**Andalas Energy and Power Plc**

**('Andalas' or the 'Company')**

**Interim Results**

Andalas Energy and Power Plc, the AIM listed upstream oil and gas and energy company (AIM: ADL), is pleased to announce its half-yearly report for the six months ended 31 October 2017.

**Highlights:**

- First Pertamina power project consortium for the development of the Puspa-1 project entered into with Siemens AG. Each partner has an equal interest in the project.
- Jambi-1 power project consortium formed with PT PP Energi (51%).
- Sumatra-1 power project consortium formed for the development of a power project.
- Equity subscription of £500,000 by Volantis.
- Entered into flexible convertible loan note agreement with Volantis, with no penalties should the Company not utilise the facility. First potential draw down on or after 1 March 2018.

**Andalas Chief Executive Officer, Simon Gorringe, said:**

"I was appointed as CEO in October 2017. Since then I was pleased to be able to diversify our project portfolio further with the addition of Sumatra-1 and immediately start the work required to obtain PLN approval. Furthermore to be successful in realising value the Company needs to ensure that it has the finance in place to support the realisation of these opportunities and I was delighted to be able to welcome a new major institutional shareholder to the business.

"Looking forward, the Company's existing medium to longer term projects have significant potential but I believe to be successful the Company must have a balanced portfolio of opportunities. I therefore have started the work necessary to expand our activities into upstream or fast power opportunities that have the potential to generate nearer term cash flows. I firmly believe that adding a project with nearer term potential would have the effect of rebalancing the risk profile of the Company and delivering value to shareholders in the near and longer term."

-ENDS-

**For Further Information:**

| | | |
|---|---|---|
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| | | |
| Nick Tulloch / David Porter | Cantor Fitzgerald Europe | Tel: +44 20 7894 7000 |
| | | |

The Interim Report will be available from the Company's website www.andalasenergy.co.uk shortly.

****ENDS****

**Market Abuse Regulations (EU) No. 596/2014**

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR"). Upon the publication of this announcement via Regulatory Information Service ("RIS"), this inside information is now considered to be in the public domain.

**Interim Statement**

Andalas has continued to make progress during the period in developing its Indonesian oil and gas business. The Company has focused on upstream assets where it can apply its innovative solution which integrates the upstream and offtake projects in a wellhead located independent power producer ("wellhead IPP"). The Company is developing a series of wellhead IPPs. In addition, the Company is assessing a number of more conventional upstream oil and gas projects.

During the period we signed two MOUs for the development of Jambi-1, a 30+MW wellhead IPP in Jambi Province, and Puspa, a 20-50MW wellhead IPP also in Jambi Province. Post the period end, and as announced on 27 November 2017 we signed a gas sales MOU and consortium agreements to develop a 40MW power project called Sumatra-1, our first non-Pertamina project. We are continuing discussions with, PLN the national electricity distribution company of Indonesia, regarding the scope of the project.

We continue to assess new upstream opportunities that have low entry costs, significant upside potential and have a clear development path to first revenue, which we believe will be to the benefit of all shareholders and further strengthen the Andalas investment proposition.

**Operations**

The Company's three core wellhead IPP projects in Indonesia are based in the island of Sumatra and are being undertaken in conjunction with significant local and international partners, which we believe adds weight to the development potential of the projects and the value proposition of each.

Once a project is identified, the process, from concept to final investment decision, includes several milestones, such as: securing a gas sales MOU, a pre- feasibility study and proposal to PLN, a request for proposal to PLN, front end engineering and design, project finance and contracting.

**Sumatra-1**

In November 2017, we signed a gas sales MOU and consortium agreement for the development of the Sumatra-1 power project, which the consortium envisages will be a 15 year 40MW power project to the west of the city of Jambi. The Sumatra-1 project has greatest scope, subject to approval by PLN, to be developed to a faster timetable to the benefit of all shareholders.

**Puspa-1**

In October 2017, we announced we had entered a memorandum of understanding with PT Pertamina Power Indonesia, a wholly owned subsidiary of the state-owned oil company, PT Pertamina (Persero) ("Pertamina"), and Siemens AG for the development of a further wellhead IPP also in Sumatra.

The next steps for this project are for the consortium to procure the gas supply for the project. The consortium is working with Pertamina to achieve this outcome, following securing the gas supply, the consortium will move towards the discussion on the scope of the project with PLN.

**Jambi-1**

In August 2017, Andalas announced that it had executed a consortium agreement with PT PP Energi, a subsidiary of the state-owned enterprise, PT PP (Persero) Tbk, for the development of a wellhead IPP in Sumatra known as Jambi-1. In our opinion, after discussions with Pertamina, this project is likely to be progressed by Pertamina after we have secured the gas supply for the Puspa-1 project.

**Financing**

As mentioned above, a key focus of the team during the period has been to secure the Company's financial position so it is better placed to be able to realise the value of the opportunities that have been created, both in the short and longer term. To that end, we raised funds in August to repay the loan note and to fund the work programme in the Jambi-1 project. In November 2017, we also welcomed 1798 Volantis Fund Ltd ("Volantis") to our register on completion of a £500,000 equity fundraise.

In addition, Volantis has agreed to provide the Company with a further £1,800,000 of follow-on finance via the issue of a convertible loan note facility, which is eligible, subject to mutual agreement, for first draw down from 1 March 2018. The offer of this facility is to provide the Company with visibility of the capital it may require to take a project through to final investment decision.

**Financial Review**

The Group held a cash balance of US$196,000 at 31 October 2017 (US$8,000 at 30 April 2017). In addition the Company had trade and other payables of US$1,442,000 at 31 October 2017 (US$1,546,000 at 30 April 2017), included in this amount is a total of US$1,220,000, (30 April 2017: US$1,261,000), which comprises i) US$486,000 (30 April 2017: US$461,000) to Directors, ii) US$450,000 (30 April 2017: US$395,000) due to key consultants and iii) US$284,000 (30 April 2017: US$405,000) due to third parties, where each party has either agreed to either receive equity settlement or cash at such time as the Company has greater cash resources at its disposal.

The period under review showed the impact of our efforts to reduce the cost base of the Company. During the period under review the Company incurred US$1,015,000 (£760,000) of administrative costs a reduction of 55.5% on the comparative period to 31 October 2016 of US$2,283,000 (excluding readmission costs). The Company continues to monitor its cash position and cost base carefully and continues to rely on key stakeholders of the Company to defer part of their remuneration, which is expected to continue as the Company progresses its project offering.

**Outlook**

Andalas currently has exposure to three potential power projects which it will continue to develop with its highly respected partners, including Pertamina and Siemens. In addition to progressing existing projects, the Company will seek to acquire low-cost upstream assets with near term revenue potential as we focus our efforts on delivering value for shareholders and we are looking forward to providing further operational updates during 2018.

On behalf of the Board I would like to take this opportunity to thank our shareholders for their continued support over the last half year.

**Simon Gorringe**
**Chief Executive Officer**
**30 January 2018**

**Consolidated Statement of Comprehensive Income**
**For the six months ended 31 October 2017**

| | Note | (Unaudited) 6 Months to 31 October 2017 US$'000 | (Unaudited) 6 Months to 31 October 2016 US$'000 | (Audited) 12 Months to 30 April 2017 US$'000 |
|---|---|---|---|---|
| Business development costs | | (547) | (1,264) | (2,481) |
| AIM readmission costs | | - | (446) | (446) |
| Other administration expenses | | (468) | (1,019) | (1,390) |
| **Total Administrative Expenses and Operating Loss** | | (1,015) | (2,729) | (4,317) |
| Finance costs | | (173) | (95) | (284) |
| | | (1,188) | (95) | (4,601) |
| **Loss before and after taxation attributable to owners of the parent** | | (1,188) | (2,824) | (4,601) |
| **Total comprehensive loss for the period / year attributable to owners of the parent** | | (1,188) | (2,824) | (4,601) |
| **Basic and diluted loss per share (US dollar cents)** | 3 | (0.03) | (0.12) | (0.19) |

**Consolidated Statement of Financial Position**
**At 31 October 2017**

| | Note | (Unaudited) 31 October 2017 US$'000 | (Unaudited) 31 October 2016 US$'000 | (Audited) 30 April 2017 US$'000 |
|---|---|---|---|---|
| **Current assets** | | | | |
| Trade and other receivables | | 61 | 167 | 158 |
| Cash and cash equivalents | | 196 | 318 | 8 |
| **Total current assets** | | **257** | **485** | **166** |
| **Total assets** | | **257** | **485** | **166** |
| **Current liabilities** | | | | |
| Trade and other payables | | (1,442) | (737) | (1,546) |
| Borrowings | | - | - | (649) |
| **Total liabilities** | | **(1,442)** | **(737)** | **(2,195)** |
| **Net (liabilities)** | | **(1,185)** | **(252)** | **(2,029)** |
| **Equity attributable to the owners of the parent:** | | | | |
| Share premium | 6 | 11,996 | 10,084 | 10,084 |
| Accumulated deficit | | (13,181) | (10,336) | (12,113) |
| **Total (deficit)** | | **(1,185)** | **(252)** | **(2,029)** |

**Consolidated Statement of Changes in Equity**
**For the six months ended 31 October 2017**

| | Share Premium US$'000 | Accumulated Deficit US$'000 | Total Equity US$'000 |
|---|---|---|---|
| **Balance at 1 May 2016 (audited)** | 6,124 | (7,624) | (1,500) |
| Loss for the period | - | (2,824) | (2,824) |
| Total comprehensive loss for the period | - | (2,824) | (2,824) |
| *Transactions with equity owners of the parent* | | | |
| Share warrants issued | - | 112 | 112 |
| Share based payments | 1,749 | - | 1,749 |
| Settlement of loan note | 856 | - | 856 |
| Proceeds from share issue | 2,513 | - | 2,513 |
| Share issue costs | (1,158) | - | (1,158) |
| **Balance at 31 October 2016 (unaudited)** | 10,084 | (10,336) | (252) |
| Loss for the period | - | (1,777) | (1,777) |
| Total comprehensive income for the period | - | (1,777) | (1,777) |
| **Balance at 30 April 2017 (audited)** | **10,084** | **(12,113)** | **(2,029)** |
| Loss for the period | - | (1,188) | (1,188) |
| Total comprehensive loss for the period | - | (1,188) | (1,188) |
| *Transactions with equity owners of the parent* | | | |
| Share based payments | (80) | 120 | 40 |
| Issue of shares | 2,140 | - | 2,140 |
| Share issue costs | (148) | - | (148) |
| **Balance at 31 October 2017 (unaudited)** | **11,996** | **(13,181)** | **(1,185)** |

**Consolidated Statement of Cash Flows**
**For the six months ended 31 October 2017**

| | (Unaudited) 6 Months to 31 October 2017 | (Unaudited) 6 Months to 31 October 2016 | (Audited) 12 Months to 30 April 2017 |
|---|---|---|---|
| | US$'000 | US$'000 | US$'000 |
| **Cash flows from operating activities** | | | |
| Loss for the period | (1,188) | (2,824) | (4,601) |
| ***Adjustments for:*** | | | |
| Finance cost | 173 | 95 | 284 |
| Share based payment | - | 467 | 647 |
| IPO Costs | - | - | 446 |
| ***Changes in working capital:*** | | | |
| Change in trade and other receivables | 97 | 205 | 220 |
| Change in trade and other payables | (104) | (7) | 294 |
| **Net cash flows used in operating activities** | (1,022) | (2,064) | (2,710) |
| **Cash flows from financing activities** | | | |
| Finance costs | (4) | (7) | (7) |
| Proceeds from issue of share capital | 2,140 | 2,478 | 2,513 |
| Share issue costs | (148) | (269) | (495) |
| Proceeds from borrowings | - | - | 502 |
| Repayment of borrowings | (777) | - | - |
| Cost of borrowings | - | - | (37) |
| **Net cash flows from financing activities** | 1,211 | 2,202 | 2,476 |
| **Net increase/ (decrease) in cash and cash equivalents** | 189 | 138 | (234) |
| Cash and cash equivalents at start of period | 8 | 290 | 290 |
| Effect of exchange rate fluctuations on cash balances | (1) | (110) | (48) |
| **Cash and cash equivalents at end of period / year** | 196 | 318 | 8 |

**Notes to the consolidated interim financial information**
**For the six months ended 31 October 2017**

## 1. General information

The Company was incorporated on 19 September 2006 in the Isle of Man as a public limited company. The address of its registered office is IOMA House, Hope Street, Douglas, Isle of Man. The Company is listed on AIM, which is operated by the London Stock Exchange.

## 2. Basis of preparation

Andalas Energy and Power plc (the "Company") is presenting unaudited financial information as of and for the six months ended 31 October 2017. The consolidated interim financial information statements of the Company for the six months ended 31 October 2017 comprise the results of the Company and its wholly owned subsidiary (together referred to as the "Group").

The consolidated interim financial information for the period 1 May 2017 to 31 October 2017 is unaudited. The comparatives for the full year ended 30 April 2017 do not represent the Company's full accounts for that year although they were derived from them. The auditor's report on those financial statements was unqualified but did contain an emphasis of matter paragraph in respect of the going concern status of the Group. It does not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2017 Annual Report.

As at the date of these financial statements, the ability of the Company, and therefore the group, to continue as a going concern will require further funding to be raised. As at the date of this report Volantis, a shareholder, has agreed to provide the Company with a further £1,800,000 of follow-on finance via the issue of a convertible loan note facility, which is eligible, subject to mutual agreement, for first draw down from 1 March 2018. The Directors remain confident that the Group will be able to continue to finance its future working capital and development costs beyond the period of twelve months from the date of this report. However, there can be no guarantee that the required funds to meet working capital and development costs will be available to the Group within the necessary timeframe.

The financial information contained in this interim report does not constitute full accounts, which are available from the company's website www.andalasenergy.co.uk. The annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"). The consolidated interim financial statements have been prepared using the accounting policies which will be applied in the Group's financial statements for the year ended 30 April 2018. As allowed under the AIM rules the consolidated financial information has not been prepared in accordance with IAS 34.

The same accounting policies, presentation and methods of computation are followed in the interim consolidated financial statements as were applied in the Group's latest annual audited financial statements except that in the current financial year, the Group has adopted a number of revised Standards and Interpretations. However, none of these has had a material impact on the Group's reporting. In addition, the IASB has issued a number of IFRS and IFRIC amendments or interpretations since the last annual report was published. It is not expected that any of these will have a material impact on the Group but the Group continues to assess the potential implications of IFRS 9.

The interim consolidated financial statements were approved by the Board and authorised for issue on 30 January 2018.

## 3. Loss per share

The basic and diluted loss per share is calculated by dividing the loss for the period attributable to ordinary shareholders by the weighted average number of shares outstanding during the period:

| | 6 months ended 31 October 2017 (unaudited) | 6 months ended 31 October 2016 (unaudited) | Year ended 30 April 2017 (audited) |
|---|---|---|---|
| Loss attributable to ordinary shareholders of the Company ($'000s) | (1,188) | (2,824) | (4,601) |
| Weighted average number of shares in issue ('000s) | 3,706,211 | 2,349,987 | 2,420,989 |
| **Basic loss per share (US cents)** | **(0.03)** | **(0.12)** | **(0.19)** |

In accordance with International Accounting Standard 33 'Earnings per share', no diluted earnings per share is presented as the Group is loss making.

## 4. Related party transactions

As at 31 October 2017 the following balances were included in trade payables and were outstanding in respect of Directors remuneration at the period end.

| | Outstanding at 31 October 2017 (unaudited) | Outstanding at 31 October 2016 (unaudited) | Outstanding at 30 April 2017 (audited) |
|---|---|---|---|
| | **$'000** | **$'000** | **$'000** |
| David Whitby | 51 | - | 60 |
| Paul Warwick | 58 | 30 | 60 |
| Daniel Jorgensen | 200 | 90 | 180 |
| Ross Warner | 50 | - | 45 |
| Simon Gorringe | 50 | - | 45 |
| Graham Smith | 10 | - | 4 |
| Robert Arnott | 67 | 7 | 37 |
| **Total Key Management** | 486 | 127 | 431 |

## 5. Share based payment

The following is a summary of the share options and warrants outstanding and exercisable as at 31 October 2017, 30 April 2017 and 30 April 2016 and the changes during each period:

| | Number of options and warrants | Weighted average exercise price (Pence) |
|---|---|---|
| Outstanding and exercisable at 30 April 2016 | **102,595,329** | **0.762** |
| Warrants granted | 42,000,000 | 0.200 |
| **Outstanding and exercisable at 31 October 2016 and 30 April 2017** | **144,595,329** | **0.600** |
| Warrants granted | 24,666,666 | 0.243 |
| Options expired | (25,000,000) | 0.175 |
| **Outstanding and exercisable at 30 April 2017** | **144,261,995** | **0.612** |
| Warrants granted | 361,538,462 | 0.084 |
| **Outstanding and exercisable at 31 October 2017** | **505,800,457** | **0.235** |

The above has been expressed in pence and not cents due to the terms of the options and warrants. The following share options or warrants were outstanding and exercisable in respect of the ordinary shares:

| Grant Date | Expiry Date | 1 May and 31 Oct 2016 | Issued | Expired | 30 April 2017 | Issued | 31 October 2017 | Exercise Price |
|---|---|---|---|---|---|---|---|---|
| **Warrants** | | | | | | | | |
| 07.12. 13 | 07.12.18 | 10,839,750 | - | - | 10,839,750 | - | 10,839,750 | 2.00p |
| 24.01.14 | 24.01.19 | 26,410,714 | - | - | 26,410,714 | - | 26,410,714 | 1.00p |
| 13.05.16 | 13.05.21 | 42,000,000 | - | - | 42,000,000 | - | 42,000,000 | 0.20p |
| 31.01.17 | 31.01.22 | - | 10,000,000 | - | 10,000,000 | - | 10,000,000 | 0.20p |
| 31.01.17 | 31.01.22 | - | 8,000,000 | - | 8,000,000 | - | 8,000,000 | 0.25p |
| 31.01.17 | 31.01.22 | - | 6,666,666 | - | 6,666,666 | - | 6,666,666 | 0.30p |
| 22.05.17 | 22.05.22 | - | - | - | - | 15,000,000 | 15,000,000 | 0.10p |
| 22.05.17 | 22.05.22 | - | - | - | - | 35,000,000 | 35,000,000 | 0.10p |
| 31.07.17 | 31.07.22 | - | - | - | - | 150,000,000 | 150,000,000 | 0.10p |
| 19.08.17 | 19.08.22 | - | - | - | - | 90,769,231 | 90,769,231 | 0.06p |
| 01.09.17 | 01.09.22 | - | - | - | - | 70,769,231 | 70,769,231 | 0.06p |
| **Options** | | | | | | | | |
| 07.12.13 | 07.12.18 | 6,000,000 | - | - | 6,000,000 | - | 6,000,000 | 2.00p |
| 04.02.15 | 04.02.17 | 25,000,000 | - | (25,000,000) | - | - | - | 0.175p |
| 05.06.15 | 05.06.18 | 34,344,865 | - | - | 34,344,865 | | 34,344,865 | 0.40p |
| | | **144,595,329** | **24,666,666** | **(25,000,000)** | **144,261,995** | **361,538,462** | **505,800,457** | |

The Group recognised $120,000 (30 April 2017: $112,457) relating to equity-settled share based payment transactions during the period arising from Option or Warrant grants. There are 103,034,596 of unvested options (30 April 2017: 103,034,596), that are held by certain Directors and consultants, which vest in three equal tranches relating to acquiring an economic interest in a first concession, an interest in a second concession and gross production from its interest in projects exceeding 400BOPED. As the triggers for the grant of the tranches have not occurred at the reporting date no share based payment charge arises.

On 13 May 2016 the Company issued one warrant for every four shares in issue at 11 May 2016. Accordingly the Company issued 179,536,826 warrants on 13 May 2016 that were exercisable at 0.2pence per share on or before 31 May 2016. Prior to maturity 12,007,661 warrants were exercised and issued on 31 May 2016, the remainder lapsed unexpired.

For the share options and warrants outstanding as at 31 October 2017, the weighted average remaining contractual life is 4.18 years (30 April 2017: 2.75 years, 31 October 2016: 2.39 years).

## 6. Share capital

All shares are fully paid and each ordinary share carries one vote. No warrants have been exercised at the reporting date.

| **Allotted, called-up and fully paid:** | **Number** | **Pence per share** | **Share premium $'000s** |
|---|---|---|---|
| **Balance at 31 October 2016 and 30 April 2016** | **718,147,302** | | **6,124** |
| 13/05/2016 – equity placing for cash | 825,000,000 | 0.200 | 2,405 |
| 13/05/2016 – equity placing with directors | 25,000,000 | 0.200 | 73 |
| Cost of issue | - | - | (1,158) |
| 13/05/2016 – loan note settlement* | 300,000,000 | 0.200 | 856 |
| 13/05/2016 – share based payments*(2) | 314,750,000 | 0.200 | 898 |
| 13/05/2016 – settlement of Director payables (1) | 142,834,558 | 0.200 | 408 |
| 13/05/2016 – issue of shares in respect of Corsair settlement (2) | 122,406,940 | 0.200 | 349 |
| 31/05/2016 – equity placing | 12,007,661 | 0.200 | 34 |
| 07/07/2016 – share based payments*(3) | 32,389,530 | 0.200 | 93 |
| 07/07/2016 – issue of Corsair settlement (4) | 631,984 | 0.200 | 2 |
| **Balance at 31 October 2016 and 30 April 2017** | **2,493,167,975** | | **10,084** |
| 22/05/17 – Equity placing | 600,000,000 | 0.100 | 776 |
| Cost of issue | - | | (48) |
| 18/08/17 – Equity placing | 1,615,384,615 | 0.065 | 1,362 |
| Cost of issue | - | | (178) |
| **Balance at 31 October 2017** | **4,708,552,590** | | **11,996** |

* Non-cash item per the consolidated cash flow statement
(1) Issue of shares in settlement of brought forward amounts payable to Directors.
(2) Issue of shares to advisors in relation to fees related to the equity placing and the readmission.
(3) Issue of shares in relation in relation to settlement of third party liabilities with shares in the company.
(4) Issue of shares in respect of the settlement of the Corsair carried interest as disclosed in the Companies admission document of 27 April 2016.

**Prior period disclosure:**
On 4 June 2015, the Company entered into an agreement ("the agreement") with Corsair Petroleum (Singapore) Pte Ltd, ("Corsair"), which was a company in which each of David Whitby, Ross Warner and Simon Gorringe had a 25 per cent. beneficial interest. Following the agreement, David Whitby, previously unconnected to the Company joined the board as Chief executive officer. This arrangement established that Corsair would introduce oil and gas concessions in Indonesia to the Company and also set out the means by which Corsair was to be remunerated for this, which was as follows:

- 31,250,000 Ordinary Shares to be issued on closing of the Assignment Agreement and 34,344,865 Corsair Options which vest on closing of the Assignment Agreement (issued on 06/05/2015)
- up to an additional 93,750,000 Corsair Contingent Consideration Shares in three equal tranches (of 31,250,000 Ordinary Shares) on the occurrence of each of the following three milestones: (i) the acquisition by the Company of one concession in Indonesia; (ii) the acquisition by the Company of a second concession in Indonesia; and (iii) gross production from projects in which the Company has an economic interest exceeding 400 bopd for a period of 30 days (together "the Milestones"); and
- up to an additional 103,034,596 Corsair Options which vest in three equal tranches of 34,344,865 upon the occurrence of each of the milestones.
- The Agreement also contains provisions whereby Corsair will have a carried interest in oil and gas concessions introduced by it and a share of future revenues from these concessions. ("carried right")

On 27 April 2017 it was agreed with Corsair that the carried right arrangement was to be replaced by equity and subsequently on 13 May 2017 and 30 June 2017 the Company issued 123,038,924 (split 122,406,940 and 631,984). Further details of these transactions can be found in the Company's admission document dated 27 April 2016.

At the period end the Company continues to have the obligation under the original Corsair assignment agreement to issue a further 93,750,000 shares subject to the Milestones described above being achieved but as at the reporting date the Company had not recorded these as a liability. Other than the Corsair consideration options and the Corsair consideration shares there were no other obligations to Corsair at 30 April 2017.

**7. Events after the reporting date**

On 27 November 2017 the Company completed an equity placing to raise a total of £500,000 at a 10% discount to the closing mid-market share price. Furthermore the Company agreed with 1798 Volantis Fund (Limited) to be provided with up to £2,000,000 face value (issue price £1,800,000) of follow-on finance via the issue of a convertible loan note facility. The key terms of the convertible loan facility were as follows:

- The first £500,000 draw down is subject to mutual agreement and will be no earlier than 1 March 2018, or such other date as agreed in writing.
- Three further drawdowns of £500,000 are also subject to mutual agreement and can be drawn down quarterly thereafter, or such other date as agreed in writing.

On 6 December 2017 the Company issued warrants over 638,569,604 ordinary shares of the Company with 5 year term and a strike price of 0.5 pence per share.