEE REPORT

Overview

The Committee met three times during the year to consider the full year 2023 accounts and the interim 2024 accounts, and to review audit planning for the full year 2024 accounts. It has also met after the year end to consider the full year 2024 accounts.

Louis Castro is Chairman of the Committee. The other Committee members for the first 9 months of the year under review were Malcolm Groat and Zac Phillips. Upon Malcolm Groat being appointed Executive Chairman, on the passing of John Potter, Malcolm Groat stepped down from this Committee.

Financial Reporting

The Committee monitored the integrity of the interim and annual financial statements and reviewed the significant financial reporting issues and accounting policies and disclosures in the financial reports. The external auditor attended the Committee meeting as part of the full year accounts approval process. The process included the consideration of reports from the external auditor identifying the primary areas of accounting judgements and key audit risks identified as being significant to the full year audited accounts.

Audit Committee Effectiveness

The Board considers the effectiveness of the Committee on a regular basis but not as part of a formal process.

External Audit

The Committee is responsible for managing the relationship with the Company's external auditor, PKF Littlejohn LLP.

The objectivity and independence of the external auditor is safeguarded by reviewing the auditor's formal declarations, monitoring relationships between key audit staff and the Group and reviewing the non-audit fees payable to the auditor. Non-audit services are not performed by the auditor. During the year, audit fees of £45,000 (2023: 48,858) were paid.

Internal Audit

The Committee considered the requirement for an internal audit function. The Committee considered the size of the Group, its current activities and the close involvement of senior management. Following the Committee's review, it did not deem it necessary to operate an internal audit function during the year.

Louis Castro

Chairman, Audit Committee

10 March 2025

REMUNERATION COMMITTEE REPORT

This report is on the activities of the remuneration committee for the financial year ended 30 September 2024.

The Remuneration Committee meets from time to time, but not less than once a year, to review and determine, amongst other matters, the remuneration of the Executive(s) on the Board and any share incentive plans of the Company.

Louis Castro is Chairman of the Committee. The other Committee members for the first 9 months of the year under review were Malcolm Groat and Zac Phillips. Upon Malcolm Groat being appointed Executive Chairman, on the passing of John Potter, Malcolm Groat stepped down from this Committee.

The Directors' emoluments comprise fees paid for services. The amounts paid for their services are detailed below:

	Salaries	Bonus	Salaries	Bonus
	2024	2024	2023	2023
	£'000	£'000	£'000	£'000
M. Groat	50	14	50	-
J. Potter (<i>passed away on 24 May 2024</i>)	131	-	253	-
L. Castro	42	14	42	-
Z. Phillips	36	14	36	-

As detailed in Note 19, the Company has in place a share option scheme for its Directors.

The Committee met once during the year in conjunction with a Board meeting to review salaries.

Louis Castro

Chairman, Remuneration Committee

10 March 2025

Independent auditor's report to the members of TomCo Energy plc

Opinion

We have audited the group financial statements of TomCo Energy Plc (the 'group') for the year ended 30 September 2024 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, and the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is UK-adopted international accounting standards.

In our opinion, the group financial statements:

- give a true and fair view of the state of the group's affairs as at 30 September 2024 and of its loss for the year then ended; and
- have been properly prepared in accordance with UK-adopted international accounting standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 1.3 in the financial statements, which indicates that while the group currently has sufficient cash flow to meet its obligations as they fall due within the next 12 months, its ability to continue as a going concern is dependent on the successful execution of future projects and its ability to raise additional funds as required to either settle existing obligations or fund any future projects. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the group's ability to continue as a going concern. Our opinion is not modified in respect of this matter

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining management's base case forecast for the period up to 28 February 2024 and testing the mathematical accuracy of the base case forecast, including a review of the cash position as at and after the year end;
- Reviewing management's assessment of going concern, including their evaluation of future funding requirements;
- Reviewing the reasonable worst-case forecast scenario prepared by management and evaluating the financial resources available to address this scenario; and
- Critically assessing the disclosures made within the financial statements for consistency with management's assessment of going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Our application of materiality

The scope of our audit was influenced by our application of materiality. The quantitative and qualitative thresholds for materiality determine the scope of our audit and the nature, timing and extent of our audit procedures. Group materiality was £35,000 (2023: £97,000) based upon 2% of expenses (2023: 1.5% of gross assets). The reason for the change during the year was due to the Sale of TSHII meaning the Group became a cash shell. We therefore consider expenses to be the main driver of the business as the group and the metric that the users of the accounts will be most interested in.

Whilst materiality for the financial statements as a whole was set at £35,000 (2023: £97,000) each significant component of the Group was audited to an overall materiality ranging between £20,000 and £25,000 (2023: £71,000 - £74,000) with performance materiality set at 70% (2023: 70%) for all components.

We agreed with the audit committee that we would report to the committee all audit differences identified during the course of our audit in excess of £1,750 (2023: £4,000) as well as differences below these thresholds that, in our view, warranted reporting on qualitative grounds.

Our approach to the audit

In designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements. In particular, we looked at areas requiring the directors to make subjective judgements, for example in respect of significant accounting estimates including the convertible loan, and carrying value of unquoted investments. We also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

An audit was performed on the financial information of the group's operating entities which for the year ended 30 September 2024 were located in the Isle of Man and United States of America. The audit work on each significant component was performed by us as group auditor based upon materiality or risk profile, or in response to potential risks of material misstatement to the Group.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the scope of our audit responded to the key audit matter
Carrying value of Intangible Assets (note 8).	
<p>The group has significant intangible assets, comprising predominantly of expenditure developing know how in relation to the design and operation of an oil sand separation plant. The carrying value of intangible assets at 30 September 2024 was £nil (2023: £4,703k).</p> <p>There is the risk that the impairment of these assets has not been correctly accounted for in light of the disposal of the 10% interest in TSHI in August 2024 and the impact on the carrying value of the remaining assets. The audit team has assessed the area as a Key Audit Matter as the balance is considered the most significant area that the users of the financial statements would be interested in.</p>	<p>Our work in the area included:</p> <ul style="list-style-type: none"> • Review of the carrying value of intangible assets having regard to impairment indicators under IAS 38; • Critical review of management’s impairment paper and challenge of all key assumptions therein, as well as considerations of the impairment indicators within IAS 36; and • Ensuring disclosures made in the financial statements in relation to critical accounting judgements are adequate and in line with our understanding of the group and its activities.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the group financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors’ responsibilities statement, the directors are responsible for the preparation of the group financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the group financial statements, the directors are responsible for assessing the group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the group and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard from discussions with management.
- We determined the principal laws and regulations relevant to the group in this regard to be those arising from the AIM Rules, relevant local laws and regulations where the Group operates (Isle of Man and the United States), UK Bribery Act, QCA Corporate governance, and Permit and Environmental compliance in the United States.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group with those laws and regulations. These procedures included, but were not limited to:
 - Enquiries of management regarding potential non-compliance
 - Review of legal and professional fees to understand the nature of the costs and the existence of any non-compliance with laws and regulations;
 - Review of RNS announcements made to the market throughout the year; and
 - Review of minutes of meetings of those charged with governance and regulatory news service announcements.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that the judgements and estimates made by management in their assessment of the recoverability of intangible assets represented the most significant risk of material misstatement. Refer to the key audit matter above.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with our engagement letter. 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.

Zahir Khaki (Engagement Partner)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

10 March 2025

Consolidated Statement of Comprehensive Income

for the financial year ended 30 September 2024

		2024	2023
	Note	£'000	£'000
Revenue	2	-	-
Other Income	2	-	109
Gross profit/(loss)		-	109
Impairment losses	2	(4,269)	-
Administrative expenses	2	(854)	(1,081)
Foreign exchange (losses)/gains		(817)	(610)
Operating loss	4	(5,940)	(1,582)
Finance costs	3	(59)	(764)
Loss on disposal of investment at fair value through profit and loss	10	(336)	-
Loss on ordinary activities before taxation		(6,335)	(2,346)
Taxation	5	-	-
Loss for the year attributable to:			
Equity shareholders of the parent		(6,335)	(2,346)
		(6,335)	(2,346)
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		348	(26)
Other comprehensive income for the year attributable to equity shareholders of the parent		348	(26)
Total comprehensive loss attributable to equity shareholders of the parent		(5,987)	(2,372)
		2023	2023
		Pence	Pence
Loss per share attributable to equity shareholders of the parent		per share	per share
Basic & diluted loss per share	7	(0.17)	(0.10)

The Notes on pages 25 to 41 form part of these financial statements.

Consolidated Statement of Financial Position

as at 30 September 2024

		Group 2024	Group 2023
	Note	£'000	£'000
Assets			
Non-current assets			
Intangible assets	8	-	4,703
Property, plant and equipment	9	-	-
Investments at FVTPL	10	-	1,637
Other receivables	11	65	40
		65	6,380
Current assets			
Trade and other receivables	11	40	34
Cash and cash equivalents	12	857	62
		897	96
TOTAL ASSETS		962	6,476
Liabilities			
Current liabilities			
Loans	13	(462)	(445)
Trade and other payables	14	(147)	(123)
		(609)	(568)
Net current assets/(liabilities)		288	(472)
TOTAL LIABILITIES		(609)	(568)
Total net assets		353	5,908
Shareholders' equity			
Share capital	16	-	-
Share premium	17	35,318	34,886
Warrant reserve	18	225	390
Translation reserve		123	(225)
Retained deficit		(35,313)	(29,143)
Equity attributable to owners of the parent		353	5,908
Total equity		353	5,908

The financial statements were approved and authorised for issue by the Board of Directors on 10 March 2025.

The Notes on pages 25 to 41 form part of these financial statements.

Malcolm Groat
Executive Chairman

Louis Castro
Non-Executive Director

Consolidated Statement of Changes in Equity

for the financial year ended 30 September 2024

Equity attributable to equity holders of the parent							
	Note	Share capital	Share premium	Warrant reserve	Translation reserve	Retained Deficit	Total
		£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 October 2022		-	32,527	1,374	(199)	(28,290)	5,412
Loss for the year		-	-	-	-	(2,346)	(2,346)
Comprehensive loss for the year		-	-	-	(26)	-	(26)
Total comprehensive loss for the year		-	-	-	(26)	(2,346)	(2,372)
Issue of shares (net of costs)	16,17	-	2,359	32	-	-	2,391
Issue of finance		-	-	193	-	-	193
Expiry of warrants	18	-	-	(1,209)	-	1,209	-
Expiry of conversion options		-	-	-	-	284	284
At 30 September 2023		-	34,886	390	(225)	(29,143)	5,908
Loss for the year		-	-	-	-	(6,335)	(6,335)
Comprehensive income for the year		-	-	-	348	-	348
Total comprehensive loss for the year		-	-	-	348	(6,335)	(5,987)
Issue of shares (net of costs)	16,17	-	432	-	-	-	432
Expiry of warrants	18	-	-	(165)	-	165	-
At 30 September 2024		-	35,318	225	123	(35,313)	353

The following describes the nature and purpose of each reserve within owners' equity:

<u>Reserve</u>	<u>Descriptions and purpose</u>
Share capital	Amount subscribed for share capital at nominal value, together with transfers to share premium upon redenomination of the shares to nil par value.
Share premium	Amount subscribed for share capital in excess of nominal value, together with transfers from share capital upon redenomination of the shares to nil par value.
Warrant reserve	Amounts credited to equity in respect of warrants to acquire ordinary shares in the Group.
Translation reserve	Gains and losses on the translation of foreign operations.
Retained deficit	Cumulative net gains and losses recognised in the consolidated statement of comprehensive income less transfers to retained deficit on expiry.

The Notes on pages 25 to 41 form part of these financial statements.

Consolidated Statement of Cash Flows

for the financial year ended 30 September 2024

	Note	Group 2024 £'000	Group 2023 £'000
Cash flows from operating activities			
Loss before tax	2	(6,335)	(2,346)
<i>Adjustments for:</i>			
Finance costs	3	59	764
Unrealised foreign exchange losses		772	581
Impairment provisions		4,269	-
Loss on disposal of investment		336	-
(Increase)/decrease in trade and other receivables		(8)	46
Increase/(decrease) in trade and other payables		25	(221)
Cash used in operations		(882)	(1,176)
Interest paid		-	(87)
Net cash outflow from operating activities		(882)	(1,263)
Cash flows from investing activities			
Investment in intangibles	8	-	(202)
Sale of investments at FVTPL	10	1,245	-
Net cash generated from/(used in) investing activities		1,245	(202)
Cash flows from financing activities			
Issue of equity instruments	16, 17	450	1,425
Costs of share issue		(18)	(84)
Repayment of loan finance		-	(580)
Convertible loans		-	625
Costs of convertible loans		-	(65)
Net cash generated from financing activities		432	1,321
Net increase/ (decrease) in cash and cash equivalents		795	(144)
Cash and cash equivalents at beginning of financial year		62	206
Cash and cash equivalents at end of financial year		857	62

The Notes on pages 25 to 41 form part of these financial statements.

Notes to the financial statements

for the financial year ended 30 September 2024

1. Accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

1.1 Basis of preparation

The financial statements have been prepared in accordance with UK-adopted International Accounting Standards.

The financial statements are presented in GBP. The Company's functional currency is also GBP and has been assessed by the Directors based on consideration of the currency and economic factors that mainly influence the Company's investments, operating costs, financing and related transactions. Changes to these factors may have an impact on the judgement applied in the determination of the Company's functional currency.

Assets and liabilities in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Foreign exchange differences arising on translation are recognised in profit or loss.

The preparation of financial statements in conformity with UK-adopted International Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 1.2.

The Group's financial statements have been prepared in accordance with UK-adopted International Financial Reporting Standards ("IFRS") and with those parts of the Isle of Man Companies Act 2006 applicable to companies reporting under IFRSs. The financial statements have been prepared under the historic cost convention, except where IFRS requires assets and liabilities to be stated at fair value.

1.2 Critical Estimates and Judgements

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. Details of the Group's significant accounting judgments are set out in these financial statements and include:

Judgements and estimates

- Internally generated development assets

Following the redemption of the Group's 10% interest in Tar Sands Holdings II LLC ("TSHII") during the financial year, the directors have determined that a full impairment provision against its Oil Sands Technology and related assets is appropriate at 30 September 2024. The reasons for this decision are:

- a) given the uncertainties concerning obtaining appropriate project financing for Greenfield, highlighted in the directors' report, there is doubt as to the availability of adequate financial resources to develop and use its previously capitalised assets such that the directors cannot determine reliably their value in use; and
- b) in the current conditions, there is uncertainty concerning the fair value less costs to sell of the assets concerned.

Notes to the financial statements

for the financial year ended 30 September 2024

Estimates

- Share based payments

Estimates were required in determining the fair value of share warrants granted in the year including future share price volatility and the instrument life. Volatility is estimated using TomCo's historic share prices for a period of time that matches the exercise period of the warrant or option concerned. This assumes that historic share price volatility is the best estimate of future volatility. The Black-Scholes model is used for valuing the warrants. Estimates are also made of the likely time of exercise of the warrants.

In 2021, the Company acquired the remaining 50% of Greenfield. The wholly deferred consideration comprised the potential issue of 592.8 million new ordinary shares to Valkor, contingent on the receipt by the Group of third party funding via a loan or credit facility for the construction of an oil sands processing facility by 25 August 2024. No such loan or credit facility was secured by such date, such that the obligation to issue the consideration shares has now lapsed. Nevertheless, under IFRS 2 there is no reversal of the original credit to reserves of £1.063 million which represents the estimate of the fair value of the contingent issue, determined by reference to the cost of the assets acquired.

1.3 Going concern

At 31 January 2025, the Group had cash reserves of approximately £0.64 million.

The Group's financial statements have been prepared on a going concern basis, which presumes that the Group will be able to meet its obligations as they fall due for the foreseeable future.

The Directors have prepared a cash flow forecast for the twelve months to 10 March 2026 which shows that at the current burn rate the Group will have sufficient funds for such period.

On 30 November 2022, the terms of the historic loan from our partners Valkor (the "Valkor Loan"), which is unsecured, were varied such that the loan is only repayable on completion of a suitable funding transaction for Greenfield that provides sufficient funds to enable the Company to affect such repayment. Hence, the abovementioned cash flow forecast does not include any repayment of the Valkor Loan due to the uncertainty regarding consummation of a suitable funding package for Greenfield.

The forecast, which includes all commitments at the date of this report, indicates that the Group will not need to secure any additional finance to meet its currently envisaged working capital requirements for the twelve months to 10 March 2026. Should any unplanned expenditures arise or participation by the Group in the drilling of one or more production wells occur then further funding will be required as appropriate. Based on historical support from new and existing investors and debt providers, the Board reasonably believes that additional funding can be obtained when required, via further debt or equity issuances such that it continues to consider it appropriate to prepare the Group's financial statements on a going concern basis. However, the Board's ability to raise such funds cannot be guaranteed. As a consequence, there is a material uncertainty as to the going concern status of the Group. The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

Notes to the financial statements

for the financial year ended 30 September 2024

1.4 Future changes in accounting standards

The following standards have been published and are mandatory for accounting periods beginning after 1 January 2025 but have not been early adopted by the Group:

- i. Amendments to IAS 21-Lack of exchangeability;

The following standards have been published and are mandatory for accounting periods beginning after 1 January 2026 but have not been early adopted by the Group:

- i. Amendments to IFRS 9 and IFRS 7 - Amendments to the classification and measurement of financial instruments; and
- ii. Annual improvements of IFRS: minor amendments concerning IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7.

Management does not expect that adoption of the standards listed above will have a material impact on the financial statements of the Group in future periods.

1.5 Basis of consolidation

The Group's financial statements consolidate the accounts of the parent company, TomCo Energy plc, and all of its subsidiary undertakings (see note 23) drawn up to 30 September 2024. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

The acquisition of subsidiaries where the acquisition represents the purchase of a business is accounted for on the purchase basis. A subsidiary is consolidated where the Company has control over an investee. The Group controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control. On acquisition, all of the subsidiary's assets and liabilities which existed at the date of acquisition are recorded at their fair values reflecting their condition at the time. If, after re-assessment, the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in the statement of comprehensive income.

Acquisitions of subsidiaries where the IFRS 3 definition of a business combination are not met are accounted for as the purchase of relevant assets less liabilities at cost.

1.6 Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision maker has been identified as the Board of Directors.

Based on an analysis of risks and returns, the Directors consider that the Group has two principal business segments based on geographical location. The loss before taxation arises principally within the UK and US. Net assets are principally in the UK and the US.

Other Revenue

Revenue from services provided to other oil and gas exploration entities is recognised as services are provided in accordance with the terms of the relevant contract.

These services, which were only provided in the prior year to September 2023, related to an agreement with Heavy Sweet Oil LLC ("Heavy Sweet Oil"), a US based oil and gas company, to assist it with permitting and government relations in respect of their planned drilling programme adjacent to the D Tract of the TSHII site. Heavy Sweet Oil paid TomCo \$10,000 per month for its services, which is recorded as other income. Such agreement was suspended in August 2023 in light of a protracted delay in securing the requisite permits.

Notes to the financial statements

for the financial year ended 30 September 2024

1.7 Finance income

Finance income is accounted for on an effective interest basis.

1.8 Finance costs

Finance costs comprise two elements. Interest on debt instruments is recognised by reference to the effective interest rate computed after the deduction of issue costs and the separation of embedded derivatives. Finance costs also include the change in fair value of embedded derivatives.

1.9 Property, plant and equipment

Property, plant and equipment employed in exploration and evaluation activities are carried at cost. Following a review of the Group's current activities, these assets remain fully impaired as at 30 September 2024.

1.10 Intangible assets

Exploration and development licences

The Group applies the full cost method of accounting for oil and gas operations. For evaluation properties, all mineral leases, permits, acquisition costs, geological and geophysical costs and other direct costs of exploration appraisal, renewals and development are capitalised as intangible fixed assets in appropriate cost pools, with the exception of tangible assets, which are classed as property, plant and equipment. Costs relating to unevaluated properties are held outside the relevant cost pool and are not amortised until such time as the related property has been fully appraised. When a cost pool reaches an evaluated and bankable feasibility stage, the assets are transferred from intangible to oil properties within property, plant and equipment. These assets were impaired in full during the year.

Development assets

Greenfield has incurred expenditure on researching and developing the design and operation of a pilot plant and processes for oil sands extraction that is not of a scale economically feasible for commercial production. Development expenditure at acquisition was measured at cost. Development expenditure incurred following the acquisition of Greenfield that meets the requirements of IAS 38 for recognition as intangible assets are capitalised. All other expenditure is expensed. No amortisation will be charged on such assets until future commercial exploitation of the processes commences. These assets were impaired in full during the year.

1.11 Impairment

Exploration and development licences

Exploration and development assets are assessed for impairment when facts and circumstances suggest that the carrying amount may exceed the recoverable amount. In accordance with IFRS 6 the Group firstly considers the following facts and circumstances in their assessment of whether the Group's exploration and evaluation assets may be impaired, namely whether:

- the period for which the Group has the right to explore in a specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in a specific area is neither budgeted nor planned;

Notes to the financial statements

for the financial year ended 30 September 2024

- exploration for and evaluation of hydrocarbons in a specific area have not led to the discovery of commercially viable quantities of hydrocarbons and the Group has decided to discontinue such activities in the specific area; and
- sufficient data exists to indicate that although a development in a specific area is likely to proceed, the carrying amount of the exploration and evaluation assets is unlikely to be recovered in full, either from successful development or by sale.

1.12 Taxation

Taxation expense represents the sum of current tax and deferred tax.

Current tax is based on taxable profits for the financial period using tax rates that have been enacted or substantively enacted by the reporting date. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. If deferred tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss, it is not accounted for. Deferred tax is determined using tax rates that have been enacted or substantively enacted at the reporting date and that are expected to apply when the related deferred income tax asset is realised, or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversals of the temporary differences is controlled by the Group and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

1.13 Foreign currencies

The accounts have been prepared in pounds sterling being the presentational currency of the Group. The functional currency of Tomco Energy plc is also pounds sterling. The functional currency of the US subsidiaries is US dollars. Assets and liabilities held in the Group or overseas subsidiaries in currencies other than the functional currency are translated into the functional currency at the rate of exchange ruling at the reporting date.

Transactions entered into by Group entities in a currency other than the functional currency of the entity concerned are recorded at the rates ruling when the transactions occur. Exchange differences arising from the settlement of monetary items are included in the statement of comprehensive income for that period.

1.14 Leases

The Group is party as lessee only to low value or short-term leases. Rentals payable under such leases, net of lease incentives, are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

1.15 Financial assets at amortised cost

These assets are non-derivative financial assets which are held in a business model whose objective is to collect contractual cashflows and whose contractual terms give rise on

Notes to the financial statements

for the financial year ended 30 September 2024

specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. They arise principally through types of contractual monetary asset such as receivables. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. Impairment provisions are recognised based on expected credit losses over the asset's life.

The Group's assets held at amortised cost comprise trade and other receivables and cash and cash equivalents in the consolidated statement of financial position.

Fair value measurement

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The resulting calculations under IFRS 13 affected the principles that the Company uses to assess the fair value, but the assessment of fair value under IFRS 13 has not materially changed the fair values recognised or disclosed. IFRS 13 mainly impacts the disclosures of the Company. It requires specific disclosures about fair value measurements and disclosures of fair values, some of which replace existing disclosure requirements in other standards.

1.16 Financial Instruments

Financial investments

Non-derivative financial assets comprising the Company's strategic financial investments in entities not qualifying as subsidiaries, associates or jointly controlled entities. These assets are classified as investments at fair value through profit or loss. They are carried at fair value with changes in fair value recognised through the income statement. Where there is a significant or prolonged decline in the fair value of a financial investment (which constitutes objective evidence of impairment), the full amount of the impairment is recognised in the income statement.

Due to the nature of these assets being unlisted investments or held for the longer term, the investment period is likely to be greater than 12 months and therefore these financial assets are shown as non-current assets in the Statement of financial position.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method. Trade and other receivables are accounted for at original invoice amount less any provisions for doubtful debts. Provisions are made where there is evidence of a risk of non-payment, taking into account the age of the debt, historical experience and general economic conditions. If a trade debt is determined to be uncollectable, it is written off, firstly against any provisions already held and then to the statement of comprehensive income. Subsequent recoveries of amounts previously provided for are credited to the statement of comprehensive income.

Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss in accordance with the expected credit loss model under IFRS 9. For trade and other receivables which do not contain a significant financing component, the Company applies the simplified approach. This approach requires the allowance for expected credit losses to be recognised at an amount equal to lifetime expected credit losses. For other debt financial assets the Company applies the general approach to providing for expected credit losses as prescribed by IFRS 9, which permits for the recognition of an allowance for the estimated expected loss resulting from default in the subsequent 12-month period. Exposure to credit loss is monitored on a continual basis and, where material, the allowance for expected credit losses is adjusted to reflect the risk of default during the lifetime of the financial asset should a significant change in credit risk be identified.

The majority of the Company's financial assets are expected to have a low risk of default. A review of the historical occurrence of credit losses indicates that credit losses are insignificant due to the size of the Company's clients and the nature of its activities. The outlook for the natural resources industry is not expected to result in a significant change in the Company's exposure to credit losses. As lifetime expected credit losses are not expected to be significant, the Company has opted not to adopt the practical expedient available under IFRS 9 to utilise a provision matrix for the recognition of lifetime expected credit losses on trade receivables. Allowances are calculated on a case-by-case basis based on the credit risk applicable to individual counterparties.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

Notes to the financial statements

for the financial year ended 30 September 2024

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability principal or the most advantageous market accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

1.17 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at the bank and other short-term liquid investments with original maturities of three months or less.

1.18 Financial liabilities at amortised cost

Financial liabilities at amortised cost include debt instruments and the host contract element of hybrid liabilities containing embedded derivatives. These liabilities are measured initially at transaction price, less issue costs and the separation of the fair value of embedded derivatives. They are subsequently measured at amortised cost using the effective interest method.

1.19 Derivative liabilities

Embedded derivatives are separated from the host contract at their estimated fair value at the date of the transaction. They are subsequently measured at fair value through profit and loss. Values attributed to the unexpired option period at the date of exercise of an option are credited to equity.

1.20 Trade payables

Trade payables are recognised at amortised cost. All of the trade payables are non-interest bearing.

Notes to the financial statements

for the financial year ended 30 September 2024

1.21 Share capital

Ordinary shares are classified as equity. Shares issued in the period are recognised at the fair value of the consideration received.

1.22 Warrants

Warrants issued as part of financing transactions in which the holder receives a fixed number of shares on exercise of the warrant are fair valued at the date of grant and recorded within the warrant reserve. Fair value is measured by the use of the Black-Scholes model.

On expiry or exercise, the fair value of warrants is credited to reserves as a change in equity.

1.23 Share-based payments

Equity-settled share-based payments to directors are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions is set out in Note 19.

The fair value determined at the grant date is expensed on a straight-line basis over the vesting period or periods, based on the Group's estimate of equity instruments that will eventually vest. At each balance sheet date, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to equity reserves.

In respect of equity-settled arrangements within the scope of IFRS 2 representing contingent consideration for the acquisition of assets, the value of the equity instruments is presumed to be equivalent to the fair value of the assets acquired. In the case of assets acquired on the acquisition of Greenfield, cost is deemed to be the best estimate of fair value.

Notes to the financial statements

for the financial year ended 30 September 2024

2. Segmental reporting - Analysis by geographical segment

The loss before taxation arises within principally the UK and US. Net assets are principally in the UK and US. Based on an analysis of risks and returns, the Directors consider that the Group has two principal business segments based on geography, with the UK primarily representing head office costs of the Group. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision maker has been identified as the Board of Directors. The Directors therefore consider that no further segmentation is appropriate.

Year ended 30 September	United States	United Kingdom	Eliminations	Total	United States	United Kingdom	Eliminations	Total
	2024	2024	2024	2024	2023	2023	2023	2023
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
External revenue	-	-	-	-	-	109	-	109
Inter-segment sales	-	-	-	-	-	-	-	-
Cost of sales	-	-	-	-	-	-	-	-
Gross profit/(loss)	-	-	-	-	-	109	-	109
Administrative expenses	(82)	(772)	-	(854)	(151)	(930)	-	(1,081)
Impairment losses	(4,269)	-	-	(4,269)	-	-	-	-
Foreign exchange losses	(803)	(14)	-	(817)	(589)	(21)	-	(610)
Operating profit/(loss)	(5,154)	(786)	-	(5,940)	(740)	(842)	-	(1,582)
Finance (costs)/income	(59)	-	-	(59)	(91)	(673)	-	(764)
Loss on disposal of investment	(336)	-	-	(336)	-	-	-	-
Loss/(profit) before taxation	(5,549)	(786)	-	(6,335)	(831)	(1,515)	-	(2,346)
Non-Current assets:								
- Exploration and development assets	-	-	-	-	4,703	-	-	4,703
- Other	65	-	-	65	40	-	-	40
- Investments at FVTPL	-	-	-	-	1,637	-	-	1,637
	65	-	-	65	6,380	-	-	6,380
Current assets:								
Trade and other receivables	-	40	-	40	2	32	-	34
Other financial assets	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	857	-	857	-	62	-	62
Total assets	65	897	-	962	6,382	94	-	6,476
Current liabilities:								
Trade and other payables	-	(147)	-	(147)	-	(123)	-	(123)
Financial liabilities	(462)	-	-	(462)	(445)	-	-	(445)
Total liabilities	(462)	(147)	-	(609)	(445)	(123)	-	(568)

3. Finance costs

	2024	2023
	£'000	£'000
Interest payable	59	837
Change in fair value of derivatives	-	(71)
Interest income	-	(2)
Total finance costs for the financial year	59	764

4. Operating loss

The following items have been charged/(credited) in arriving at operating loss:	2024	2023
	£'000	£'000
Auditors' remuneration: audit services	41	41
Rentals payable in respect of land and buildings	16	-

5. Taxation

There is no tax charge in the year due to the loss incurred for the year.

Factors affecting the tax charge:	2024	2023
	£'000	£'000
Loss on ordinary activities before tax	(6,335)	(2,346)
Loss on ordinary activities at standard rate of corporation tax in the Isle of Man of nil% (2023: nil%)	-	-
Tax charge for the financial year	-	-

No charge to taxation arises due to the losses incurred. TomCo is not subject to tax in the Isle of Man but is subject to tax in relation to its subsidiaries operating in the USA, however, the Group is loss making and has no taxable profits to date. No deferred tax asset has been recognised on accumulated tax losses because of the uncertainty over the timing of future taxable profits against which the losses may be offset.

Disclosure concerning deferred tax is given in note 15.

6. Employees and Directors

The Group has one employee (2023: one) other than the Directors, whose emoluments comprise fees paid for services. The amounts for their services are detailed below and also in the remuneration committee report in more detail. The Directors are the key management personnel.

	Salaries (incl. bonuses)	Salaries
	2024	2023
	£'000	£'000
J. Potter (<i>passed away on 24 May 2024</i>)	131	253
M. Groat	64	50
L. Castro	56	42
Z. Phillips	50	36
Total remuneration	301	381

7. Loss per share

Basic loss per share is calculated by dividing the losses attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. Reconciliations of the losses and weighted average number of shares used in the calculations are set out below.

Financial year ended 30 September 2024	Losses £'000	Weighted average number of shares	Per share Amount Pence
Basic and Diluted EPS			
Losses attributable to ordinary shareholders on continuing operations	(6,335)	3,626,038,747	(0.17)
Total losses attributable to ordinary shareholders	(6,335)	3,626,038,747	(0.17)

Financial year ended 30 September 2023

Basic and Diluted EPS			
Losses attributable to ordinary shareholders on continuing operations	(2,346)	2,444,431,749	(0.10)
Total losses attributable to ordinary shareholders	(2,346)	2,444,431,749	(0.10)

The warrants, share options and conversion options which were issued or for which entitlement was established in the current and prior years (Notes 18 and 19) are anti-dilutive. As these instruments would be anti-dilutive a separate diluted loss per share is not presented.

8. Intangible assets

	Oil & Gas Exploration and evaluation expenditure £'000	Oil & Gas Development expenditure £'000	Oil & Gas Patents and patent applications £'000	Oil & Gas Total £'000
Cost				
At 1 October 2022	8,526	6,108	30	14,664
Additions	7	196	-	203
Translation differences	(26)	(507)	-	(533)
At 30 September 2023	8,507	5,797	30	14,334
Disposals	(30)	-	-	(30)
Translation differences	(8)	(396)	-	(404)
At 30 September 2024	8,469	5,401	30	13,900
Amortisation/Impairment				
At 1 October 2022	(8,287)	(1,314)	(30)	(9,631)
Amortisation	-	-	-	-
Impairment	-	-	-	-
At 30 September 2023	(8,287)	(1,314)	(30)	(9,631)
Impairment	(182)	(4,087)	-	(4,269)
At 30 September 2024	(8,469)	(5,401)	(30)	(13,900)
Net book value				
At 30 September 2024	-	-	-	-
At 30 September 2023	220	4,483	-	4,703

The assets acquired with Greenfield are described at note 1.10. The exploration and development licences comprise nine Utah oil shale leases covering approximately 15,488 acres. These assets were impaired in full as at 30 September 2021 and remain so.

9. Property, plant and equipment

	Exploration and evaluation equipment £'000
Cost at 1 October 2022	386
Translation differences	-
At 30 September 2023	386
Translation differences	-
At 30 September 2024	386
Impairment at 1 October 2022	386
Charge for year	-
At 30 September 2023 and 2024	386
Net book value	
At 30 September 2024	-
At 30 September 2023	-

These assets were impaired in full as at 30 September 2021 and remain so for the reasons given in note 1.11.

10. Investments at FVTPL

The fair value hierarchy of financial instruments measured at fair value is provided below

	£'000	£'000
	Level 3	Total
Financial assets at fair value through profit or loss		
Cost at 30 September 2023	1,637	1,637
Foreign Exchange	(56)	(56)
Disposal	(1,581)	(1,581)
Cost at 30 September 2024	-	-

The financial assets splits are as below:

Non-current assets - listed	-
Non-current assets - unlisted	-
Total	-

The Group purchased a 10% membership interest in Tar Sands Holdings II LLC ("TSHII") and held an option to purchase the remaining 90% for additional cash consideration of \$17.25 million by an extended deadline of 31 December 2023. This asset was redeemed for £1.245 million during the year generating a loss on sale of £336,000.

11. Trade and other receivables

	Group 2024	Group 2023
	£'000	£'000
Current		
Other receivables	17	11
Prepayments and accrued income	23	23
	40	34
Non-current		
Other receivables	65	40
Total Receivables	105	74

As at 30 September 2024, there were no receivables considered past due (2023: £Nil). The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable and cash and cash equivalents as disclosed in Note 12.

All current receivable amounts are due within six months.

12. Cash and cash equivalents

	Group 2024	Group 2023
	£'000	£'000
Cash at bank and in hand	857	62

The Group earns 0.05% (2023: 0.05%) interest on its cash deposits, consequently the Group's exposure to interest rate volatility is not considered material.

13. Loans

	Group 2024	Group 2023
	£'000	£'000
Current		
Term loan	462	445
	462	445

This loan comprises the loan received from Valkor, further details of which are set out in the Going Concern note and also in the Directors' Report.

14. Trade and other payables

	Group 2024	Group 2023
	£'000	£'000
Current		
Trade payables	5	40
Other payables	6	16
Accruals	136	67
	147	123

All current amounts are payable within six months and the Directors consider that the carrying values adequately represent the fair value of all payables.

15. Deferred tax

Unrecognised losses

The Group has tax losses in respect of excess management expenses of approximately £16 million (2023: £15 million) available for offset against future Company income. This gives rise to a potential deferred tax asset at the reporting date of £4 million (2023: £3.75 million). No deferred tax asset has been recognised in respect of the tax losses carried forward as the recoverability of this benefit is dependent on the future profitability of the Company, the timing of which cannot reasonably be foreseen but the excess management expenses have no expiry date. In addition, subsidiary entities have accumulated losses of approximately £13.5 million for which no deferred tax asset is recorded given the uncertainty of future profits.

16. Share capital

	Number of shares in issue	2024 £
Issued and fully paid at 1 October 2022 - shares of no par value	1,748,078,678	-
October 2022-July 2023 conversion of convertible loans	425,044,218	-
November 2022-placing (note 16)	264,285,714	-
June 2023-placing and subscription	625,000,000	-
At 30 September 2023	3,062,408,610	-
October 2023-subscription at £0.0008 per share (note 16)	125,000,000	-
January 2024-subscription at £0.001 per share (note 16)	50,000,000	-
February 2024-placing and subscription at £0.00045 per share (note 16)	666,666,667	-
March 2024-additional conversion shares	60,000	-
At 30 September 2024	3,904,135,277	-

All shares issued were issued to provide working capital for the Group.

17. Share premium

	2024 £'000	2023 £'000
At 1 October	34,886	32,527
Conversion of convertible loans and associated interest	-	1,050
Placing and subscriptions-net of costs* (note 16)	432	1,309
Additional conversion shares	-	-
At 30 September	35,318	34,886

*The placing and subscriptions raised aggregate gross proceeds of £450,000 with associated costs of £18,000.

18. Warrants

At 30 September 2024, the following share warrants were outstanding in respect of ordinary shares:

	2024 number	2024 Weighted average exercise price Pence	2023 number	2023 Weighted average exercise price Pence
Outstanding at 1 October	244,190,463	0.58	452,427,350	0.88
Expired during the year	(55,000,000)	(0.75)	(397,427,350)	(0.89)
Granted during the year	26,666,667	0.05	189,190,463	0.54
Exercised during the year	-	-	-	-
Outstanding at 30 September	215,857,130	0.48	244,190,463	0.58
Exercisable at 30 September	215,857,130	0.48	244,190,463	0.58

The inputs into the Black-Scholes model for calculating the estimated fair value of warrants granted, at their grant date, were as follows:

	2024	2023
Share price (pence)	0.05	0.08-0.385
Exercise price (pence)	0.045	0.08-0.75
Expected volatility	138%	96%-111%
Risk-free rate	4.49%	3.5%-3.9%
Expected period before exercise (years)	2	2

Expected volatility was determined by calculating the historical volatility of the Company's share price. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Issue of Warrants

143,333,320 warrants were issued in the year ended 30 September 2023 at exercise prices of between 0.6p and 0.75p in connection with the issue of convertible loans. In addition, 45,857,143 warrants were issued at exercise prices of between 0.08p and 0.35p in connection with placings.

26,666,667 warrants were issued in the year ended 30 September 2024 at an exercise price of 0.045p in connection with a placing, but are deemed to have a fair value of zero.

Each warrant in issue is governed by the provisions of warrant instruments representing the warrants which have been adopted by the Company. The rights conferred by the warrants are transferable in whole or in part subject to and in accordance with the transfer provisions set out in the Company's Articles. The warrants outstanding at 30 September 2024 had a weighted average exercise price of 0.48p (2023: 0.58p) and a weighted average remaining contractual life of 1.46 years (2023: 1.66 years). There was no charge in the income statement for the warrants issued in the year since, as set out above, these warrants are valueless.

19. Share-based payments

The Company implemented a share option scheme for its Directors during the year ended 30 September 2018. Further issues of options took place in June 2020 and June 2021. Options are exercisable at a price equal to the quoted market price of the Company's shares at the date of grant. The vesting period is between six months and 1 year. If the options remain unexercised after a period of ten years from the date of grant (5 years in the case of options granted in June 2020) the options expire. Options are forfeited if the director leaves the Company before the options vest.

Details of the share options outstanding at the year-end are as follows:

	2024	2024	2023	2023
	number	Weighted average exercise price Pence	number	Weighted average exercise price Pence
Outstanding as at 1 October	98,365,078	0.70	98,365,078	0.70
Outstanding at 30 September	98,365,078	0.70	98,365,078	0.70
Exercisable at 30 September	98,365,078		98,365,078	

Details of the options held by each Director are provided in the Directors' Report on page 4.

No new options were granted in the year ended 30 September 2024 (2023: nil). The weighted average unexpired life of the options at 30 September 2024 was 3.08 years (2023: 6.9 years).

During the year, John Potter sadly passed away. The share options held by John remain technically exercisable but are out of the money at the reporting date. The Board has decided that the options will be allowed to lapse naturally under the terms of the scheme. These options, totalling 52,714,285, are included in the number of options exercisable at the year end.

The charge recognised in profit or loss for 2024 was £nil (2023: £nil).

Where equity instruments to be issued as consideration for the purchase of a group of assets that does not constitute a business are within the scope of IFRS 2, the value of the equity instruments is determined by reference to the fair value of the net assets acquired. This is deemed to be cost at the date of acquisition.

20. Financial instruments

The Group's financial instruments, other than its investments, comprise cash and items arising directly from its operations such as other receivables, and trade payables.

Management reviews the Group's exposure to currency risk, interest rate risk, liquidity risk and credit risk on a regular basis and considers that through this review they manage the exposure of the Group. No formal policies have been put in place in order to hedge the Group's activities to the exposure to currency risk or interest risk, however, this is constantly under review.

There is no material difference between the book value and fair value of the Group and Company's cash and other financial assets.

Currency risk

The Group has overseas subsidiaries which operate in the United States and include expenses, assets and liabilities denominated in US\$. Foreign exchange risk is inherent in the Group's activities and is accepted as such. The effect of a 10% strengthening or weakening of the US dollar against sterling at the reporting date would, all other variables held constant, result in a gain or loss reported in profit and loss of approximately £610,000 (2023: £650,000).

Interest rate risk

The Group and Company manage the interest rate risk associated with the Group's cash assets by ensuring that interest rates are as favourable as possible, whether this is through investment in floating or fixed interest rate deposits, whilst managing the access the Group requires to the funds for working capital purposes.

The Group's cash and cash equivalents are subject to interest rate exposure due to changes in interest rates. Short-term receivables and payables are not exposed to interest rate risk. The Group borrows at fixed interest rates and therefore there is no effect on profit and loss attributable to changes in interest rates.

A 1% increase or decrease in the floating rate attributable to the cash balances held at the year-end would not result in a significant difference in interest receivable.

Liquidity risk

At the year end the Group and Company had cash balances comprising the following:

	Group	Group
	2024	2023
	£'000	£'000
Bank balances		
British Pounds	93	37
US Dollars	764	25
Total	857	62

All financial liabilities of the Group mature in less than 12 months: details of the analysis of such liabilities is provided in Notes 13 and 14.

Liquidity risk arises from the Group's management of working capital. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. Refer to Note 1.1 for details of going concern.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances (or agreed facilities) to meet expected requirements for a period of at least 90 days.

Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or a counter party to a financial instrument fails to meet its contractual obligations. The Group is principally exposed to credit risk on cash and cash equivalents with banks and financial institutions. For banks and financial institutions, only independently rated parties with an acceptable credit rating are utilised. There has been no significant change in credit risk since the recognition of applicable assets and therefore no credit losses have been recognised on financial assets.

Capital management policies

In managing its capital, which include its equity, cash and debt, the Group's primary objective is to maintain a sufficient funding base to enable the Group to meet its working capital and strategic investment needs. In making decisions to adjust its capital structure to achieve these aims, through new share issues or debt, the Group considers not only its short-term position but also its long-term operational and strategic objectives.

21. Changes in liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the cash flow statement as cash flows from financing activities:

Group 2024	1 October	Financing cash flows	Non-cash transactions	30 September
	£'000	£'000	£'000	£'000
Loans	445	-	17	462
Total	445	-	17	462
<hr/>				
Group 2023				
Loans	1,292	(20)	(827)	445
Total	1,292	(20)	(827)	445

22. Related party disclosures

The Directors are Key Management and information in respect of Key Management is provided in Note 6.

The Company was charged £6,993 (2023: £19,429) for professional services rendered by Oil & Gas Advisors Ltd of which a director is the controlling shareholder. £669 (2023: £733) was owed to this entity at 30 September 2024.

23. Subsidiary undertakings

The subsidiary undertakings of TomCo Energy plc at 30 September 2024 and 2023 were as follows:

	Country of incorporation
Greenfield Energy LLC	USA
AC Oil LLC	USA
TurboShale Inc (dormant)	USA
The Oil Mining Company Inc (dormant)	USA

All entities are wholly-owned. Ownership of AC Oil LLC is via Greenfield Energy LLC.

24. Ultimate controlling party

As at 30 September 2024 and 30 September 2023 there was no ultimate controlling party.

25. Operating lease commitments

At 30 September 2024, the Group had no operating lease commitments (2023: £nil).

26. Subsequent events

In late November 2024, a wholly owned subsidiary, AC Oil LLC ("AC Oil"), was party to an application made to the Utah Division of Oil, Gas and Mining for permitting to drill six holes on its lease area near Vernal, Utah.

ONLINE

www.tomcoenergy.com
info@tomcoenergy.com

TELEPHONE

+44 20 3823 3635

ADDRESS

TomCo Energy plc
60 Circular Road
Douglas
Isle of Man
IM1 1AE

