

ORACLE POWER PLC
("Oracle" or the "Company" or the "Group")

UNAUDITED INTERIM RESULTS FOR THE 6 MONTHS TO 30 JUNE 2017

Oracle Power PLC (AIM:ORCP), the UK energy developer of a combined lignite coal mine and mine mouth power plant located in the Thar desert in the south-eastern Sindh Province of Pakistan, today announces its unaudited interim results for the six months ended 30 June 2017.

2017 Highlights : January -June

- "Letter of No Objection" issued by Central Power Purchasing Agency;
- Power from the project to be accommodated within high voltage transmission line;
- Water access allocated;
- Change of name, reflecting broader strategic objective to be an integrated resource and energy company.

2017 Highlights : Since 1st July

- Public hearing for power plant Environmental and Social Impact Assessment held in Thar;
- Strengthening of Board;
- Loan Agreement for working capital arranged.

CHAIRMAN'S STATEMENT FOR THE 6 MONTHS TO 30 JUNE 2017

Chairman's Statement

I am pleased to present the Company's results for the six months ended 30 June 2017.

Board Appointments

We have made two recent appointments to the Board, Mr Mark Steed in July 2017 and Mr Andreas Migge in August 2017. I am grateful for the experience they bring to the Company, Mark in the field of international stock and commodity markets, corporate finance and trading in securities in emerging economies, and Andreas as an investment banker with a strong investment and cross border experience in the resources and energy sector.

Operational Update

Since Oracle's elevation to the Priority List, originally announced on 9 January 2017, the Company has continued to seek suitable Chinese partners as Engineering, Procurement and Construction contractors, to construct the mine and the power plant and to provide ongoing operations and maintenance, as well as to provide equity and loan finance for the Project, with the intention that the Project finance will be underwritten by Sinasure, the China Export and Credit Assurance Corporation.

In Pakistan, during 2017, work has been progressing on various essential elements to bring the Project to financial close:

January – June :

- The Central Power Purchasing Agency has issued a "Letter of No Objection" for the 660MW power plant and the National Grid has confirmed that power from the project will be accommodated within the planned high voltage transmission line.

- The Government Sindh, Energy Department, has allocated water access of 38 cubic feet per second from its nearly completed pipeline and reservoir. This takes water from the Indus river canal system to the Thar coalfield which will provide sufficient water for power generation for the life of the project.

Since 1st July :

- The Sindh Environmental Protection Agency (SEPA) held a public hearing for the power plant Environmental Social Impact Assessment on 13 July 2017 in Thar on the mine site, attended by 400 people, with good representation from people affected by the project as well as other interested parties. SEPA has indicated that they will convene a technical hearing shortly.
- On 25 September 2017, the Company announced that it has entered into a Loan Agreement for £1,000,000 with its major shareholder Brandon Hill Capital Limited. With this facility in place, the Company now has sufficient access to capital to fund its current operations until mid-2018. It provides Oracle the flexibility to finalise its ongoing discussions with various Chinese parties with regards to the full funding of the Thar Project, without equity dilution.

Looking Ahead

The Company will progress discussions with potential Chinese partners and make further announcements on the funding package and operational progress of the Project as matters progress.

As signalled by its change of name, the Company is looking at diversification opportunities in the power sector.

Summary of Results

As expected for a mining company at our stage of development, our financial results for the six months to the 30 June 2017 show an operational loss for Oracle Power PLC Group of Companies after taxation of £460,667 (2016: loss of £448,139). At the period end, the Group had cash and cash equivalents of £57,782 (2016: £1,098,594) and total assets less current liabilities of £5,103,036 (2016: £6,009,371). The basic loss per share was 0.05p (2016: loss 0.05p).

The Board extends its appreciation to the Thar Coal Energy Board, the Energy Department, the Sindh Coal Authority and Government of Sindh, as well as the Ministry of Water and Power (Government of Pakistan) for their continued support. The Board also continues to be very grateful for the patience and support of our shareholders.

Anthony Scutt

Chairman of the Board - Oracle Power PLC

Date: 27 September 2017

**CONSOLIDATED INCOME STATEMENT
FOR THE 6 MONTHS ENDED 30 JUNE 2016**

| | (Unaudited) 6 months to 30 June 2017 £ | (Unaudited) 6 months to 30 June 2016 £ | (Audited) Year ended 31 Dec 2016 £ |
|--|---|---|---|
| CONTINUING OPERATIONS | | | |
| Revenue | - | - | - |
| Other operating income | - | - | - |
| Administrative expenses | <u>(462,717)</u> | <u>(452,710)</u> | <u>(919,190)</u> |
| OPERATING LOSS | (462,717) | (452,710) | (919,190) |
| Finance costs | - | - | - |
| Finance income | <u>2,050</u> | <u>4,571</u> | <u>5,726</u> |
| LOSS BEFORE TAX | (460,667) | (448,139) | (913,464) |
| Tax | <u>-</u> | <u>-</u> | <u>-</u> |
| LOSS FOR THE PERIOD | <u>(460,667)</u> | <u>(448,139)</u> | <u>(913,464)</u> |
| Loss attributable to: | | | |
| Owners of the parent | (460,623) | (447,972) | (913,258) |
| Non-controlling interests | <u>(44)</u> | <u>(167)</u> | <u>(206)</u> |
| | <u>(460,667)</u> | <u>(448,139)</u> | <u>(913,464)</u> |
| Loss per share attributable to the ordinary equity holders of the parent: | | | |
| Basic and diluted (pence) | (0.05) | (0.05) | (0.10) |

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE 6 MONTHS ENDED 30 JUNE 2017**

| | (Unaudited) 6 months to 30 June 2017 £ | (Unaudited) 6 months to 30 June 2016 £ | (Audited) Year ended 31 Dec 2016 £ |
|---|---|---|---|
| LOSS FOR THE PERIOD | (460,667) | (448,139) | (913,464) |
| OTHER COMPREHENSIVE INCOME Item that may be reclassified subsequently to profit or loss: | | | |
| Exchange difference arising on translation of foreign operations | (101,991) | 157,012 | 278,662 |
| Income tax relating to components of other comprehensive income | - | - | - |
| OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF INCOME TAX | (101,991) | 157,012 | 278,662 |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD | <u>(562,658)</u> | <u>(291,127)</u> | <u>(634,802)</u> |
| Total comprehensive income attributable to: | | | |
| Owners of the parent | (560,709) | (305,283) | (624,574) |
| Non-controlling interests | <u>(1,949)</u> | <u>14,156</u> | <u>(10,228)</u> |

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017**

| | | (Unaudited) As at 30 June 2017 £ | (Unaudited) As at 30 June 2016 £ | (Audited) As at 31 Dec 2016 £ |
|---------------------------------------|-------|---|---|--|
| ASSETS | Notes | | | |
| NON-CURRENT ASSETS | | | | |
| Intangible assets | | 4,869,548 | 4,476,908 | 4,779,496 |
| Property, plant and equipment | | 21,196 | 24,640 | 23,790 |
| Loans and other financial instruments | 3 | <u>384,775</u> | <u>377,266</u> | <u>405,446</u> |
| | | <u>5,275,519</u> | <u>4,878,814</u> | <u>5,208,732</u> |
| CURRENT ASSETS | | | | |
| Trade and other receivables | | 111,814 | 114,342 | 98,851 |
| Cash and cash equivalents | | <u>57,782</u> | <u>1,098,594</u> | <u>505,904</u> |
| | | <u>169,596</u> | <u>1,212,936</u> | <u>604,755</u> |
| TOTAL ASSETS | | <u>5,445,115</u> | <u>6,091,750</u> | <u>5,813,487</u> |
| EQUITY | | | | |
| SHAREHOLDERS' EQUITY | | | | |
| Share capital | 4 | 911,783 | 911,783 | 911,783 |
| Share premium | | 10,900,723 | 10,900,723 | 10,900,723 |
| Translation reserve | | 43,240 | 24,079 | 143,326 |
| Share scheme reserve | | 86,712 | 120,194 | 109,588 |
| Accumulated losses | | <u>(6,855,138)</u> | <u>(5,960,348)</u> | <u>(6,417,391)</u> |
| | | 5,087,320 | 5,996,431 | 5,648,029 |
| Non-controlling interest | | <u>15,718</u> | <u>12,940</u> | <u>17,667</u> |
| TOTAL EQUITY | | <u>5,103,038</u> | <u>6,009,371</u> | <u>5,665,696</u> |
| LIABILITIES | | | | |
| CURRENT LIABILITIES | | | | |
| Trade and other payables | 5 | <u>342,077</u> | <u>82,379</u> | <u>147,791</u> |
| TOTAL LIABILITIES | | <u>342,077</u> | <u>82,379</u> | <u>147,791</u> |
| TOTAL EQUITY AND LIABILITIES | | <u>5,445,115</u> | <u>6,091,750</u> | <u>5,813,487</u> |

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 6 MONTHS ENDED 30 JUNE 2017**

| | Share capital £ | Accumulated losses £ | Share premium £ | Share scheme reserve £ |
|------------------------------------|-----------------------------|----------------------------|----------------------------------|---------------------------------|
| Balance at 31 December 2015 | <u>911,783</u> | <u>(5,534,399)</u> | <u>10,900,723</u> | <u>149,782</u> |
| Changes in equity | | | | |
| Share options expired | - | 29,588 | - | (29,588) |
| Increased investment in subsidiary | - | (7,565) | - | - |
| Loss for the period | - | (447,972) | - | - |
| Other comprehensive income | - | - | - | - |
| Balance at 30 June 2016 | <u>911,783</u> | <u>(5,960,348)</u> | <u>10,900,723</u> | <u>120,194</u> |
| Changes in equity | | | | |
| Share options expired | - | 10,606 | - | (10,606) |
| Increased investment in subsidiary | - | (2,363) | - | - |
| Loss for the period | - | (465,286) | - | - |
| Other comprehensive income | - | - | - | - |
| Balance at 31 December 2016 | <u>911,783</u> | <u>(6,417,391)</u> | <u>10,900,723</u> | <u>109,588</u> |
| Changes in equity | | | | |
| Share options expired | - | 22,876 | - | (22,876) |
| Loss for the period | - | (460,623) | - | - |
| Other comprehensive income | - | - | - | - |
| Balance at 30 June 2017 | <u>911,783</u> | <u>(6,855,138)</u> | <u>10,900,723</u> | <u>86,712</u> |
| | Translation reserve £ | Total £ | Non-controlling interest £ | Total equity £ |
| Balance at 31 December 2015 | <u>(132,534)</u> | <u>6,295,355</u> | <u>5,143</u> | <u>6,300,498</u> |
| Changes in equity | | | | |
| Share options expired | - | - | - | - |
| Increased investment in subsidiary | 13,924 | 6,359 | (6,359) | - |
| Loss for the period | - | (447,972) | (167) | (448,139) |
| Other comprehensive income | <u>142,689</u> | <u>142,689</u> | <u>14,323</u> | <u>157,012</u> |
| Balance at 30 June 2016 | <u>(24,079)</u> | <u>5,996,431</u> | <u>12,940</u> | <u>6,009,371</u> |
| Changes in equity | | | | |
| Share options expired | - | - | - | - |
| Increased investment in subsidiary | 26,748 | (29,111) | 29,111 | - |
| Loss for the period | - | (443,714) | (39) | (443,753) |
| Other comprehensive income | <u>145,995</u> | <u>145,995</u> | <u>(24,345)</u> | <u>121,650</u> |
| Balance at 31 December 2016 | <u>143,326</u> | <u>5,648,029</u> | <u>17,667</u> | <u>5,665,696</u> |
| Changes in equity | | | | |
| Share options expired | - | - | - | - |
| Loss for the period | - | (460,623) | (44) | (460,667) |
| Other comprehensive income | <u>(100,086)</u> | <u>(100,086)</u> | <u>(1,905)</u> | <u>(101,991)</u> |
| Balance at 30 June 2017 | <u>43,240</u> | <u>5,087,320</u> | <u>15,718</u> | <u>5,103,037</u> |

**CONSOLIDATED CASHFLOW STATEMENT
FOR THE 6 MONTHS ENDED 30 JUNE 2017**

| | Notes | (Unaudited) 6 months to 30 June 2017 £ | (Unaudited) 6 months to 30 June 2016 £ | (Audited) Year ended 31 Dec 2016 £ |
|---|-------|---|---|---|
| Cash flows from operating activities | | | | |
| Cash generated from operations | 1 | <u>(263,896)</u> | <u>(614,822)</u> | <u>(1,028,337)</u> |
| Net cash from operating activities | | <u>(263,896)</u> | <u>(614,822)</u> | <u>(1,028,337)</u> |
| Cash flows from investing activities | | | | |
| Purchase of intangible fixed assets | | (182,693) | (155,004) | (334,044) |
| Purchase of tangible fixed assets | | (1,385) | (1,158) | (1,663) |
| Interest received | | <u>2,050</u> | <u>4,571</u> | <u>5,726</u> |
| Net cash from investing activities | | <u>(182,028)</u> | <u>(151,591)</u> | <u>(329,981)</u> |
| Cash flows from financing activities | | | | |
| Share issue | | - | - | - |
| Cost of share issue | | <u>-</u> | <u>-</u> | <u>-</u> |
| Net cash from financing activities | | <u>-</u> | <u>-</u> | <u>-</u> |
| (Decrease)/Increase in cash and cash equivalents | | | | |
| | | (445,924) | (766,413) | (1,358,318) |
| Cash and cash equivalents at beginning of period | 2 | 505,904 | 1,860,662 | 1,860,662 |
| Effect of foreign exchange rate changes | | <u>(2,198)</u> | <u>4,345</u> | <u>3,560</u> |
| Cash and cash equivalents at end of period | | <u>57,782</u> | <u>1,098,594</u> | <u>505,904</u> |

**NOTES TO THE CASH FLOW STATEMENT
FOR THE 6 MONTHS ENDED 30 JUNE 2017**

1. RECONCILIATION OF LOSS BEFORE TAX TO CASH GENERATED FROM OPERATIONS

| | (Unaudited) 6 months to 30 June 2017 £ | (Unaudited) 6 months to 30 June 2016 £ | (Audited) Year ended 31 Dec 2016 £ |
|--|---|---|---|
| Loss before tax | (460,667) | (448,139) | (913,464) |
| Depreciation | 555 | 195 | 554 |
| Shares issued in lieu of remuneration | - | - | - |
| Loss/(Gain) on foreign exchange movements | 20,836 | (37,828) | (66,196) |
| Finance income | <u>(2,050)</u> | <u>(4,571)</u> | <u>(5,726)</u> |
| | (441,326) | (490,343) | (984,832) |
| (Increase)/Decrease in trade and other receivables | (12,963) | (26,737) | (11,247) |
| Increase/(Decrease) in trade and other payables | <u>190,393</u> | <u>(97,742)</u> | <u>(32,258)</u> |
| Cash generated from operations | <u>(263,896)</u> | <u>(614,822)</u> | <u>(1,028,337)</u> |

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the cash flow statement in respect of cash and cash equivalents are in respect of the statement of financial position amounts:

Period ended 30 June 2017

| | (Unaudited) As at 30 June 2017 | (Unaudited) As at 30 June 2016 | (Audited) As at 31 Dec 2016 |
|---------------------------|--------------------------------------|--------------------------------------|-----------------------------------|
| | £ | £ | £ |
| Cash and cash equivalents | <u>57,782</u> | <u>1,098,594</u> | <u>505,904</u> |

Cash and cash equivalents consist of cash in hand and balances with banks.

**NOTES TO THE FINANCIAL STATEMENTS UNAUDITED RESULTS
FOR THE 6 MONTHS ENDED 30 JUNE 2017**

1. Basis of preparation

These interim financial statements for the six month period ended 30 June 2017 have been prepared using the historical cost convention, on a going concern basis and in accordance with applicable International Financial Reporting Standards as adopted by the European Union (“IFRS”) and with those parts of the UK Companies Act 2006 applicable to companies reporting under IFRS as adopted by the European Union. They have also been prepared on a basis consistent with the accounting policies expected to be applied for the year ending 31 December 2017, and which are also consistent with the accounting policies applied for the year ended 31 December 2016 except for the adoption of any new standards and interpretations.

These interim results for the six months ended 30 June 2017 are unaudited and do not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The financial statements for the year ended 31 December 2016 have been delivered to the Registrar of Companies and filed at Companies House and the auditors’ report on those financial statements was unqualified and did not contain a statement made under Section 498(2) or Section 498(3) of the Companies Act 2006.

2. Loss per share

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares of 911,783,126 (30 June 2016 – 911,783,126 and 31 December 2016 – 911,783,126) outstanding during the period. There is no difference between the basic and diluted loss per share.

3. Restricted bank deposits

In February 2015, US\$500,000 was placed on deposit with Habib Bank as security for a performance bond. The deposit is repayable on compliance with the conditions of the bond.

4. Called up share capital

| | (Unaudited) 30 June 2017 £ | (Unaudited) 30 June 2016 £ | (Audited) 31 Dec 2016 £ |
|---|----------------------------------|----------------------------------|-------------------------------|
| Allotted, called up and fully paid | | | |
| 911,783,126 Ordinary shares of 1p each | <u>911,783</u> | <u>911,783</u> | <u>911,783</u> |

The number of shares in issue was as follows:

| | Number of shares |
|------------------------------------|---------------------|
| Balance as 31 December 2015 | 911,783,126 |
| Issued during the period | <u>-</u> |
| Balance at 30 June 2016 | 911,783,126 |
| Issued during the period | <u>-</u> |
| Balance at 31 December 2016 | 911,783,126 |
| Issued during the period | <u>-</u> |
| Balance at 30 June 2017 | <u>911,783,126</u> |

5. Trade and Other Payables

| | (Unaudited) As at 30 June 2017 | (Unaudited) As at 30 June 2016 | (Audited) As at 31 Dec 2016 |
|----------------|--------------------------------------|--------------------------------------|-----------------------------------|
| Trade Payables | 192,077 | 82,379 | 147,791 |
| Advances | <u>150,000</u> | <u>-</u> | <u>-</u> |
| | 342,077 | 82,379 | 147,791 |

6. Post balance sheet events

The Company entered into a Loan Agreement for £1,000,000 with its major shareholder Brandon Hill Capital Limited. Under the Agreement Oracle is able to draw down funds of up to £100,000 per month. A coupon of 12% per annum (accruing daily) will be applied only to those funds drawn by the Company. There are no options, warrants or convertible aspect to the loan and no fee owed to Brandon Hill Capital for providing the funds. The Loan is unsecured. The Loan is repayable 12 months from the date of the Loan Agreement, or earlier, at Oracle's option, without penalty.

There are no other post balance sheet events to report.

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