CLONTARF
Energy PLC
2019
Reports and Consolidated Financial Statements

Cover image: Petrified tree by Bolivian salt-lakes

Contents

for the year ended 31 December 2019

Chairman's Statement

for the year ended 31 December 2019

The world is currently a very unstable place. Health, society, the economy and the financial system are having to deal with unknown unknowns. Those of us who studied economics and finance in the 1960's would have dealt with the concept of uncertainty. Uncertainty was, and is, not knowing about variables which impact on outcomes. It is not risk. Risk can be assessed. Not so uncertainty. You really don't know what you don't know. In recent decades academics have either ignored uncertainty or lumped it with risk. They developed models to predict outcomes in almost all areas of life. The era of Big Data, Analytics and Artificial Intelligence promised to reduce or eliminate risk. Billions upon billions have been made by quantitative funds using Algorithms to make investment decisions but they ignored uncertainty. Models are the gospels of the 2020's. No one talks about – GIGO garbage in, garbage out.

Modellers ignore the effect of variables which are not in their models. When uncertainty appears they talk about deviations from the expected outcome e.g. a 6 Standard deviation event or I have seen a 25 Standard deviation event, or a Black Swan event. Well the world is now experiencing a Black and White Swan event. Predictions are not only wrong but out of date before the models run the data. The "Butterfly Effect" is ignored or paid lip service only.

The medical models on which social and economic decisions are being made have already had massive social impact, a catastrophic economic effect and an unknown future financial impact. What is certain is that current and future borrowings can never be repaid. There are only two possible outcomes. Inflate away the value of the borrowings or default – simply don't repay.

Why do I spend time on this? Because I really do not know when the world economy will restart and what it will look like when it does but our business must survive and continue.

The business we are in, Energy Production, will recover and will continue to grow as the vast percentage of the world's population strive to have "The Good Things in Life". Note I say Energy rather than Hydrocarbon Production. There is no doubt but that fossil fuel generation is a Sunset industry. But for the immediate coming decades Oil, Gas and even Coal will continue to be the main part of Energy Production. Yet the focus has already moved to Alternative Sources of Power such as Wind, Solar, Tidal, Wave, Hydrogen and even Nuclear, are seeing more and more research funds being ploughed into developing commercial technologies. Major advances are being made, costs are falling rapidly and should continue to do so but most are not viable yet.

Where does Clontarf Energy fit into this scenario? We are working on both strands. Lithium in Bolivia and Hydrocarbons in Ghana.

Lithium in Bolivia

The explosive growth in Electric Vehicles offers a major opportunity in Lithium, a critical element in batteries. Bolivia, where Clontarf has maintained a presence for over 30 years, holds half of the world's known deposits of Lithium. These deposits are in remote Andean salt pans, have technical issues, but some are good grade, with manageable impurities. Clontarf was active in Bolivia in the years 2008 - 2011 in a joint venture with the armed forces to look at developing Lithium deposits, changes in Bolivian laws made it impossible to continue. Since 2018, we are again active in this space. We have recruited a Bolivian based director to progress our interests. We have examined and analysed a number of the salt pans to determine what best suits a company like Clontarf and, significantly, we have made proposals to the authorities to work with them within the existing legal parameters. We are hopeful.

Chairman's Statement *(continued)*

for the year ended 31 December 2019

Hydrocarbons in Ghana

Clontarf holds a 60% interest in the Tano 2A concession offshore Ghana (the remaining interest is held by Petrel Resources PLC: 30% and Abbey Oil and Gas: 10%). By now, after a decade of frustration, shareholders are well aware of the position. We have an agreement with the Ghanaian National Petroleum Committee over 1500 plus sq kms in the shallow waters of the Tano Basin. In recent months there has been renewed motivation among the parties involved to seek a solution for Clontarf. World lockdowns have effectively stopped all international travel and meetings but once travel is possible these meetings will take place.

Future

In these turbulent times it may be very hard to look ahead with any real confidence. We will strive to progress our interests in both Bolivia and Ghana. Uncertainty throws up opportunities. We will see some of them. We have funds to continue operating for at least the next twelve months.

John Teeling
Chairman

22 May 2020

Operations Review

for the year ended 31 December 2019

Our main focus in the period under review was on ratifying the signed Petroleum Agreement Ghanaian offshore Tano 2A Block and developing mid-sized Bolivian lithium salt-lakes.

Clontarf Energy plc (the "Company" or "Clontarf") continues to progress its interests in Ghana and Bolivia, maintaining cordial communications with the relevant authorities in both countries, and continues to operate efficiently on minimal expenditure.

COVID-19 implications:

The Company's office has stayed open and staffed during the COVID-19 emergency, though where practical people are working flexibly from home offices.

Scheduled meetings with high level Ghanaian and Bolivian officials, due to be held in Ghana and South America, during March and April 2020, had to be postponed until international air travel returns to normalcy.

The (overdue) passage of the Insolvency Bill by the Ghana Parliament should help the possible early recovery of the acreage in Tano Basin held since 2014 by Camac/Erin, which has been discussed during recent visits. However, it is inappropriate for a foreign company to comment on parliamentary processes in host countries.

The end-2019 Bolivian general elections were inconclusive, with disputed results. Peaceful protests forced the departure of the outgoing government and the appointment of an interim administration in 2020, charged with early, impartial elections under international supervision. These elections were initially scheduled for early May 2020, with a possible 2nd round, if necessary to achieve greater than 50% voter approval. COVID-19 has delayed these elections, as Bolivia is locked-down.

Accordingly, the Company's scheduled March 2020 meetings on Bolivian lithium had to be postponed. Likewise the development of possible cooperation with a prospective partner on osmosis technology that may boost pure lithium recovery from brines. As of end-April 2020, Bolivia, and its neighbours are effectively shut down for international visits.

Immediately before the lock-down, the Company's local director presented Clontarf's updated proposals to the interim minister's staff; Clontarf's plan is to explore and develop some of Bolivia's mid-sized salt-lakes.

There followed a positive response, and subsequent ministerial briefing. The Bolivians proposed some clarifications to ensure conformity of Clontarf's proposal (which had previously been agreed with the former YLB Chief) with the existing Lithium Law. It is also likely that the Lithium Law itself will be streamlined, so as to achieve Bolivia's objective of becoming a major lithium exporter. The interim economics minister has also publicly stressed the role of lithium development in helping Bolivia to emerge from the COVID-19 pandemic.

Ghana

Clontarf is ready to initiate the Ghana Hydrocarbons Tano 2A work programme, subject to securing the necessary funding in an environment complicated by the recent oil price fall, as soon as the signed Petroleum Agreement is ratified.

Despite lower oil prices, the carefully calibrated Ghanaian fiscal terms help make the Tano Basin oil play feasible, given the demonstrated source rock and Cretaceous sands which remain an industry favourite. Indeed, the industry contraction may assist Clontarf focus strategy on the bigger potential stratigraphic traps

Operations Review *(continued)*
for the year ended 31 December 2019

ACTIVITY MAP INDICATING THE OPEN AREA

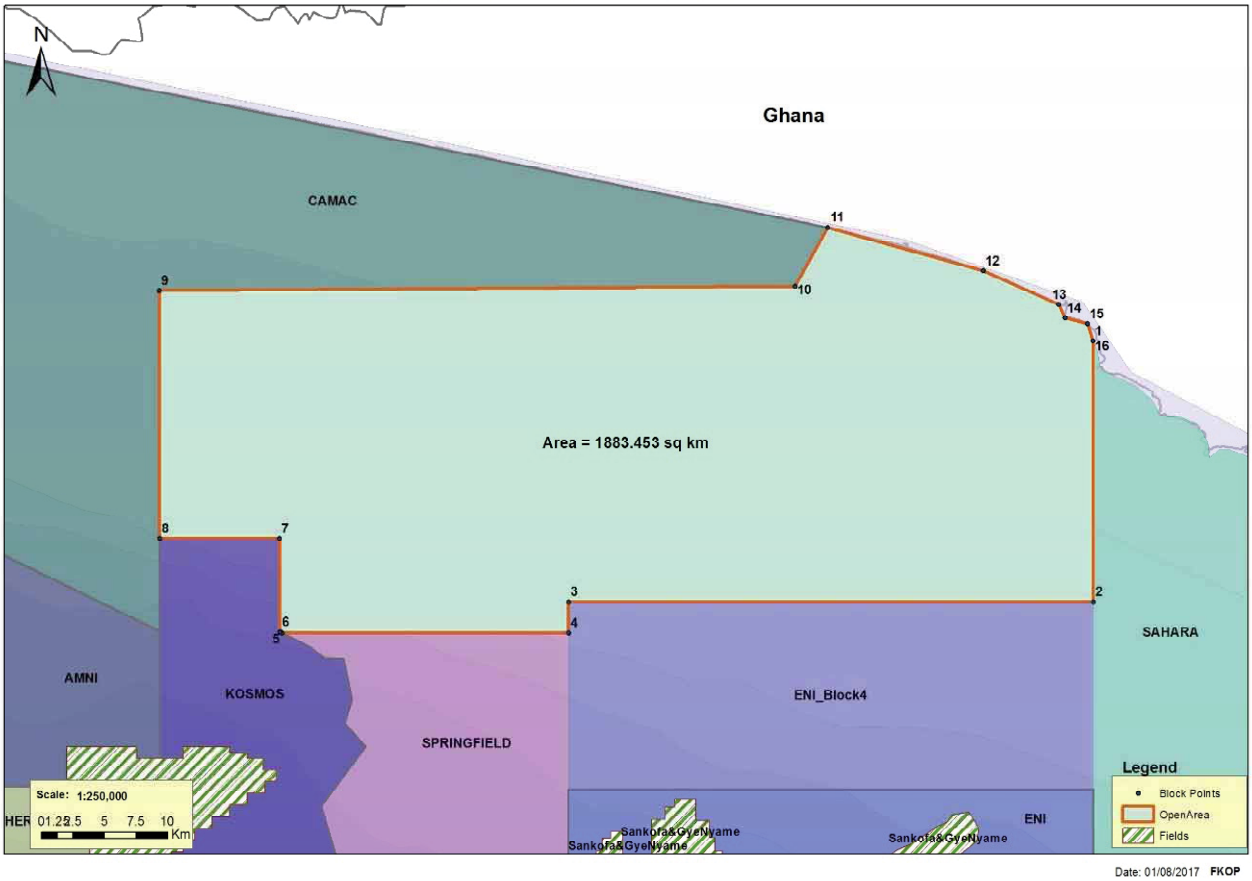


Exhibit 1

Recent high-level official meetings have been productive. The Company understands that new shareholders in its 30% partner (Petrel Resources plc) in the Tano 2A Block, have helped the Tano 2A Operating Company (Pan Andean Resources (Ghana) Ltd.) to overcome any financial capacity concerns following a lower oil price and market capitalisation.

The Company also notes the passing of insolvency legislation that may assist in the recovery of all of Clontarf's original Tano 2A coordinates. There now appears to be a legal structure enabling the authorities to recover 529km2 of the original acreage Tano 2A acreage over which Clontarf signed, with partners, a Petroleum Agreement, and which is now awaiting ratification.

During productive discussions in December 2019 on the early resolution of all outstanding issues, Clontarf's project company Pan Andean Resources (Ghana) Ltd. requested to finalize and implement the negotiated Petroleum Agreement on Tano 2A Block, with adjusted coordinates, in accordance with Section 10(9) of the Petroleum Exploration & Production Act 919, 2016.

It seems that the most practical way forward is to assume the available acreage laid out in the coordinates labelled 'Block 1' in "Exhibit 1" included above, provided by the Ministry of Energy.

Tano 2A Block, Tano Basin, Ghana – Proposed replacement coordinates.

The details are complicated, but the chief roadblock during prior government terms since 2010 was the JV group's strict corporate governance rules.

Operations Review *(continued)*
for the year ended 31 December 2019

The JV group, which consists of Clontarf 60%, Petrel Resources plc 30%, and local partner Abbey Oil & Gas 10%) negotiated a Memorandum of Understanding with GNPC in 2008, and signed (subject to ratification) a Petroleum Agreement in 2010.

The original 1,532km2 in Tano 2A Block included 40% (less prospective onshore – since there is limited sediments from the target Cretaceous age), and 60% shallow offshore. The fillet of this original acreage was excised in 2014 and granted to the then Camac, now Erin Energy Inc., an American-listed company then controlled by Nigerian interests, which is now in Chapter 11 bankruptcy. The Ghanaian authorities are in the process of recovering this acreage, since the company is in default – both (a) of its work programme and (b) by ceasing to be solvent – but this has been a slow process, without clear deadlines. In discussions, GNPC and the Ministry offered to return this acreage to the JV group once it was again available. We understand that the recently passed bankruptcy legislation may assist.

The fiscal terms agreed were before many of the Tano discoveries (other than the original Mahogany – now called 'Jubilee') had become public.

The work programme was aggressive (by the standards of the time), including 2D seismic and a well commitment, but it was not bonded (other than by corporate guarantees).

Part of the Petroleum Agreement is a once-off "technology" grant (of US$0.5mm) and "training" (of US$0.2mm yearly) payments, together with land rentals, and standard fees.

Under the previous administration the authorities raised periodic objections, usually concerning bonding (though this had been agreed to be unnecessary in the signed Petroleum Agreement), the market capitalisation of the original vehicle (Pan Andean Resources plc), they have encouraged us to admit additional Ghanaian partners – though to date these have proven to be ultimately Nigerian or other companies lacking substance.

The Company has had some initial farm-down discussions with potential partners but could not advance these without full ratification of title. About 65% of Ghanaian wells have been successful. Fiscal terms, in spite of upward creep, and lower oil prices, are competitive.

It's desirable to stick as closely as possible to the 2010 terms, since the Ghanaians might otherwise seek to increase tax treatment, or require bonds for the entire work programme – which would increase the carrying cost and hence reduce the attractiveness of the acreage.

Many discoveries since 2008 have made the resource nationalists unrealistic, without educating them about the practical need for prompt and correct ratification, permitting and associated decision-making.

The current status of Tano 2A Petroleum Agreement, in which Clontarf has a 60% Working Interest, is that it awaits ratification (by passage through Cabinet and Parliament), after which there are exploration periods of 3 years initial term, plus 2 extension periods of a total 3.5 years.

In September 2018 Clontarf agreed that it could proceed with that portion of the original acreage that remains available – with the balance to be added when it is relinquished by Erin Energy (now in Chapter 11 bankruptcy), in accordance with law.

After a period of slow progress, Ghana's current NPP Government has galvanised the licensing effort. The administration is pro-development, and actively reviewing historic Petroleum Agreements, with stated focus on early exploration, discoveries and output. During 2018 the Ghanaian Ministry of Energy and the Ghanaian National Petroleum Commission considered the current re-application by Pan Andean Resources Ltd (60% Clontarf, 30% Petrel Resources plc, and 10% local interests) over the original Tano 2A licence block acreage in the prospective Tano Basin, West Africa.

Operations Review *(continued)*

for the year ended 31 December 2019

There is a mutual desire to complete the ratification process. The Group's strong preference is to honour as far as possible the terms of the existing signed Petroleum Agreement, adjusting the revised coordinates and any other fine-tuning necessary.

Pan Andean Resources Ltd. purchased reports and seismic data from GNPC for the Tano 2A onshore and shallow offshore area. The 45 reports purchased from GNPC, mostly containing raw geological data, together with the well logs, have been studied and incorporated within a prospect report. The well data have also been integrated into a number of cross sections. New structural models were developed, taking into account the known structural data, together with an analysis of play categories on the licence.

Pan Andean Resources Ltd. prepared digital base maps for the onshore and offshore areas, incorporating seismic lines and wells, and all available topographic data. All the data are held within a multi-level GIS system. In addition, satellite images covering the licence area and surrounding region have been acquired and processed. The images have been interpreted for elements of structural geology and have also been used to geo-rectify the base maps.

Lithium in Bolivia

Much of the world's economic lithium resource is in south-western Bolivia and neighbouring countries. Clontarf expects to participate in the coming lithium boom.

Following the resignation of the outgoing Bolivian government, the Company has advanced discussions with the heads of the National Lithium Company, and the interim Minister's staff.

Clontarf and its processor companies have experience operating in Bolivia since 1988. No other lithium player equals this record. The group's interest in evaporates dates from 1994.

Like most of the natural gas industry, Clontarf's subsidiary, Petrolex SA, was made unwelcome by the new radical indigenous MAS government after 2006. Accordingly, Clontarf reluctantly withdrew from Bolivia without prejudice in 2013.

Nonetheless, the Group's work on evaporates since 1994, and Memorandum of Understanding with the Bolivian military between 2008 and 2011 (which had to be reluctantly dropped by both parties when the government announced its intention to pursue 100% state control), established Clontarf's reputation for seriousness. When the new State lithium company YLB, established in 2017, opted to invite selective foreign investment in 2018, Clontarf saw the opportunity to lever its country and industry expertise.

Following discussions in an effort to progress profitably through the Bolivian Lithium Law, Clontarf submitted a proposal on medium-sized salt-lakes (including at least one with good Lithium grade & low Magnesium impurity) shortly before the end-2019 Bolivian General Election.

Following the recent resignation of the outgoing Bolivian government, Clontarf has been in discussions with the heads of the National Lithium Company, and the interim Minister's staff. Meetings scheduled for March 2020 were postponed till May 2020 because of the COVID-19 pandemic. Elections were scheduled for May and August (2nd round, if necessary) – though will have to be delayed until the lock-down ends. The new government is likely to be pro-foreign business investment.

In parallel, Clontarf has studied the evolving technology of companies working on membrane technology for Li recovery, but have yet to confirm a technology that works with Bolivian brines by removing Magnesium and Sulphates.

Operations Review *(continued)*

for the year ended 31 December 2019

Our group has natural resources experience in Bolivia since 1988, and operated a lithium study with the Bolivian military from 2008 through 2011 – which had to be reluctantly discontinued by the partners due to then legal uncertainty over title. This uncertainty has now been resolved. Legal title can now be confirmed under the 2017 Bolivian Lithium Law. A State Lithium Company, YLB, has been established, which negotiates and supervises contracts. Initial agreements have been concluded with a German industrial design group and a Chinese State entity – though these will be reviewed and amended by the new 2020 government following early elections.

Clontarf was canvassed by officials, during 2018, to return to Bolivia to study lithium projects. Encouraged by the authorities, Clontarf updated its data-base, built a team of lithium and Bolivian experts, and sampled priority salt-lakes (salares). The Company's priority is to develop deposits with attractive lithium grade and acceptable levels of contaminants, especially magnesium – which can be deleterious for batteries.

The rapid growth in battery-powered electric vehicles (EVs) to over 5.2 million vehicles worldwide by 2020, albeit from a small base, is generating high demand growth for scarce minerals with which Clontarf is familiar – especially battery-grade lithium and cobalt – as well as vanadium, zinc, and copper.

EVs are still an enigma: electric motors are efficient converters of power into torque, but power must be generated and transmitted.

Electric cars offer advantages: it is far easier to build state-of-the-art electric motors than petrol or Diesel internal combustion engines (ICEs). Electric motors generate maximum torque immediately – though tyres take time to grip, as with conventional vehicles. Electric motors are far more efficient (< 90%) than Internal Combustion Engines (35% - 50%) but the electricity must first be generated (typically 30% to 55% efficiency) and transmitted and/or stored – which is typically only about 70% efficient. So much energy is lost by all vehicle types.

Power storage remains the key problem: existing battery technologies are inefficient, heavy, and expensive. But faster and more efficient charging technologies are being developed.

For the fast growth electric vehicles and electronic devices market, 'Lithium ion technology' is the best economically feasible solution developed so far, though it has 'only' tripled its performance since 1992. As the lightest metal, lithium contains comparable energy potential to petrol. Safety requires the dilution of lithium into lithium salts, and the addition of cobalt to render the release and recharge of the batteries safe. Compared to alternatives, lithium ion technologies offer a weight advantage.

The appeal of electric vehicles is that they are emission-free at the point of use – though the electricity must be generated and transmitted. There is also storage capacity in EVs (including buses & taxis). But stationary batteries share the same efficiency loss (>30% loss) - which is aggravated if you expend energy moving storage batteries around.

The power supply concept is that daytime higher demand generation goes to the grid, while night-time lower demand generation goes to public transport EVs operating as mobile storage.

Emissions are currently moderately taxed (via carbon taxes and excise duties) and thus largely an externality - but the opportunity emerges as taxes on emissions rise or as emissions are disallowed - e.g. France, UK banning sales of diesel vehicles post-2040.

Any plausible demand forecast anticipates market needs greatly in excess of current supplies. Very aggressive forecasts may be hindered by lower oil prices after 2020 but official support, especially in Europe, remains strong.

Lithium from salt pan deposits is in high demand – though processing issues remain to be solved.

Operations Review *(continued)*
for the year ended 31 December 2019

Subject to likely legal framework improvements, Clontarf plans to complete an exploration and laboratory work programme on a select group of medium-sized *salares*, produce an initial precipitate product as an Engineering, Procurement and Construction (EPC) contractor, and then produce additional, enhanced high performance precipitated and processed salts as a 49% joint venture partner. This formula fits with the spirit and letter of current Bolivian legislation, and offers a sustainable route to participate in the coming lithium ion battery boom.

There is no quick and easy way to process brine to produce Li. Each brine is different and the differences can be quite significant as tests (such as the German, and American LiTAS technologies) show. Additional work is necessary to streamline evaporation, reduce costs and boost yields.

Clontarf is not necessarily limited to producing lithium hydroxide or lithium metal, but plans to immediately move forward with lithium carbonate (LiCO3) precipitation, and simultaneously to investigate alternative techniques for Lithium production.

Arriving at a model contract that aligns the interests of both parties is complicated, as the Company must be sensitive to local ambitions, while State economists sometimes miss the need for investors requirement for a risk-adjusted return.

Official statements of gigantic Bolivian reserves in reality are still only geological resources based mainly on the size of the Uyuni salar, and its chemical composition. Yet explorers know that potential geological mineralisation must be worked up to the level of resources, and then to reserves through exploration. International know-how is needed to separate the deleterious magnesium from the brine.

Under the prior nationalist government, Bolivia prioritised output of low-value potassium chloride fertiliser before high-value lithium production. Clontarf's work suggests that lithium must be precipitated first regardless of the brine chemical composition. That is the Group's focus.

Bolivia needs effective exploration before attracting existing lithium producers, and battery manufacturers, in order to achieve the stated national ambition of moving from exploration to domestic production and value added.

Clontarf's approach with the new government is to identify potential for improvement on the model used in similar Chilean and Argentine deposits to define resources and reserves with a pilot plant mainly designed for LiCO3 output. The Group has, as yet, limited expertise in battery production, but are close to the leading Lithium metal and battery producers. They target involvement after successful completion of the first phase of exploration.

Clontarf plans to finalise a strategic alliance with leading Lithium metal / Lithium-ion battery producers for the advanced stage development, and may include a global car manufacturer to off-take and finance Lithium-ion battery production in Bolivia. The anticipated global demand surge is greatly in excess of current quality, purity and volume capacity. These manufacturers are anxious to secure a reliable supply of adequate high purity LiCO3. Clontarf has the experience, presence and vision to help bring these diverse needs together.

The optimal way to exploit smaller *salares* is to cooperate with other potential LiCO3 producers in order to achieve world scale LiCO3 output necessary to sustain a battery factory in the Bolivian Altiplano.

Clontarf expects the new government to enact legislation to encourage investment for a mega Lithium-ion battery factory, which can be expanded with growing LiCO3 production for the benefit of Clontarf, Bolivia, Lithium producers and battery producers.

While evaporation of LiCO3 is the primary initial goal of the Group's exploration, Clontarf continues to investigate alternative or supplementary lithium recovery technologies including membranes, and solvent extraction.

In summary, Clontarf is progressing its interests in Bolivia and Ghana, maintaining cordial communications with the relevant authorities, and continues to operate efficiently on minimal expenditure.

Strategic Report

for the year ended 31 December 2019

STRATEGY

Our strategy is the appraisal and exploitation of the assets currently owned. Concurrent with this process, the Group's management expects to continue to use its expertise to acquire further interests for lithium, oil and gas exploration. The Group has exploration interests in Ghana and Bolivia.

BUSINESS REVIEW

Clontarf Energy plc is a UK registered company, focused on lithium, oil and gas exploration. Further information concerning the activities of the Group and its future prospects is contained in the Chairman's Statement and the Operations Review.

The loss after taxation for the year amounted to £308,535 (2018: £350,553).

The directors do not propose that a dividend be paid (2018: £Nil).

FUTURE DEVELOPMENTS

The directors intend to continue their involvement with the projects as disclosed in the Chairman's Statement and Operations Review. They continue to seek further acquisition opportunities in relation to oil and gas exploration.

KEY PERFORMANCE INDICATORS

The two main KPIs for the Group are as follows. These allow the Group to monitor costs and plan future exploration and development activities:

	2019	2018
	£	£
KPI		
Exploration and evaluation costs capitalised during the year	**32,924**	226,524
Ability to raise finance on the alternative investment market	**-**	500,000

In addition, the Group reviews ongoing operating costs which relate to the Group's ability to run the corporate function. As detailed in note 4, the directors expect that adequate resources will be available to meet the Group's committed obligations as they fall due. Further details are set out in the Operations Review and Chairman's Statement.

ENVIRONMENTAL MATTERS

There is currently no impact on the environment as the Group has not commenced exploration or drilling. Any impact on environmental matters will be determined once exploration work commences.

IMPAIRMENT

The directors monitor and assess the recoverability of intangible assets. If an indication of impairment exists, a formal estimate of recoverable amount is performed and an impairment loss recognised to the extent that carrying amount exceeds recoverable amount. The recoverable amount is determined as the higher of fair value less costs of disposal and value in use.

CORPORATE GOVERNANCE AND SOCIAL RESPONSIBILITY

The Company's securities are traded on the AIM Market of the London Stock Exchange ("AIM"). In line with amendments to the AIM Rules for Companies which came into effect from 28 September 2018 the Company has adopted the QCA Corporate Governance Code to ensure compliance with the new AIM rules.

Information is available on the company's website and in the Corporate Governance Report from pages 17 to 20.

The Board is committed to maintaining appropriate standards of corporate governance and to managing the company in an honest and ethical manner.

Strategic Report *(continued)*
for the year ended 31 December 2019

CORPORATE GOVERNANCE AND SOCIAL RESPONSIBILITY *(continued)*
The Board approves the Group's strategy, investment plans and regularly reviews operational and financial performance, risk management and health, safety, environment and community (HSEC) matters.

The Chairman is responsible for the leadership of the Board, whilst the Executive Directors are responsible for formulating strategy and delivery, once agreed by the Board.

The Group aims to maximise the use of natural resources such as energy and water, and is committed to full reinstatement as part of its environmental obligations, where applicable. The Group works towards positive and constructive relationships with government, neighbours and the public, ensuring fair treatment of those affected by the Group's operations.

GOING CONCERN
Refer to note 4 for details in relation to going concern.

FINANCIAL RISK MANAGEMENT
Details of the Group's financial risk management policies are set out in note 19.

DIVERSITY
Both Group and Company have only the directors as employees and 100% of the directors are male.

RISKS AND UNCERTAINTIES
The Group is subject to a number of potential risks and uncertainties, which could have a material impact on the long-term performance of the Group and could cause actual results to differ materially from expectation. The management of risk is the collective responsibility of the Board of Directors and the Group has developed a range of internal controls and procedures in order to manage risk. The following risk factors, which are not exhaustive, are the principal risks relevant to the Group's activities:

Risk	**Nature of risk and mitigation**
Licence obligations	Operations must be carried out in accordance with the terms of each licence agreed with the relevant ministry for natural resources in the host country. Typically, the law provides that operations may be suspended, amended or terminated if a contractor fails to comply with its obligations under such licences or fails to make timely payments of relevant levies and taxes. The Group has regular communication and meetings with relevant government bodies to discuss future work plans and receive feedback from those bodies. Country Managers in each jurisdiction will monitor compliance with licence obligations and changes to legislation applicable to the company and report as necessary to the Board once the licence is ratified.
Requirement for further funding	The Group will require additional funding to implement its exploration and development plans as well as finance its operational and administrative expenses. There is no guarantee that future market conditions will permit the raising of the necessary funds by way of issue of new equity, debt financing or farming out of interests. If unsuccessful, this may significantly affect the Group's ability to execute its long-term growth strategy. The Board regularly reviews Group cash flow projections and considers different sources of funds. The Group regularly meets with shareholders and the investor community and communicates through their website and regulatory reporting.

Strategic Report *(continued)*
for the year ended 31 December 2019

RISKS AND UNCERTAINTIES *(continued)*

Risk	Nature of risk and mitigation
Geological and development risks	Exploration activities are speculative and capital intensive and there is no guarantee of identifying commercially recoverable reserves. The Group activities in Ghana are in proven resource basins. The Group uses a range of techniques to minimise risk prior to drilling and utilises independent experts to assess the results of exploration activity.
Title to assets	Title to oil and gas assets in Ghana can be complex due to local practices. The Directors monitor any threats to the ratification of its Ghanaian licence and employ the services of experienced and competent lawyers in relevant jurisdictions to defend those interests, where appropriate.
Exchange rate risk	The Group's expenses, which are primarily to contractors on exploration and development, are incurred in US Dollar, Sterling and Euro. The Group is therefore exposed to fluctuations in the relative values of the Euro and Dollar. The Group seeks to minimise its exposure to currency risk by closely monitoring exchange rates and maintaining a level of cash in foreign denominated currencies sufficient to meet planned expenditure in that currency.
Political risk	The Group operates in Ghana and Bolivia and therefore the Group is exposed to country specific risks such as the political, social and economic stability of this country. The countries in which the Group operates are encouraging foreign investment. The Group has established strong relationships with local and national government which enable the Group to monitor the political and regulatory environment.
Financial risk management	Details of the Group's financial risk management policies are set out in note 19.

In addition to the above there can be no assurance that current exploration programmes will result in profitable operations. The recoverability of the carrying value of exploration and evaluation assets is dependent upon the successful discovery of economically recoverable reserves, the achievement of profitable operations, and the ability of the Group to raise additional financing, if necessary, or alternatively upon the Group's and company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write down of the carrying values of the Group's assets.

FORWARD LOOKING STATEMENTS

This Strategic Report contains certain forward-looking statements that are subject to the usual risk factors and uncertainties associated with the oil and gas exploration industry. While the directors believe the expectation reflected within the Annual Report to be reasonable in light of the information available up to the time of their approval of this report, the actual outcome may be materially different owing to factors either beyond the Group's control or otherwise within the Group's control, for example owing to a change of plan or strategy.

Accordingly, no reliance may be placed on the forward-looking statements.

Strategic Report *(continued)*

for the year ended 31 December 2019

DIRECTORS' STATEMENT UNDER SECTION 172 (1) OF THE COMPANIES ACT 2006

Section 172 (1) of the Companies Act obliges the Directors to promote the success of the Company for the benefit of the Company's members as a whole. This section specifies that the Directors must act in good faith when promoting the success of the Company and in doing so have regard (amongst other things) to:

a. the likely consequences of any decision in the long term,
b. the interests of the Company's employees,
c. the need to foster the Company's business relationship with suppliers, customers and others,
d. the impact of the Company's operations on the community and environment,
e. the desirability of the Company maintaining a reputation for high standards of business conduct, and
f. the need to act fairly as between members of the Company.

The Board of Directors is collectively responsible for formulating the Company's strategy which is the appraisal and exploitation of the assets currently owned.

The main key decision taken by the Board during 2019 which was aimed at delivering on this strategy, is the appointment of Peter O'Toole to the Board of Directors on 30 April 2019. Mr. O'Toole has over 30 years in industrial, commercial and construction experience in Bolivia and his appointment is expected to progress the Company's interests in Bolivia.

The Directors believe this key strategic decision will generate value for our shareholders in the long term. In executing the Company's strategy, the Directors remain focused on responsible and ethical business practices, and the Company strives to be a responsible corporate citizen in all its territories of operation.

The Board places equal importance on all shareholders and strives for transparent and effective external communications, within the regulatory confines of an AIM-listed company. The primary communication tool for regulatory matters and matters of material substance is through the Regulatory News Service, ("RNS"). The Company's website is also updated regularly, and provides further details on the business as well as links to helpful content such as our latest investor presentations.

Further detail illustrating how Directors adhere to the requirement set out in Section 172 (1) a to f above, are included in the Corporate Governance Report which begins on page 17.

The Directors believe they have acted in the way they consider most likely to promote the success of the Company for the benefit of its members as a whole, as required by Section 172 (1) of the Companies Act 2006.

This Strategic Report was approved by the Board on 22 May 2020 and signed on its behalf by:

John Teeling
Chairman

Date: 22 May 2020

Directors' Report
for the year ended 31 December 2019

The directors present their annual report and the audited financial statements of the Group and Company for the year ended 31 December 2019.

DIRECTORS
The directors and secretary, who served at all times during the financial year and since the financial year end except as noted, were as follows:

Directors:
John Teeling
David Horgan
James Finn
Peter O'Toole (appointed 29 April 2019)

Secretary:
James Finn

The current directors are as noted on the inside back cover.

DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY
The directors holding office at 31 December 2019 had the following interests in the ordinary shares of the company:

	31 December 2019		1 January 2019*	
	Ordinary Shares of 0.25p each Shares Number	**Ordinary Shares of 0.25p each Options Number**	Ordinary Shares of 0.25p each Shares Number	Ordinary Shares of 0.25p each Options Number
J. J. Teeling	**38,192,755**	**10,000,000**	38,192,755	2,800,000
J. Finn	**38,312,722**	**10,000,000**	38,312,722	2,800,000
D. Horgan	**21,950,888**	**10,000,000**	21,950,888	2,800,000
P. O'Toole	**-**	**10,000,000**	-	-

There were no share options exercised by the directors during the year (2018: Nil).
*or date of appointment if later.

DIRECTORS' REMUNERATION REPORT
The remuneration of the directors for the years ended 31 December 2019 and 31 December 2018 was as follows:

	SALARIES AND FEES 2019 £	**SHARE BASED PAYMENTS 2019 £**	SALARIES AND FEES 2018 £	SHARE BASED PAYMENTS 2018 £
J. J. Teeling	**30,000**	**5,142**	30,000	-
J. Finn	**30,000**	**5,141**	30,000	-
D. Horgan	**30,000**	**5,141**	30,000	-
P. O'Toole	**20,000**	**5,141**	-	-

Directors' Remuneration is disclosed in note 7 of these financial statements.

Directors' Report *(continued)*
for the year ended 31 December 2019

ANNUAL GENERAL MEETING
The Annual General Meeting of the Company will be held on 23 July 2020 in accordance with the Notice of Annual General Meeting on pages 57 and 58 of these financial statements. Details of the resolutions to be passed are included in this notice.

CAPITAL STRUCTURE
Details of the authorised and issued share capital, together with details of movements in the company's issued share capital during the year are shown in note 17. The company has one class of ordinary share which carries no right to fixed income. Each share carries the right to one vote at general meetings of the company.

There are no specific restrictions on the size of a holding nor on the transfer of shares, which are both governed by the general provisions of the Articles of Association and prevailing legislation. With regard to the appointment and replacement of directors, the company is governed by the Articles of Association, the Companies Act 2006, and related legislation.

SUBSTANTIAL SHAREHOLDINGS
The share register records that the following shareholders, excluding directors, held 3% or more of the issued share capital of the company as at 31 December 2019 and 13 May 2020:

	13 May 2020		31 December 2019	
	No. of shares	**%**	No. of shares	%
HSBC Global Custody Nominee (UK) Limited	**58,989,067**	**8.23%**	58,989,067	8.23%
Interactive Investor Services Nominees Limited	**56,748,431**	**7.91%**	58,419,792	8.15%
Hargreaves Lansdown (Nominees) (15942)	**39,269,199**	**5.48%**	39,329,493	5.49%
The Bank of New York (Nominees) Limited	**34,004,600**	**4.74%**	34,004,600	4.74%
Barclays Direct Investing Nominees Limited	**32,673,171**	**4.56%**	26,524,750	3.70%
Pershing International Nominees Limited	**29,218,569**	**4.08%**	42,718,569	5.96%
JIM Nominees Limited (JARVIS)	**24,060,279**	**3.36%**	17,020,791	2.37%
Redmayne (Nominees) Limited	**17,000,133**	**2.37%**	28,200,133	3.93%

SUPPLIER PAYMENT POLICY
The Group's policy is to settle terms of payment with suppliers when agreeing the terms of each transaction to ensure that suppliers are made aware of the terms of payment and abide by the terms of payment.

SUBSEQUENT EVENTS
Refer to note 23 for details of Post Balance Sheet Events.

DIRECTORS' INDEMNITIES
The company does not currently maintain directors' or officer's liability insurance.

CHARITABLE AND POLITICAL CONTRIBUTIONS
There were no charitable and political contributions during the current year or prior year.

Directors' Report *(continued)*

for the year ended 31 December 2019

STATEMENT ON RELEVANT AUDIT INFORMATION

Each of the persons who are a director at the date of approval of this report confirms that:

1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
2) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act, 2006.

A resolution to reappoint Deloitte Ireland LLP will be proposed at the forthcoming Annual General Meeting.

By order of the Board:

James Finn
Secretary

John Teeling
Director

Date: 22 May 2020

Corporate Governance Report
for the year ended 31 December 2019

The Company's securities are traded on the AIM Market of the London Stock Exchange ("AIM"). The Company has adopted in September 2018 the Quoted Company Alliance ("QCA") corporate governance guidelines for AIM companies relevant to the Company but due to the size and nature of its current business has not adopted the UK Corporate Governance Code in its entirety.

In addition, the Company has an established code of conduct for dealings in the shares of the Company by directors and employees.

John Teeling, in his capacity as Chairman, has assumed responsibility for ensuring that the Company has appropriate corporate governance standards in place and that these requirements are communicated and applied.

The Board currently consists of 4 directors: Chairman, Managing Director, Financial Director (and Company Secretary) and a Non-Executive Director. This is not in compliance with the QCA Code which requires at least two non-executive directors. However the Board considers that appropriate oversight of the Company is provided by the currently constituted Board having regard to the current size and resources of the Company. The Board appointed Peter O'Toole as an independent Non-Executive Director on 29 April 2019

The 10 principles set out in the QCA Code are listed below, with an explanation of how Clontarf applies each of the principles and the reason for any aspect of non-compliance.

1. Establish a strategy and business model which promote long-term value for shareholders

The Company has a clearly defined strategy and business model that has been adopted by the Board.

The Company strategy is the appraisal and exploitation of the assets currently owned. Concurrent with this process the Group's management will continue to use its expertise to acquire additional licence interests for oil and gas exploration.
The key challenges in executing this are referred to in paragraph 4 below.

2. Seek to understand and meet shareholder needs and expectations

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. Institutional shareholders and analysts have the opportunity to discuss issues and provide feedback at meetings with the Company. In addition, all shareholders are encouraged to attend the Company's Annual General Meeting and any other General Meetings that are held throughout the year.

The Company provides regulatory, financial and business news updates through the Regulatory News Service (RNS) and various media channels. Shareholders also have access to information through the Company's website http://www.clontarfenergy.com/, which is updated on a regular basis and which includes the latest corporate presentation on the Group. Contact details are also provided on the website.

3. Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Board is committed to having the highest degree possible of corporate social responsibility in how the Company undertakes its activities. We aim to have an uncompromising stance on health, safety, environment and community relations. The Company policy is that all Company activities are carried out in compliance with safety regulations, in a culture where the safety of personnel is paramount. The Company will ensure an appropriate level of contact and negotiation with all stakeholders including landowners, community groups and regional and national authorities.

4. Embed effective risk management, considering both opportunities and threats, throughout the organisation

The Board regularly reviews the risks to which the Group is exposed and ensures through its meetings and regular reporting that these risks are minimised as far as possible whilst recognising that its business opportunities carry an inherently high level of risk. The principal risks and uncertainties facing the Group at this stage in this development and in the foreseeable future are detailed on pages 11 and 12 of the Annual Report together with risk mitigation strategies employed by the Board.

Corporate Governance Report *(continued)*

for the year ended 31 December 2019

5. Maintain the board as a well-functioning, balanced team led by the chair

The Board's role is to agree the Group's long-term direction and strategy and monitor achievement of its business objectives. The Board meets formally at least four times a year for these purposes and holds additional meetings when necessary to transact other business. The Board receives reports for consideration on all significant strategic, operational and financial matters.

The Board is supported by the Audit, Remuneration and the Nomination Committees.

The Board comprises the Executive Chairman, John Teeling, the Managing Director David Horgan, Executive Director and Company Secretary, James Finn and independent Non-Executive Director Peter O'Toole.

The Board currently has one non-executive director, which is a departure from the QCA Code which requires at least two independent non-executive directors. However, the Board considers that appropriate oversight of the Company is provided by the currently constituted Board having regard to the current size and resources of the Company.

All directors are subject to re-election intervals as prescribed in the Company's Articles of Association. At each Annual General Meeting one-third of the Directors, who are subject to retirement by rotation shall retire from office. They can then offer themselves for re-election.

On appointment each director receives a letter of appointment from the Company. The Non- Executive Directors, will receive a fee for their services as a director which is approved by the Board, being mindful of the time commitment and responsibilities of their roles and of current market rates for comparable organisations and appointments. The non-executive Directors are reimbursed for travelling and other incidental expenses incurred on Company business.

6. Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities

The Board considers the current balance of sector, financial and public market skills and experience which it embodies is appropriate for the current size and stage of development of the Company and that the Board has the skills and experience necessary to execute the Company's strategy and business plan and discharge its duties effectively.

Details of the current Board of Directors' biographies are as follows:

John Teeling, Executive Chairman
John Teeling is executive chairman of Clontarf Energy plc. He has 40 years' resources experience. John Teeling is also involved in a number of other AIM exploration companies. He is a founder of a number of companies in the resource sector including African Diamonds, Pan Andean Resources, Minco, African Gold, Persian Gold and West African Diamonds, all listed on AIM. John Teeling holds degrees in Economics and Business from University College Dublin, an MBA from Wharton and a Doctorate in Business Administration from Harvard. He lectured for 20 years in business and finance at University College Dublin.

James Finn, Finance Director
James Finn is finance director of Clontarf Energy plc. He has over 20 years' experience in working with exploration companies. James Finn has extensive experience in the administration of oil and gas and minerals companies. He has been responsible for listing several resource sector companies on AIM in London, including two of the first companies ever listed on AIM, Pan Andean Resources and African Gold. John Finn was previously finance director of African Diamonds and West African Diamonds. He holds a degree in Management and an Association of Chartered Certified Accountants (ACCA) qualification.

David Horgan, Managing Director
David Horgan has extensive African experience. He has over 20 years' experience in oil and gas and resources projects in Latin America, Africa and the Middle East through a number of AIM listed companies including Clontarf Energy, Petrel Resources and Pan Andean Resources. He previously worked at Kenmare where he raised finance, captured the premium graphite worldwide market and evaluated investment opportunities. Prior to that he worked with Boston Consulting Group internationally for seven years. He holds a first class law degree from Cambridge and an MBA with distinction from the Harvard Business School.

Corporate Governance Report *(continued)*
for the year ended 31 December 2019

6. Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities *(continued)*

Peter O'Toole, Non-Executive Director
Peter O'Toole was appointed Non-Executive Director on 30 April 2019. He has operated civil engineering and construction companies for over 30 years, specializing in the mining and government infrastructure sectors. He is also Honorary Consul General of Ireland in Bolivia. He is a Civil Engineer by discipline, educated at University of London – Queen Mary College and GMIT Institute of Technology, Galway, Ireland.

Directors and Management
All Directors have access to the Company Secretary who is responsible for ensuring that Board procedures and applicable rules and regulations are observed.

7. Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

Review of the Company's progress against the long term strategy and aims of the business provides a means to measure the effectiveness of the Board. This progress is reviewed in Board meetings held at least four times a year. The Board meets regularly throughout the year. The Board is responsible for formulating, reviewing and approving the Group's strategy, financial activities and operating performance.The Managing Director performance is reviewed once a year by the rest of the Board and measured against a definitive list of short, medium and long-term strategic targets set by the Board.

8. Promote a corporate culture that is based on ethical values and behaviours

The corporate culture of the Company is promoted throughout its contractors and is underpinned by compliance with local regulations and the implementation and regular review and enforcement of various policies: Health and Safety Policy; Share Dealing Policy; Code of Conduct; Privacy Policy and Social Media Policy. The Company policy is that all Company activities are carried out in compliance with safety regulations, in a culture where the safety of personnel is paramount. The Company will ensure an appropriate level of contact and negotiation with all stakeholders including landowners, community groups and regional and national authorities.

The Board recognises that their decisions regarding strategy and risk will impact the corporate culture of the Company and that this will impact performance. The Board is very aware that the tone and culture set by the Board will greatly impact all aspects of the Company and the way that employees behave. The exploration for and development of oil and gas resources can have significant impact in the areas where the Company and its contractors are active and it is important that the communities in which we operate view the Company's activities positively. Therefore, the importance of sound ethical values and behaviours is crucial to the ability of the Company successfully to achieve its corporate objectives. The Board places great importance on this aspect of corporate life and monitors all activities to ensure that this is reflected in all the Company does.

The Company has an established code for Directors' and employees' dealings in securities which is appropriate for a company whose securities are traded on AIM, and is in accordance with Rule 21 of the AIM rules and the Market Abuse Regulation.

9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the board

The Board has overall responsibility for all aspects of the business. The Chairman is responsible for overseeing the running of the Board, ensuring that no individual or group dominates the Board's decision-making. The Chairman has overall responsibility for corporate governance matters in the Company and chairs the Nomination Committee. The Managing Director has the responsibility for implementing the strategy of the Board and managing the day-to-day business activities of the Company. The Company Secretary is responsible for ensuring that Board procedures are followed and applicable rules and regulations are complied with.

The Nomination Committee
The Nomination Committee comprises all the directors and meets at least once per year to examine Board appointments and to make recommendations to the Board in accordance with best practice and other applicable rules and regulations. The Nominations Committee met once during 2019 to discuss the appointment of Peter O'Toole to the board of directors.

Corporate Governance Report *(continued)*
for the year ended 31 December 2019

9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the board ***(continued)***

The Audit Committee

The Audit Committee, chaired by Managing Director, David Horgan, and including Executive Director, James Finn, meets at least twice a year and assists the Board in meeting responsibilities in respect of external financial reporting and internal controls. The Audit Committee also keeps under review the scope and results of the audit. It considers the cost-effectiveness, independence and objectivity of the Auditor taking account of any non-audit services provided by them. It also oversees the company's compliance with the AIM Rules and MAR. It is the intention to appoint Peter O'Toole to the Audit Committee going forward.

The Remuneration Committee

The Remuneration Committee is comprised of Directors David Horgan and James Finn. The Remuneration Committee meets at least once a year to determine the appropriate remuneration for the Company's executive directors, ensuring that this reflects their performance and that of the Company. The remuneration committee met once during 2019 to approve the share option scheme for directors.

The Company's Audit Committee Report is presented on page 22 and provides further details on the committee's activities during 2019, and while a separate report from the Remuneration Committee was not produced due to the size of the company, the Company intends to review this requirement on an annual basis.

10. Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

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

Investors also have access to current information on the Company though its website http://www.clontarfenergy.com/ and through David Horgan, Managing Director who is available to answer investor relations enquiries. In addition, all shareholders are encouraged to attend the Company's Annual General Meeting.

The Company's financial reports can be found here: http://www.clontarfenergy.com/investor-centre/annual-reports_.aspx

Directors' Responsibility Statement

for the year ended 31 December 2019

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors are required to prepare the Group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and have also chosen to prepare the Parent Company financial statements under IFRSs as adopted by the EU. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply 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 IFRSs are 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
- make an assessment of the company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Audit Committee Report

for the year ended 31 December 2019

Dear Shareholders,

I am pleased to present this report on behalf of the Audit Committee and to report on the progress made by the Committee during the year. During 2019 the Company's internal financial reporting and control systems were both expanded and streamlined in compliance with good corporate governance guidelines outlined in the QCA Corporate Governance Code (2018) and with advice from our Nomad and auditors.

Aims of the Audit Committee
Our purpose is to assist the Board in managing risk, discharging its duties regarding the preparation of financial statements, ensure that a robust framework of accounting policies is in place and enacted and oversee the maintenance of proper internal financial controls.

The Audit Committee, which is chaired by Managing Director, David Horgan, and also includes James Finn meets at least twice a year and assists the Board in meeting responsibilities in respect of external financial reporting and internal controls. The Audit Committee also keeps under review the scope and results of the audit. It also considers the cost-effectiveness, independence and objectivity of the Auditors taking account of any non-audit services provided by them.

The Audit Committee is committed to:

- Maintaining the integrity of the financial statements of the Company and reviewing any significant reporting matters therein;
- Reviewing the Annual & Interim Report and Accounts and monitoring the accuracy and fairness of the Company's financial statements;
- Ensuring compliance of financial statements with applicable accounting standards and the AIM Rules;
- Reviewing the adequacy and effectiveness of the internal financial control environment and risk management systems; and
- Overseeing the relationship with and the remuneration of the external auditor, reviewing their performance and advising the Board members on their appointment.

The Audit Committee met twice in 2019.

Activities of the Audit Committee during the year
On behalf of the Board, the Audit Committee has closely monitored the maintenance of internal controls and risk management during the year. Key financial risks are reported during each Audit Committee meeting, including developments and progress made towards mitigating these risks.

The Audit committee received and reviewed reports from the Chief Financial Officer, other members of management and external auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Group.

The external auditors attended one of the meetings to discuss the planning and conclusions of their work and meet with members of the committee. The committee was able to call for information from management and consult with the external auditors directly as required.

The objectivity and independence of the external auditors was safeguarded by reviewing the auditor's formal declarations and monitoring relationships between key audit staff and the Company.

As noted above, the committee met twice during the year, to review the 2018 annual accounts and the interim accounts to 30 June 2019 and audit planning for the year ended 31 December 2019. Members of the committee reviewed with the independent auditor its judgements as to the acceptability of the Company's accounting principles.

Since the year end the committee has met further with the auditors to consider the 2019 financial statements. In particular, the committee discussed the significant audit risks and conclusions on those risks from the audit. In addition, the committee monitors the auditor firm's independence from Company management and the Company.

David Horgan
Chairman Audit Committee

22 May 2020

Independent Auditor's Report to the Members of Clontarf Energy Plc

for the year ended 31 December 2019

Report on the audit of the financial statements

Opinion

In our opinion:

- the financial statements of Clontarf Energy plc (the 'parent company') and its subsidiaries (the 'group') give a true and fair view of the state of the group's and of the parent company's affairs as at 31/12/2019 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated statement of comprehensive income;
- the consolidated and parent company balance sheets;
- the consolidated and parent company statements of changes in equity;
- the consolidated and parent company cash flow statements; and
- the related notes 1 to 23, including a summary of significant accounting policies as set out in note 3.

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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 and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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.

Independent Auditor's Report to the Members of Clontarf Energy Plc *(continued)*

for the year ended 31 December 2019

Summary of our audit approach

Key audit matters	The key audit matters that we identified in the current year were: • *Recoverability of intangible assets and investment in subsidiaries* • *Going concern (see material uncertainty related to going concern section below)* Within this report, any new key audit matters are identified with ⊗ and any key audit matters which are the same as the prior year identified with ⊗.
Materiality	The materiality that we used in the group financial statements was £26,000 which was determined on the basis of the carrying value of intangible assets.
Scoping	We identified two significant components, Clontarf Energy plc and Bolivian Hydrocarbon Limited. Full scope audits were performed on both.
Significant changes in our approach	No significant changes in our audit approach.

Material uncertainty related to going concern

We draw attention to note 4 in the financial statements, which indicates that the group incurred a net loss of £308,535 (parent company net loss of £308,535) during the year ended 31 December 2019 and had net current liabilities of £932,126 (parent company net current liabilities of £473,091) at that date.

In response to this, we:
- Obtained an understanding of the group and parent company's controls over the preparation and review of cash flow projections and assumptions used in the cash flow forecasts to support the going concern assumption and assessed the design and determined the implementation of these controls;
- Challenged the key assumptions used in the cash flow forecasts by agreement to historical run rates, expenditure commitments and other supporting documentation;
- Checked the clerical accuracy of the cash flow forecasts;
- Assessed the adequacy of the disclosures in the financial statements.

As stated in note 4, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the group and parent company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, 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) that we identified. These matters included 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. In addition to the matter described in the material uncertainty related to going concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Independent Auditor's Report to the Members of Clontarf Energy Plc *(continued)*

for the year ended 31 December 2019

Recoverability of intangible assets and investment in subsidiaries	
Key audit matter description	The carrying value of group intangible assets at 31 December 2019 amounted to £850,789 (company: £635,789). During the year the group did not record an impairment charge. The value of investments in subsidiaries at 31 December 2019 amounted to £52,104 (company). Intangible assets relate to costs capitalised in relation to the group's exploration activities in both the consolidated balance sheet and parent company balance sheet. As disclosed in notes 11 & 12 to the financial statements, the recoverability and realisation of these assets is dependent on the discovery and successful development of economic oil & gas and lithium reserves, which is subject to a number of risks and uncertainties including obtaining title to licence and the ability of the group to raise sufficient finance to develop the projects. Refer to the accounting policy on pages 37 - 43 and the disclosures in notes 11 & 12 of the financial statements.
How the scope of our audit responded to the key audit matter	We evaluated the design and determined the implementation of relevant key controls. We considered and challenged the directors' assessment of indicators of impairment in relation to exploration and evaluation assets. We performed a review of the board of directors' minutes of meetings and press releases in relation to the status of the exploration activities and funding strategies, including a review of the group's budgeted expenditure for the next 12 months. We also considered the adequacy of the disclosures included in the financial statements. In addition, we reviewed and challenged the Director's assumptions regarding the carrying value of the investments in subsidiaries held on the Company balance sheet.
Key observations	An inherent uncertainty exists in relation to the ability of the group to realise the exploration and evaluation assets capitalised as intangible assets, which in turn could impact the recoverability of the investments in subsidiaries. As noted above, recoverability of these assets is dependent on the discovery and the successful development of economic oil & gas and lithium reserves, obtaining title to the license, the future profitable production or process from the asset and the ability of the group to raise sufficient finance to develop the projects. The financial statements do not include any adjustments relating to this uncertainty and the ultimate outcome cannot, at present, be determined. Our opinion is not modified in respect of this matter.

Independent Auditor's Report to the Members of Clontarf Energy Plc *(continued)*

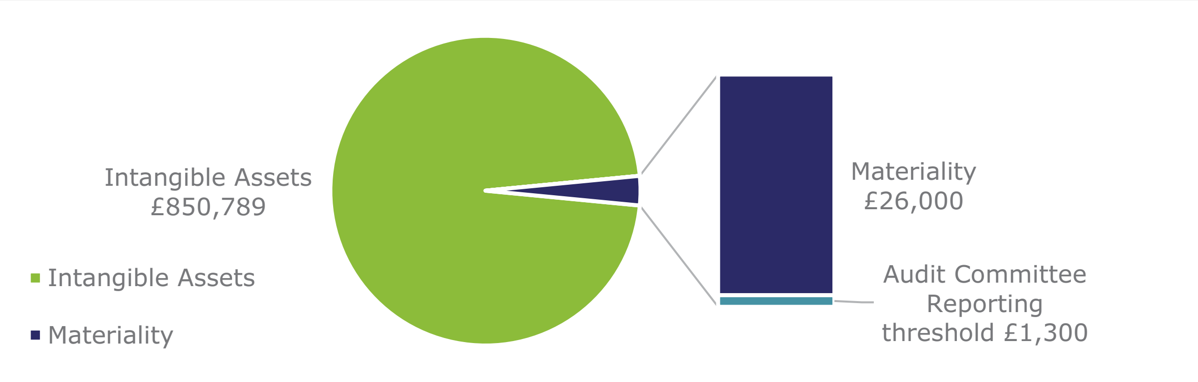
for the year ended 31 December 2019

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Parent company financial statements
Materiality	£26,000 (2018: £25,000)	£19,000 (2018: £19,000)
Basis for determining materiality	Approximately 3% of intangible assets	Approximately 3% of intangible assets
Rationale for the benchmark applied	We have determined that intangible assets is the appropriate benchmark considering this makes up approximately 74% of the group's total assets.	We have determined that intangible assets is the appropriate benchmark considering this makes up approximately 64% of the parent company's total assets.



We agreed with the Board of Directors that we would report to them all audit differences for the group in excess of £1,300 (2018: £1,250) and for the Company in excess of £950 (2018: £1,000), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Board of Directors on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit

In approaching the audit, we considered how the group is organised and managed. We assessed the group to be made up of two significant components being Clontarf Energy Plc and Bolivian Hydrocarbon Ltd. Full scope audits were performed on these two significant components by Deloitte Ireland.

Component materiality levels applicable to each component were lower than group materiality.

Independent Auditor's Report to the Members of Clontarf Energy Plc *(continued)*

for the year ended 31 December 2019

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 respect of these matters.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the 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 financial statements, the directors are responsible for assessing the group's and the parent company'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 the parent company 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.

As part of an audit in accordance with ISAs (UK) we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assesses the risks of material misstatement of the entity's (or where relevant, the consolidated) financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the auditor's opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's (or where relevant, the group's) internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Independent Auditor's Report to the Members of Clontarf Energy Plc *(continued)*

for the year ended 31 December 2019

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's (or where relevant, the group's) ability to continue as a going concern. If the auditor concludes that a material uncertainty exists, the auditor is required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. The auditor's conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity (or where relevant, the group) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (i.e gives a true and fair view).
- Where we are required to report on consolidated financial statements, obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. The group auditor is responsible for the direction, supervision and performance of the group audit. The group auditor remains solely responsible for the audit opinion.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

For listed entities and public interest entities, we also provide those charged with governance with a statement that the auditor has complied with relevant ethical requirements regarding independence, including the FRC's Ethical Standard, and communicates with them all relationships and other matters that may reasonably be thought to bear on the auditor's independence, and where applicable, related safeguards.

Where we are required to report on key audit matters, from the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in the auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

Independent Auditor's Report to the Members of Clontarf Energy Plc *(continued)*

for the year ended 31 December 2019

Matters on which we are required to report by exception

Adequacy of explanations received and accounting records

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made.

We have nothing to report in respect of this matter.

Use of our report

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

Sinéad McHugh (Senior Statutory Auditor)
For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House, Earlsfort Terrace, Dublin 2
Ireland

Date: 25 May 2020

Consolidated Statement of Comprehensive Income

for the year ended 31 December 2019

	Notes	2019 £	2018 £
CONTINUING OPERATIONS			
Administrative expenses	5	**(308,535)**	(238,871)
Impairment of exploration and evaluation assets	11	**-**	(111,682)
LOSS FOR THE YEAR BEFORE TAXATION	5	**(308,535)**	(350,553)
Income tax expense	9	**-**	-
LOSS AFTER TAX AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**(308,535)**	(350,553)
LOSS PER SHARE – Basic and diluted	10	**(0.04p)**	(0.06p)

Consolidated Balance Sheet

as at 31 December 2019

	Notes	2019 £	2018 £
ASSETS:			
NON CURRENT ASSETS			
Intangible assets	11	**850,789**	817,865
		850,789	817,865
CURRENT ASSETS			
Other receivables	13	**3,344**	3,909
Cash and cash equivalents	14	**301,292**	511,564
		304,636	515,473
TOTAL ASSETS		**1,155,425**	1,333,338
LIABILITIES:			
CURRENT LIABILITIES			
Trade payables	15	**(56,195)**	(56,138)
Other payables	16	**(1,180,567)**	(1,070,567)
		(1,236,762)	(1,126,705)
TOTAL LIABILITIES		**(1,236,762)**	(1,126,705)
NET (LIABILITIES)/ASSETS		**(81,337)**	206,633
EQUITY			
Called-up share capital	17	**1,792,450**	1,792,450
Share premium	17	**10,900,373**	10,900,373
Retained deficit		**(12,795,775)**	(12,677,836)
Share based payment reserve	21	**21,615**	191,646
SHAREHOLDERS DEFICIT		**(81,337)**	206,633

The financial statements of Clontarf Energy plc, registered number 4967918, were approved by the Board of Directors on 22 May 2020 and signed on its behalf by:

John Teeling
Director

Company Balance Sheet
as at 31 December 2019

	Notes	2019 £	2018 £
ASSETS:			
NON CURRENT ASSETS			
Intangible assets	11	**635,789**	632,865
Investment in subsidiaries	12	**52,104**	52,104
		687,893	684,969
CURRENT ASSETS			
Other receivables	13	**3,342**	3,906
Cash and cash equivalents	14	**301,292**	511,562
		304,634	515,468
TOTAL ASSETS		**992,527**	1,200,437
LIABILITIES:			
CURRENT LIABILITIES			
Trade payables	15	**(106,198)**	(106,138)
Other payables	16	**(671,527)**	(591,527)
TOTAL LIABILITIES		**(777,725)**	(697,665)
NET ASSETS		**214,802**	502,772
EQUITY			
Called-up share capital	17	**1,792,450**	1,792,450
Share premium	17	**10,900,373**	10,900,373
Retained deficit		**(12,499,636)**	(12,381,697)
Share based payment reserve	21	**21,615**	191,646
TOTAL EQUITY		**214,802**	502,772

The company reported a loss for the financial year ended 31 December 2019 of £308,535 (2018: Loss of £350,553).

The financial statements of Clontarf Energy plc, registered number 4967918, were approved by the Board of Directors on 22 May 2020 and signed on its behalf by:

John Teeling
Director

Consolidated Statement of Changes in Equity

for the year ended 31 December 2019

	Called-up Share Capital £	Share Premium £	Share Based Payment Reserve £	Retained Deficit £	Total £
At 1 January 2018	1,454,612	10,773,211	191,646	(12,327,283)	92,186
Issue of shares	337,838	162,162	-	-	500,000
Share issue expenses	-	(35,000)	-	-	(35,000)
Loss for the year and total comprehensive income	-	-	-	(350,553)	(350,553)
At 31 December 2018	1,792,450	10,900,373	191,646	(12,677,836)	206,633
Share options vested	**-**	**-**	**20,565**	**-**	**20,565**
Share options expired	**-**	**-**	**(190,596)**	**190,596**	**-**
Loss for the year and total comprehensive income	**-**	**-**	**-**	**(308,535)**	**(308,535)**
At 31 December 2019	**1,792,450**	**10,900,373**	**21,615**	**(12,795,775)**	**(81,337)**

Share premium
The share premium reserve comprises of a premium arising on the issue of shares. Share issue expenses are deducted against the share premium reserve when incurred.

Share based payment reserve
The share based payment reserve arises on the vesting of share options under the share option plan. Share options expired are reallocated from share based payment reserve to retained deficit at their grant date fair value.

Retained deficit
Retained deficit comprises of losses incurred in the current and prior years.

Company Statement of Changes in Equity
for the year ended 31 December 2019

	Called-up Share Capital £	Share Premium £	Share Based Payment Reserve £	Retained Deficit £	Total £
At 1 January 2018	1,454,612	10,773,211	191,646	(12,031,144)	388,325
Shares issued	337,838	162,162	-	-	500,000
Share issue expenses	-	(35,000)	-	-	(35,000)
Loss for the year	-	-	-	(350,553)	(350,553)
At 31 December 2018	1,792,450	10,900,373	191,646	(12,381,697)	502,772
Share options vested	**-**	**-**	**20,565**	**-**	**20,565**
Share options expired	**-**	**-**	**(190,596)**	**190,596**	**-**
Loss for the year	**-**	**-**	**-**	**(308,535)**	**(308,535)**
At 31 December 2019	**1,792,450**	**10,900,373**	**21,615**	**(12,499,636)**	**214,802**

Share premium
The share premium reserve comprises of a premium arising on the issue of shares. Share issue expenses are deducted against the share premium reserve when incurred.

Share based payment reserve
The share based payment reserve arises on the vesting of share options under the share option plan. Share options expired are reallocated from share based payment reserve to retained deficit at their grant date fair value.

Retained deficit
Retained deficit comprises of losses incurred in the current and prior years.

Consolidated Cash Flow Statement

for the year ended 31 December 2019

	Notes	2019 £	2018 £
CASH FLOW FROM OPERATING ACTIVITIES			
Loss for the year		**(308,535)**	(350,553)
Impairment of exploration and evaluation assets	11	**-**	111,682
Share options vested		**20,565**	-
Foreign exchange gains		**4,697**	2,705
		(283,273)	(236,166)
MOVEMENTS IN WORKING CAPITAL			
Increase in trade and other payables		**80,057**	48,379
Decrease/(Increase) in trade and other receivables		**565**	(100)
		(202,651)	(187,887)
NET CASH USED IN OPERATING ACTIVITIES		**(202,651)**	(187,887)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to exploration and evaluation assets		**(2,924)**	(196,524)
NET CASH FROM INVESTING ACTIVITIES		**(2,924)**	(196,524)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from share issue	17	**-**	500,000
Share issue costs	17	**-**	(35,000)
NET CASH GENERATED BY FINANCING ACTIVITIES		**-**	465,000
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		**(205,575)**	80,589
Cash and cash equivalents at beginning of the financial year		**511,564**	433,680
Effect of foreign exchange rate changes		**(4,697)**	(2,705)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	14	**301,292**	511,564

Company Cash Flow Statement

for the year ended 31 December 2019

	Notes	2019 £	2018 £
CASH FLOW FROM OPERATING ACTIVITIES			
Loss for the year		**(308,535)**	(350,553)
Impairment of exploration and evaluation assets	11	**-**	111,682
Share options granted		**20,565**	-
Foreign exchange gains		**4,697**	2,705
		(283,273)	(236,166)
MOVEMENTS IN WORKING CAPITAL			
Increase in trade and other payables		**80,059**	48,379
Decrease/(Increase) in trade and other receivables		**565**	(100)
		(202,649)	(187,887)
NET CASH USED IN OPERATING ACTIVITIES		**(202,649)**	(187,887)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to exploration and evaluation assets		**(2,924)**	(196,524)
NET CASH USED IN INVESTING ACTIVITIES		**(2,924)**	(196,524)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from share issue	17	**-**	500,000
Share issue costs	17	**-**	(35,000)
NET CASH GENERATED BY FINANCING ACTIVITIES		**-**	465,000
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		**(205,573)**	80,589
Cash and cash equivalents at beginning of the financial year		**511,562**	433,678
Effect of foreign exchange rate changes		**(4,697)**	(2,705)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	14	**301,292**	511,562

Notes to the Financial Statements
for the year ended 31 December 2019

1. GENERAL INFORMATION

Clontarf Energy plc (the Company) is a company limited by shares incorporated and registered in England. The address of the Company's registered office is shown on the inside back cover.

The principal activities of the Company and its subsidiaries (the Group) and the nature of the Group's operations are set out on page 10.

2. INTERNATIONAL FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied a number of amendments to IFRS Standards and Interpretations adopted by the European Union that are effective for an annual period that begins on or after 1 January 2019. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

New and amended IFRS Standards that are effective for the current year

- Annual Improvements to IFRS Standards 2015-2017 Cycle
- Amendments to IAS 19: Plan Amendment, Curtailment or Settlement
- Amendments to IAS 28 Long-term Interests in Associates and Joint Ventures
- Amendments to IFRS 9: Prepayment Features with Negative Compensation
- IFRIC 23 Uncertainty over Income Tax Treatments
- IFRS 16 Leases

Standards in issue but not yet effective:

As at 31 December 2019, the following standards, amendments to the existing standards and new interpretations, were not endorsed for use in EU and cannot be therefore applied by the entities preparing their financial statements in accordance with IFRS as adopted by EU.

- IFRS 17 Insurance Contracts
- Amendments to IFRS 3 Business Combinations
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current

The following standards, amendments to the existing standards and new interpretations, have been adopted by the EU but are not yet mandatorily effective and have not been early adopted by the company.

- Amendments to IFRS 9, IAS 39 and IFRS17: Interest Rate Benchmark Reform (issued on 26 September 2019)
- Amendments to IAS 1 and IAS 8: Definition of Material (issued on 31 October 2018)
- Amendments to References to the Conceptual Framework in IFRS Standards (issued on 29 March 2018)

The Directors are currently assessing the impact in relation to the adoption of these standards, amendments to the existing standards and a new interpretations for future periods of the Group. However, at this point they do not believe they will have a significant impact on the financial statements of the Group in the financial year of initial application.

3. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies adopted by the Group and Company are summarised below:

(i) Basis of preparation

The financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been measured at fair value. The consolidated financial statements are presented in pound sterling and comply with the Companies Act 2006.

Notes to the Financial Statements *(continued)*

for the year ended 31 December 2019

3. PRINCIPAL ACCOUNTING POLICIES ***(continued)***

(ii) Statement of compliance

The financial statements for the year ended 31 December 2019, for the Group and Company have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and in accordance with the Companies Act 2006.

(iii) Basis of Consolidation

The consolidated financial statements comprise the financial statements of Clontarf Energy plc and its subsidiaries as at 31 December 2019. Subsidiaries are fully consolidated from the date of acquisition, being the date which the Group obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting year as the Parent Company, using consistent accounting policies. All intragroup balances, income and expenses and unrealized gains and losses resulting from intragroup transactions are eliminated in full.

(iv) Investment in Subsidiaries

The company's investments in subsidiaries are stated at cost, less any accumulated impairment losses.

(v) Operating loss

Operating loss represents revenue less cost of sales, administrative expenses and listing expenses. It is stated before finance revenue, finance costs and fair value gains/losses on financial assets.

(vi) Foreign currencies

The presentation currency of the Group financial statements is pound sterling and the functional currency and the presentation currency of the Parent Company is pound sterling. The individual financial statements of each Group Company are maintained in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each Group Company are expressed in pound sterling, the presentation currency.

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was re-determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in the Statement of Comprehensive Income for the year. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in the Statement of Comprehensive Income for the year except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during that year, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised as income or as expenses in the year in which the operation is disposed of.

Notes to the Financial Statements *(continued)*

for the year ended 31 December 2019

3. PRINCIPAL ACCOUNTING POLICIES ***(continued)***

(vii) Intangible assets

Exploration and evaluation assets

involves judgement. Management considers the nature of each cost incurred and whether it is deemed appropriate to capitalise it within intangible assets. Costs which can be demonstrated as project related are included within exploration and evaluation assets. Exploration and evaluation assets relate to prospecting, exploration and related expenditure in Bolivia and Ghana. The Group's exploration activities are subject to a number of significant and potential risks and uncertainties including:

- licence obligations;
- exchange rate risks;
- uncertainties over development and operational costs;
- political and legal risks, including arrangements with Governments for licences, profit sharing and taxation;
- foreign investment risks including increases in taxes, royalties and renegotiation of contracts;
- title to assets;
- financial risk management;
- going concern;
- ability to raise finance; and
- operational and environmental risks.

The recoverability of these intangible assets is dependent on the discovery and successful development of economic reserves, which is subject to the risks and uncertainties set out above. Should this prove unsuccessful, the value included in the balance sheet would be written off to the Statement of Comprehensive Income.

Exploration expenditure relates to the initial search for deposits with economic potential in Bolivia and Ghana. Evaluation expenditure arises from a detailed assessment of deposits that have been identified as having economic potential.

The cost of exploration rights and costs incurred in exploration and evaluation activities are capitalised as part of exploration and evaluation assets.

Exploration costs are capitalised until technical feasibility and commercial viability of extraction of reserves are demonstrable. Exploration costs include an allocation of administration and salary costs (including share based payments) attributable to exploration activities as determined by management.

Impairment of intangible assets

The assessment of intangible assets for any indications of impairment involves judgment. If an indication of impairment exists, a formal estimate of recoverable amount is performed and an impairment loss recognised to the extent that the carrying amount exceeds recoverable amount. Recoverable amount is determined as the higher of fair value less costs of disposal and value in use.

Prior to reclassification to property, plant and equipment, exploration and evaluation assets are assessed for impairment, and any impairment loss is recognised immediately in the statement of comprehensive income.

Notes to the Financial Statements *(continued)*
for the year ended 31 December 2019

3. PRINCIPAL ACCOUNTING POLICIES ***(continued)***

(vii) Intangible assets ***(continued)***

Impairment of intangible assets ***(continued)***
The Company reviews and tests for impairment on an ongoing basis and specifically if the following occurs:

a) the period for which the Group has a right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
b) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
c) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Group has decided to discontinue such activities in the specific area; and
d) sufficient data exists to indicate that although a development in the specific area is likely to proceed the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

(viii) Financial Instruments
Financial instruments are recognised in the Group and Company's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Financial assets
Where the fair value of a financial asset can be reliably measured the financial asset is initially recognised at fair value through the profit and loss account. At each balance sheet date gains or losses arising from a change in fair value are recognized in the Statement of Comprehensive Income, as other gains and losses.

Financial assets for which the fair value cannot be reliably measured are carried at cost.

Cash and cash equivalents
Cash and cash equivalents comprises cash held by the Group and short-term bank deposits with an original maturity of three months or less.

Other receivables
Trade receivables and other receivables are carried at amortised cost adjusted for any loss allowance.

A loss allowance for expected credit losses is determined for all financial assets, other than those at FVTPL, at the end of each reporting period. The expected credit loss recognized represents a probability-weighted estimate of credit losses over the expected life of the financial instrument.

For all other financial assets at amortised cost, the Group recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition, which is determined by:

- A review of overdue amounts,
- Comparing the risk of default at the reporting date and at the date of initial recognition, and
- An assessment of relevant historical and forward-looking quantitative and qualitative information.

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

Notes to the Financial Statements *(continued)*

for the year ended 31 December 2019

3. PRINCIPAL ACCOUNTING POLICIES ***(continued)***

(viii) Financial Instruments ***(continued)***

Other receivables ***(continued)***

Recoverability of amounts due from subsidiaries
The carrying value of amounts due by Group undertakings is dependent on the successful discovery and development of economic deposit resources and the ability of the Group to raise sufficient finance to develop the projects.

Financial liabilities
Financial liabilities are classified according to the substance of the contractual arrangements entered into, mainly trade payables.

Trade payables
Trade payables classified as financial liabilities, are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method.

Equity instruments
Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(ix) Taxation
The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax payable is based on the taxable profit for the year. Taxable profit differs from the loss as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax assets and unused tax losses to the extent that it is probable that taxable profits will be available against which deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences arising on investments in subsidiaries and associates, only to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of the deferred tax asset is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Notes to the Financial Statements *(continued)*

for the year ended 31 December 2019

3. PRINCIPAL ACCOUNTING POLICIES *(continued)*

(ix) Taxation *(continued)*

Unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. 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.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets

The assessment of availability of future taxable profits involves judgement. A deferred tax asset is recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

(x) Share-based payments

The Group issues equity-settled share based payments only to certain employees and directors. Equity settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period based on the Group's estimate of shares that will eventually vest and adjusted for the effect of market based vesting conditions.

Where the value of the goods or services received in exchange for the share-based payment cannot be reliably estimated the fair value is measured by use of a Black-Scholes model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

(xi) Critical accounting judgements and key sources of estimation uncertainty

Critical judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies above, management has made the following judgements that have the most significant effect on the amounts recognised in the financial statements (apart from those involving estimations, which are dealt with below).

Exploration and evaluation assets

The assessment of whether general administration costs and salary costs are capitalised or expensed involves judgement. Management considers the nature of each cost incurred and whether it is deemed appropriate to capitalise it within intangible assets. Costs which can be demonstrated as project related are included within exploration and evaluation assets.

Impairment of intangible assets

The assessment of intangible assets for any indications of impairment (note 3 (vii)) involves judgement. If an indication of impairment exists, a formal estimate of recoverable amount is performed and an impairment loss recognised to the extent that carrying amount exceeds recoverable amount. Recoverable amount is determined as the higher of fair value less costs to sell and value in use.

Notes to the Financial Statements *(continued)*
for the year ended 31 December 2019

3. PRINCIPAL ACCOUNTING POLICIES *(continued)*

(xi) Critical accounting judgements and key sources of estimation uncertainty *(continued)*

***Critical judgements in applying the Group's accounting policies** (continued)*

Going concern
The preparation of financial statements requires an assessment on the validity of the going concern assumption. The validity of the going concern concept is dependent on finance being available for the continuing working capital requirements of the group and finance for the development of the group's projects becoming available. Based on the assumptions that such finance will become available, the directors believe that the going concern basis is appropriate for these accounts. Should the going concern basis not be appropriate, adjustments would have to be made to reduce the value of the group's assets, in particular the intangible assets, to their realisable values. Further information concerning going concern is outlined in Note 4.

Key sources of estimation uncertainty
The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. The nature of estimation means that actual outcomes could differ from those estimates. The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of Intangible Assets
The assessment of intangible assets for any indication of impairment involves uncertainty. There is uncertainty as to whether the exploration activity will yield any economically viable discovery. Aspects of uncertainty surrounding the Group's intangible assets include the recoverability of the asset, which is dependent upon the discovery and successful development of economic reserves, ability to be awarded exploration licences and the ability to raise sufficient finance to develop the Group's projects. If the directors determine that an intangible asset is impaired, an allowance is recognised in the statement of comprehensive income. Further information concerning the impairment of Intangible Assets is outlined in note 11.

Share based payments
The estimation of share-based payment costs requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The group has made estimates as to the volatility of its own shares, the probable life of options granted and the time of exercise of those options. The model used by the group is the Black-Scholes valuation model.

4. GOING CONCERN
The Group and Company incurred a loss for the year of £308,535 (2018: £350,553) and the Group and Company had net current liabilities of £932,126 (2018: £611,232) and £473,091 (2018: £182,197), respectively at the balance sheet date. These conditions represent a material uncertainty that may cast significant doubt on the Group and Company's ability to continue as a going concern.

Included in current liabilities is an amount of £1,180,567 (2018: £1,070,567) for the Group and £671,527 (2018: £591,527) for the Company owed to directors in respect of directors' remuneration due at the balance sheet date. The directors have confirmed that they will not seek settlement of these amounts in cash for a period of at least one year after the date of approval of the financial statements or until the Group and Company has generated sufficient funds from its operations after paying its third party creditors.

Notes to the Financial Statements *(continued)*
for the year ended 31 December 2019

4. GOING CONCERN ***(continued)***

The Group and Company had a cash balance of £301,292 at the balance sheet date. The directors have prepared cashflow projections for a period of at least twelve months from the date of approval of these financial statements. The cashflow projections include any anticipated impacts of the Covid-19 pandemic on the Group and Company. As the Group and the Company are not revenue or cash generating it relies on raising capital from the public market. The Group completed a capital raising during the prior year and the cash flow projections prepared by the Group and Company indicate that the funds available are sufficient to meet the obligations of the Group and Company for a period of at least twelve months from the date of approval of these financial statements.

As in previous years the Directors have given careful consideration to the appropriateness of the going concern basis in the preparation of the financial statements and believe the going concern basis is appropriate for these financial statements. The financial statements do not include the adjustments that would result if the Group and Company were unable to continue as a going concern.

5. LOSS BEFORE TAXATION

The loss before taxation is stated after charging:

	2019	2018
	£	£
Auditor's remuneration	**28,850**	28,850

The analysis of auditor's remuneration is as follows:

Fees payable to the group's auditors for the audit of the Group's annual accounts	**23,100**	23,100
Tax compliance services	**5,750**	5,750
	28,850	28,850

Administration expenses comprise:

Professional fees	**167,215**	145,152
Foreign exchange losses	**4,697**	2,705
Directors' remuneration (Note 7)	**100,565**	60,000
Other administrative expenses	**36,058**	31,014
Impairment of exploration and evaluation assets	**-**	111,682
	308,535	350,553

Notes to the Financial Statements *(continued)*
for the year ended 31 December 2019

5. LOSS BEFORE TAXATION *(continued)*

Directors remuneration for the year comprise of:

	Year ended 31 December 2019			
	Short-term benefits	Post-employment benefits	Share based payments	Total
	£	£	£	£
Directors				
John Teeling	**30,000**	**-**	**5,142**	**35,142**
James Finn	**30,000**	**-**	**5,141**	**35,141**
David Horgan	**30,000**	**-**	**5,141**	**35,141**
Peter O'Toole	**20,000**	**-**	**5,141**	**25,141**
	110,000	**-**	**20,565**	**130,565**

	Year ended 31 December 2018			
	Short-term benefits	Post-employment benefits	Share based payments	Total
	£	£	£	£
Executive directors				
John Teeling	30,000	-	-	30,000
James Finn	30,000	-	-	30,000
David Horgan	30,000	-	-	30,000
	90,000	-	-	90,000

6. SEGMENTAL ANALYSIS

Operating segments are identified on the basis of internal reports about the Group that are regularly reviewed by the chief operating decision maker. The Board is deemed the chief operating decision maker. Equatorial Guinea licences were fully impaired during 2018 and as a result, the Group is organised into two remaining segments, in the current period: Bolivia and Ghana.

6A. Segment revenue and segment result

	Segment Revenue		Segment Result	
	2019	2018	**2019**	2018
	£	£	**£**	£
Group and Company				
Equatorial Guinea	**-**	-	**-**	(111,682)
Ghana	**-**	-	**-**	-
Bolivia	**-**	-	**(12,033)**	-
Total continuing operations	**-**	-	**-**	(111,682)
Unallocated head office	**-**	-	**(296,502)**	(238,871)
	-	-	**(308,535)**	(350,553)

Notes to the Financial Statements *(continued)*

for the year ended 31 December 2019

6. SEGMENTAL ANALYSIS *(continued)*

6B. Segment assets and liabilities

	Assets		Liabilities	
	2019	2018	**2019**	2018
	£	£	**£**	£
Group				
Ghana	**834,564**	801,640	**-**	-
Bolivia	**16,225**	16,225	**-**	-
Total continuing operations	**850,789**	817,865	**-**	-
Unallocated head office	**304,636**	515,473	**1,236,762**	1,126,705
	1,155,425	1,333,338	**1,236,762**	1,126,705

	Assets		Liabilities	
	2019	2018	**2019**	2018
	£	£	**£**	£
Company				
Ghana	**619,559**	616,640	**-**	-
Bolivia	**16,225**	16,225	**-**	-
Total continuing operations	**635,784**	632,865	**-**	-
Unallocated head office	**356,738**	567,572	**777,725**	697,665
	992,522	1,200,437	**777,725**	697,665

6C. Other segmental information

	Group		Company	
	2019	2018	**2019**	2018
	£	£	**£**	£
Additions to non current assets				
Ghana	**32,924**	98,617	**2,924**	68,617
Bolivia	**-**	16,225	**-**	16,225
Equatorial Guinea	**-**	111,682	**-**	111,682
Total continuing operations	**32,924**	226,524	**2,924**	196,524
	32,924	226,524	**2,924**	196,524

Notes to the Financial Statements *(continued)*
for the year ended 31 December 2019

7. RELATED PARTY AND OTHER TRANSACTIONS

Group and Company

Key Management Compensation and Directors' Remuneration
The remuneration of the directors, who are considered to be the key management personnel, is set out below.

	2019 Fees: Services as director £	2019 Fees: Other services £	2019 Share Based Payments £	2019 Total £	2018 Fees: Services as director £	2018 Fees: Other services £	2018 Share Based Payments £	2018 Total £
John Teeling	**5,000**	**25,000**	**5,142**	**35,142**	5,000	25,000	-	30,000
James Finn	**5,000**	**25,000**	**5,141**	**35,141**	5,000	25,000	-	30,000
David Horgan	**5,000**	**25,000**	**5,141**	**35,141**	5,000	25,000	-	30,000
Peter O'Toole	**5,000**	**15,000**	**5,141**	**25,141**	-	-	-	-
	20,000	**90,000**	**20,565**	**130,565**	15,000	75,000	-	90,000

All remuneration related to short term employee benefits.

The number of directors to whom retirement benefits are accruing is Nil.

Included in the above is £30,000 (2018: £30,000) of directors' remuneration and £Nil (2018:£Nil) of share based payments which were capitalised within intangible assets.

Other
The Group and Company shares offices and overheads with a number of other companies also based at 162 Clontarf Road. These companies have some common directors.

Transactions with these companies during the year are set out below:

	Botswana Diamonds Plc £	Petrel Resources Plc £	Arkle Resources Plc £	Great Northern Distillery £	Total £
Group and Company					
At 1 January 2018	-	-	-	-	-
Overhead and office costs recharged	(13,262)	(8,665)	(8,020)	(7,268)	(37,215)
Exploration and evaluation expenditure recharged to Petrel	-	16,728	-	-	16,728
Repayments	13,262	(8,063)	8,020	7,268	20,487
At 31 December 2018	**-**	**-**	**-**	**-**	**-**
Overhead and office costs recharged	**(13,243)**	**(8,303)**	**(8,571)**	**(9,139)**	**(39,256)**
Repayments	**13,243**	**8,303**	**8,571**	**9,139**	**39,256**
At 31 December 2019	**-**	**-**	**-**	**-**	**-**

Amounts due to and from the above companies are unsecured and repayable on demand.

Notes to the Financial Statements *(continued)*

for the year ended 31 December 2019

7. RELATED PARTY AND OTHER TRANSACTIONS *(continued)*

Company

At 31 December the following amount was due to/(by) the company by its subsidiaries:

	2019 £	2018 £
Amounts due from Bolivian Hydrocarbon Limited	-	-
Amounts due to Hydrocarbon Prospecting Limited	(50,000)	(50,000)
	(50,000)	(50,000)

The balances above are net of an allowance of £574,519 (2018: £574,519) against an amount due from Bolivian Hydrocarbon Limited.

8. EMPLOYEE INFORMATION

There were no employees of the Group or company other than the directors during the current or prior year.

Further information on directors' remuneration during the current and prior year is outlined in note 7.

9. INCOME TAX EXPENSE

	2019 £	2019 £
Current tax:		
Tax on loss	-	-
Factors affecting the tax expense:		
Loss on ordinary activities before tax	(308,535)	(350,553)
Income tax calculated at 19% (2018: 19%)	(58,622)	(66,605)
Effects of:		
Tax losses carried forward	58,622	66,605
Tax charge	-	-

No charge to corporation tax arises in the year due to losses incurred.

At the balance sheet date, the Group had unused tax losses of £7,983,629 (2018: £7,675,094) which equates to an unrecognised deferred tax asset of £1,516,890 (2018: £1,458,268).

No deferred tax asset has been recognised due to the unpredictability of the future profit streams.

Notes to the Financial Statements *(continued)*
for the year ended 31 December 2019

10. LOSS PER SHARE

shareholders by the weighted average number of ordinary shares in issue and ranking for dividend during the year. Diluted earnings per share is computed by dividing the loss after taxation for the year by the weighted average number of ordinary shares in issue, adjusted for the effect of all dilutive potential ordinary shares that were outstanding during the year.

The following table sets out the computation for basic and diluted earnings per share (EPS):

	2019	2018
	£	£
Numerator		
For basic and diluted EPS retained loss	**(308,535)**	(350,553)
Denominator	**No.**	No.
For basic and diluted EPS	**716,979,964**	619,608,620
Basic EPS	**(0.04p)**	(0.06p)
Diluted EPS	**(0.04p)**	(0.06p)

The following potential ordinary shares are anti-dilutive and are therefore excluded from the weighted average number of shares for the purpose of the diluted earnings per share:

	No.	No.
	2019	2018
Share options	40,500,000	8,900,000

11. INTANGIBLE ASSETS

Exploration and evaluation assets:

	2019	2018	**2019**	2018
	Group	Group	**Company**	Company
	£	£	**£**	£
Cost:				
At 1 January	**8,528,077**	8,301,553	**8,005,577**	7,809,053
Additions	**32,924**	226,524	**2,924**	196,524
At 31 December	**8,561,001**	8,528,077	**8,008,501**	8,005,577
Impairment:				
At 1 January	**7,710,212**	7,598,530	**7,372,712**	7,261,030
Allowance for impairment	**-**	111,682	**-**	111,682
At 31 December	**7,710,212**	7,710,212	**7,372,712**	7,372,712
Carrying Value:				
At 1 January	**817,865**	703,023	**632,865**	548,023
At 31 December	**850,789**	817,865	**635,789**	632,865

Notes to the Financial Statements *(continued)*

for the year ended 31 December 2019

11. INTANGIBLE ASSETS ***(continued)***

	2019 Group £	2018 Group £	**2019 Company £**	2018 Company £
Segmental analysis:				
Bolivia	**16,225**	16,225	**16,225**	16,225
Ghana	**834,564**	801,640	**619,564**	616,640
	850,789	817,865	**635,789**	632,865

Exploration and evaluation assets relate to expenditure incurred in prospecting and exploration for lithium, oil and gas in Bolivia and Ghana. The directors are aware that by its nature there is an inherent uncertainty in exploration and evaluation assets and therefore inherent uncertainty in relation to the carrying value of capitalised exploration and evaluation assets.

An impairment charge of £111,682 was recorded by the Group in the prior year in respect of Equatorial Guinea licences which were fully impaired during 2018.

During 2018 the Group resolved the outstanding issues with the Ghana National Petroleum Company (GNPC) regarding a contract for the development of the Tano 2A Block. The Group has signed a Petroleum Agreement in relation to the block and this agreement awaits ratification by the Ghanian government.

The directors believe that there were no facts or circumstances indicating that the carrying value of intangible assets may exceed their recoverable amount and thus no impairment review was deemed necessary by the directors. The realisation of these intangibles assets is dependent on the successful discovery and development of economic deposit resources and the ability of the Group to raise sufficient finance to develop the projects. It is subject to a number of potential significant risks, as set out in note 3 (vii).

Included in the additions for the year are £30,000 (2018: £30,000) of directors remuneration. The remaining balance pertains to the amounts capitalised to the respective licences held by the entity.

12. INVESTMENTS IN SUBSIDIARIES

	2019 £	2018 £
At 1 January	**52,104**	52,104
At 31 December	**52,104**	52,104

In the opinion of the directors, at 31 December 2019, the fair value of the investments in subsidiaries is not less than their carrying amounts.

Notes to the Financial Statements *(continued)*
for the year ended 31 December 2019

12. INVESTMENTS IN SUBSIDIARIES ***(continued)***

The subsidiaries of the company at 31 December 2019 were:

Name of subsidiary	Total allotted Capital	Country of Incorporation	% Ownership	Principle activity
Hydrocarbon Prospecting plc	5,000,000 Shares at 1p each	England & Wales	100%	Dormant
Petrolex SA	1,000 Shares at Bs1,000 each	Bolivia	100%	Exploration & Production
*Endeavour Oil & Gas Ltd	100 Shares at £1 each	England & Wales	100%	Dormant
*Endeavour Oil & Gas Inc	10,000 Shares at 10 cent each	USA	100%	Dormant
Bolivian Hydrocarbons Ltd	2 Shares at £1 each	Jersey	100%	Management Company
Pan Andean Oil & Gas Ltd	200 Shares at 1p each	England & Wales	100%	Dormant
Pan Andean Resources Limited	30,000 Shares of GHC1 each	Ghana	60%	Dormant

*indirectly held

The carrying value of the investments in subsidiaries is dependent on the successful discovery and development of economic deposit reserves and the ability of the Group to raise sufficient finance to develop the projects. It is subject to a number of significant potential risks and uncertainties set out in note 3 (vii).

13. OTHER RECEIVABLES

	2019 Group £	2018 Group £	**2019 Company £**	2018 Company £
Prepayments	**3,344**	3,909	**3,342**	3,906
	3,344	3,909	**3,342**	3,906

Notes to the Financial Statements *(continued)*

for the year ended 31 December 2019

14. CASH AND CASH EQUIVALENTS

	2019 Group £	2018 Group £	**2019 Company £**	2018 Company £
Cash and cash equivalents	**301,292**	511,564	**301,292**	511,562

Cash at bank earns interest at floating rates based on daily bank deposit rates.

15. TRADE & OTHER PAYABLES

	2019 Group £	2018 Group £	**2019 Company £**	2018 Company £
Trade payables	**38,195**	40,138	**38,198**	40,138
Other accruals	**18,000**	16,000	**18,000**	16,000
Due to group undertakings	**-**	-	**50,000**	50,000
	56,195	56,138	**106,198**	106,138

It is the company's normal practice to agree terms of transactions, including payment terms, with suppliers and provided suppliers perform in accordance with the agreed terms, payment is made accordingly. In the absence of agreed terms it is the company's policy that the majority of payments are made between 30 – 40 days. The carrying amount of trade and other payables approximates to their fair value.

16. OTHER PAYABLES

	2019 Group £	2018 Group £	**2019 Company £**	2018 Company £
Amounts due to directors	**1,180,567**	1,070,567	**671,527**	591,527
	1,180,567	1,070,567	**671,527**	591,527

Other payables relate to amounts due to directors' remuneration of £1,180,567 (2018: £1,070,567) accrued but not paid at year end.

Notes to the Financial Statements *(continued)*

for the year ended 31 December 2019

17. CALLED-UP SHARE CAPITAL

Ordinary Shares
Allotted, called-up and fully paid:

	Number	Share Capital £	Share Premium £
At 1 January 2018	581,844,829	1,454,612	10,773,211
Issued during the year	135,135,135	337,838	162,162
Share issue expenses	-	-	(35,000)
At 31 December 2018	716,979,964	1,792,450	10,900,373
Issued during the year	-	-	-
At 31 December 2019	**716,979,964**	**1,792,450**	**10,900,373**

Movements in issued share capital
On 20 September 2018, the Company raised £500,000 through the issue of 135,135,135 new ordinary at a price of 0.37 pence per share to provide additional working capital and fund development costs.

Share Options
A total of 40,500,000 share options were in issue at 31 December 2019 (2018: 8,900,000). These options are exercisable, at prices ranging between 0.70p and 0.725p, up to seven years from the date of granting of the options unless otherwise determined by the board.

18. MATERIAL NON-CASH TRANSACTIONS
Material non-cash transactions during the year have been outlined in notes 7, 11, 17 and 21.

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Group and Company
The Group's financial instruments comprise cash and cash equivalent balances, investments and various items such as other receivables and trade payables which arise directly from operations.

The Group undertakes certain transactions denominated in foreign currencies. Hence exposures to exchange rate fluctuations arise.

The Group holds cash as a liquid resource to fund obligations to the Group. The Groups cash balances are held in Pound Sterling, Euro and US Dollars. The Group's strategy for managing cash is to maximise interest income whilst ensuring its availability to match the profile of the Group's expenditure. This is achieved by regular monitoring of interest rates and monthly review of expenditure.

The Group has a policy of not hedging due to no significant dealings in currencies other than the reporting currency Euro and US Dollar denominated transactions and therefore takes market rates in respect of foreign exchange risk; however, it does review its currency exposure on an ad hoc basis.

The Group does not enter into any derivative transactions, and it is the Group's policy that no trading in derivatives shall be undertaken.

Notes to the Financial Statements *(continued)*

for the year ended 31 December 2019

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT ***(continued)***

The main financial risks arising from the Group's financial instruments are as follows:

Interest rate risk

The Group has no outstanding bank borrowings at the year end. New projects and acquisitions are financed by a combination of existing cash surpluses and through funds raised from equity share issues. The Group may use project finance in the future to finance exploration and development costs on existing licences.

Liquidity risk

As regards liquidity, the Group's policy is to ensure continuity of funding primarily through fresh issues of shares. Short-term funding is achieved through utilitising and optimising the management of working capital. The directors are confident that adequate cash resources exist to finance operations in the short term, including exploration and development.

Foreign currency risk

In the normal course of business, the Group enters into transactions denominated in foreign currencies (US Dollar and Euro). As a result, the Group is subject to exposure from fluctuations in foreign currency exchange rates; however, it does review its currency exposures on an ad hoc basis.

The carrying amounts of the Group and Company foreign currency denominated monetary assets and monetary liabilities at the reporting dates are as follows:

	Assets		Liabilities	
	2019	2018	**2019**	2018
	£	£	**£**	£
Group				
Euro	**14,639**	1,273	**1,237**	2,946
US Dollar	**2,940**	7,215	**-**	-

	Assets		Liabilities	
	2019	2018	**2019**	2018
	£	£	**£**	£
Company				
Euro	**14,639**	1,273	**1,237**	2,946
US Dollar	**2,940**	7,215	**-**	-

Capital Management

The primary objective of the Group's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholder value. The capital structure of the Group consists of issued share capital, share premium and reserves.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. No changes were made in the objectives, policies or processes during the years ended 31 December 2019 and 31 December 2018. The Group's only capital requirement is its authorised minimum capital as a plc.

Notes to the Financial Statements *(continued)*
for the year ended 31 December 2019

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(continued)*

Credit risk
Credit risk arises from cash and cash equivalents.

The maximum credit exposure of the Group as at 31 December 2019 amounted to £304,636 (2018: 515,473) relating to the Group's cash and cash equivalents and receivables. The directors believe there is a limited exposure to credit risk as the Group's cash and cash equivalents are held with major financial institutions.

The Group manages its credit risk in cash and cash equivalents by holding surplus funds in high credit worthy financial institutions and maintains minimum balances with financial institutions in remote locations.

	2019	2018
	£	£
Cash held in institutions with S&P A- rating or higher	301,292	511,562

20. CAPITAL COMMITMENTS
There is no capital expenditure authorised or contracted for which is not provided for in these accounts.

21. SHARE-BASED PAYMENTS
The Group issues equity-settled share-based payments to certain directors and individuals who have performed services for the Group. Equity-settled share-based payments are measured at fair value at the date of grant.

Fair value is measured by the use of a Black-Scholes model.

The Group plan provides for a grant price equal to the average quoted market price of the ordinary shares on the date of grant.

	30/06/2019 Options	**2019 Weighted average exercise price in pence**	30/06/2018 Options	2018 Weighted average exercise price in pence
Outstanding at beginning of year	**8,900,000**	**4.25**	8,900,000	4.25
Issued	**40,000,000**	**0.70**	-	-
Expired	**(8,400,000)**	**4.25**	-	-
Outstanding at end of the year	**40,500,000**	**0.70**	8,900,000	4.25
Exercisable at end of the year	**13,833,333**	**0.70**	8,900,000	4.25

During the current year 40,000,000 options were granted with a fair value of £246,788. These fair values were calculated using the Black-Scholes valuation model. These options will vest over a 3 year period and will be capitalized or expensed on a straight line basis over the vesting period.

The options outstanding at 31 December 2019 had an average exercise price of 0.70p and a weighted average remaining contractual life of 6.75 years.

Notes to the Financial Statements *(continued)*
for the year ended 31 December 2019

21. SHARE-BASED PAYMENTS ***(continued)***

The inputs into the Black-Scholes valuation model were as follows:

Grant 2 October 2019

Weighted average share price at date of grant (in pence)	0.7p
Weighted average exercise price (in pence)	0.7p
Expected volatility	116.23%
Expected life	7 years
Risk free rate	1.3%
Expected dividends	none

Expected volatility was determined by management based on their cumulative experience of the movement in share prices over a period of 3 years

The terms of the options granted do not contain any market conditions within the meaning of IFRS 2.

The Group capitalised expenses of £Nil (2018: £Nil) and expensed costs of £20,565 (2018: £ Nil) relating to equity-settled share-based payment transactions during the year.

22. PARENT COMPANY INCOME STATEMENT

As permitted by Section 408 of the Companies Act, 2006 the Parent Company's income statement has not been presented in this document. The loss after taxation, as determined in accordance with IFRS, for the Parent Company for the year is £308,535 (2018: £350,553).

23. POST BALANCE SHEET EVENTS

In the period since 31 December 2019, the emergence and spread of Covid-19 has not had a significant impact on the Group's operations. Although some high level discussions originally scheduled to take place in March in Ghana, Europe and Bolivia in relation to the Group's projects were postponed due to the Covid-19 pandemic, they are expected to be rescheduled over the coming months. The Group continues to progress its interests in Ghana and Bolivia and do not believe that its prospects will be negatively impacted by Covid-19

Notice of Annual General Meeting

for the year ended 31 December 2019

STATEMENT ACCOMPANYING NOTICE OF AGM

To holders of ordinary shares of 0.25p each in the Company

Dear Shareholder,

This letter accompanies the Notice of the Annual General Meeting of the Company (the "AGM") to be held at The Granite Exchange, 5-6 Kildare Street, Newry, Northern Ireland, BT34 1DO, on Thursday, 23 July 2020 at 11.00am.

We are closely monitoring the Coronavirus (COVID-19) situation. The Board takes its responsibility to safeguard the health of its shareholders, stakeholders and employees very seriously and so the following measures will be put in place for the AGM in response to the COVID-19 pandemic.

The holding of the AGM will be kept under review in line with current Covid-19 guidelines. However, it will be attended only by the minimum number of Directors of the Company permissible and other officers and professional advisers will not be in attendance, unless required for the AGM.

In order to reduce the risk of infection, the meeting will end immediately following the formal business of the AGM and there will be no refreshments.

Shareholders are actively encouraged to consider whether their attendance at the AGM is necessary given the current guidelines. In order to safeguard the well-being of our shareholders and employees, we are encouraging shareholders to appoint the Chairman as their proxy (either electronically or by post) with their voting instructions rather than attend the AGM in person.

If you have questions which you would like to discuss in advance of the AGM, please contact the Board by emailing info@clontarfenergy.com or send them in writing with your Form of Proxy to the Registrar, by no later than four days in advance of the AGM and a member of the Board will respond to you in writing as soon as possible.

Shareholders still wishing to attend the meeting in person should not do so if they or someone living in the same household feels unwell or has been in contact with anyone who has the virus or who feels unwell. The Board will put in place security arrangements and to gain entrance to the meeting, shareholders will be required to sign a certificate to confirm that this is the case.

These requirements and confirmations are subject to change to reflect the latest Covid-19 guidelines at the time of the AGM. The Company will continue to monitor the impact of COVID-19. Any relevant updates regarding the AGM will be available on the Company's website.

By order of the Board.

James Finn
Secretary

22 May 2020

Notice of Annual General Meeting *(continued)*
for the year ended 31 December 2019

Notice is hereby given that an Annual General Meeting of Clontarf Energy plc ("the Company") will be held at The Granite Exchange, 5-6 Kildare Street, Newry, Northern Ireland, BT34 1DO, on Thursday, 23 July 2020 at 11.00am, for the following purposes:

ORDINARY BUSINESS
1. To receive and consider the Directors' Report, Audited Accounts and Auditor's Report for the year ended 31 December 2019.

2. To re-elect Director: David Horgan retires in accordance with Article 25 and seeks re-election.

3. To re-elect Deloitte as auditors and to authorise the Directors to fix their remuneration.

4. To transact any other ordinary business of an annual general meeting.

For Consideration
To consider in accordance with section 656 Companies Act 2006 whether any, and if so what, steps should be taken to deal with the situation that the net assets of the Company are less than half its called up share capital.

By order of the Board.

James Finn
Secretary

22 May 2020

Registered Office: Suite 1 3rd Floor, 11-12 St. James Square, London, SW1Y 4LB
Registered in England and Wales with company number: 04967918

Notes:
1. A member who is unable to attend and vote at the above Annual General Meeting is entitled to appoint a proxy to attend, speak and vote in his stead. A proxy need not be a member of the Company. The appointment of a proxy will not preclude a member from the Meeting and voting in person.
2. To be effective, the completed Form of Proxy duly signed, together with the power of attorney (if any) or other authority under which it is executed, or a notarially certified copy thereof, must be deposited at the Company's Registrars, Computershare Investor Services (Ireland) Ltd., 3100 Lake Drive, Citywest Business Campus, Dublin 24, D24 AK82, not less than forty-eight hours before the time appointed for the Meeting or any adjournment thereof at which the person named in the form of Proxy is to vote. A shareholder wishing to appoint a proxy by electronic means may do so on www.eproxyappointment.com. A shareholder who wishes to appoint more than one proxy by electronic means must contact the Registrar by sending an email to clientservices@computershare.ie.
3. A shareholder may appoint more than one proxy to attend, speak, ask questions and vote at the meeting provided each proxy is appointed to exercise rights attached to different shares held by that shareholder. To appoint more than one proxy, an additional proxy form(s) may be obtained by contacting the Registrar's helpline on +353 1 216 3100 or you may photocopy the proxy form. Please indicate in the box next to the proxy holder's name on the Form of Proxy the number of shares in relation to which they are authorised to act as your proxy. Please also indicate by ticking the box provided in the Form of Proxy if the proxy instruction is one of multiple instructions being given. If the proxy is being appointed in relation to less than your full voting entitlement, please enter in the box next to the proxy holder's name on the Form of Proxy the number of shares in relation to which they are authorised to act as your proxy. If left blank your proxy will be deemed to be authorised in respect of your full voting entitlement (or if the Form of Proxy has been issued in respect of a designated account for a shareholder, the full voting entitlement for that designated account). All Forms of Proxy must be signed and should be returned together in the same envelope. Where a poll is taken at the Meeting, a shareholder, present in person or proxy, holding more than one share is not required to cast all their votes in the same way.
4. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
5. The 'Vote Withheld' option is provided to enable you to abstain on any particular resolution. However, it should be noted that a' Vote Withheld' is not a vote in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution.
6. Pursuant to the Regulation 41 of the Uncertificated Securities Regulation 2001, entitlement to attend and vote at the meeting and the number of votes which may be cast thereat will be determined by reference to the Register of Members of the Company at close of business on the day which is two days before the date of the meeting (or in the case of an adjournment as at close of business on the day which is 2 days before the date of the adjourned meeting). Changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting.
7. To appoint one or more proxies or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by the issuer's agent (ID number 3RA50) not later than 11.00a.m. on 21 July 2020 (or in the case of an adjournment as at 48 hours before the adjourned meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Directors and Other Information

DIRECTORS	John Teeling (Chairman) David Horgan (Managing Director) James Finn (Finance Director) Peter O'Toole (Non-executive Director) appointed on 29 April 2019
SECRETARY	James Finn
REGISTERED OFFICE	Suite 1, 3rd Floor 11-12 St. James's Square London, SW1Y 4LB United Kingdom
DUBLIN OFFICE	162 Clontarf Road Dublin 3 Ireland Telephone: +353 1 833 2833 Facsimile: +353 1 833 3505
STATUTORY AUDITOR	Deloitte Ireland LLP Deloitte & Touche House Earlsfort Terrace Dublin 2 Ireland
COMPANY REGISTRATION NUMBER	04967918
SOLICITORS	McEvoy Corporate Law 22 Fitzwilliam Place Dublin 2 Ireland
BANKERS	Barclays Bank plc Two Park Place Hatch Street Upper Dublin 2 Ireland
NOMINATED ADVISOR AND BROKER	Strand Hanson Limited 26 Mount Row Mayfair London, W1K 3SQ United Kingdom
JOINT BROKER	Novum Securities Limited 8-10 Grosvenor Gardens London, SW1W 0DH United Kingdom
REGISTRARS	Computer Share Services (Ireland) Limited 3100 Lake Drive Citywest Business Campus Dublin 24 D24 AK82 Ireland

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www.clontarfenergy.com