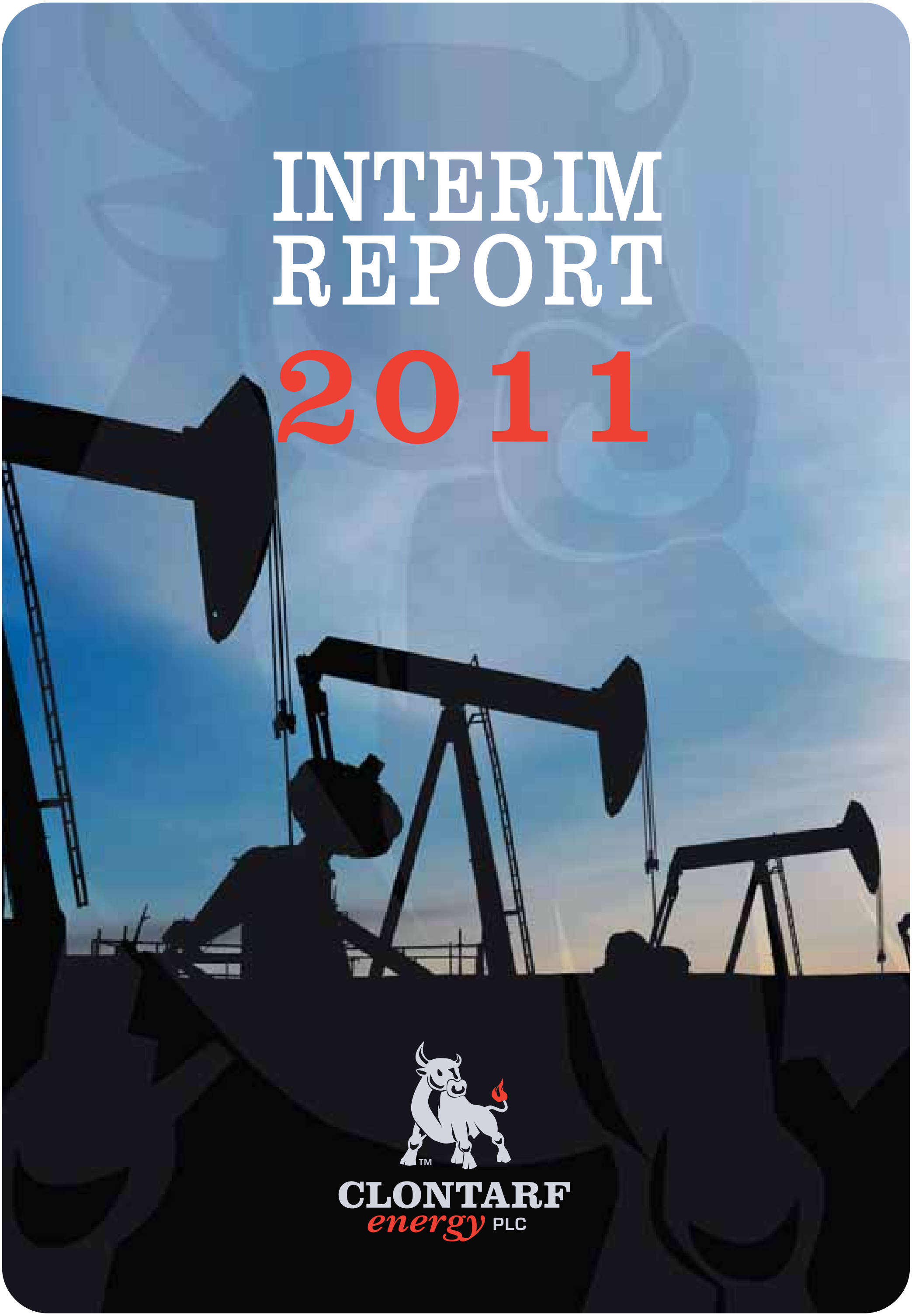

INTERIM REPORT 2011

CLONTARF energy PLC

Clontarf Energy plc

Interim Statement for the period ended 30 June 2011

Clontarf Energy successfully listed on AIM in April 2011. It was formed by a merger of Hydrocarbon Exploration an unlisted company with projects in Bolivia, Ghana and the US and Persian Gold with a project in Ghana and dormant mineral projects in Iran.

The new venture raised £2.7 million upon listing. While going through the listing procedure, Clontarf was successful in obtaining concessions over two onshore hydrocarbon exploration blocks in Peru.

We completed the acquisition of these licences with the official signing on Wednesday 28th September 2011 in Lima, Peru. Block 183, located in the Marañon basin, covers almost 400,000 hectares in Central Peru. We have acquired, from previous owners, 1,700 km of high quality seismic data which is being re-interpreted, as are the logs of three wells previously drilled in the 1970s. This region has a number of producing oil fields.

The second block, 188, covers almost 600,000 hectares in the Ucayali basin, an area we know well from our previous exploration venture in Peru. Block 188 is near the world-class Camisea gas and condensate field, and the Directors believe that it is prospective for both oil and gas. While awaiting final signatures we worked with local communities in each area and put together a team to prepare a rigorous environmental impact assessment.

Peru is a priority area for oil multinationals due to its attractive fiscal terms, a stable government and a relatively unexplored hydrocarbon system. We did well to be awarded these two blocks in the October 2010 Licencing Round. The Company expects to have joint venture partners working with us in exploring the blocks.

Progress is also being achieved in Ghana which is fast becoming a major oil province. Since signing an agreement with the Ghanaian National Petroleum Company (GNPC) in 2010 on the 1,532 sq km Tano 2A onshore/offshore block, the attractiveness of Ghana has increased. Clontarf holds 60% of the concession with Petrel Resources holding 30% and Ghanaian interests 10%. The giant Jubilee oil field owned by Kosmos/Tullow Oil, not far from Tano, is now producing. In recent days, Tullow Oil has announced a significant oil discovery on their Tano offshore block which is close to Tano 2A. Ongoing work by Clontarf on data relating to the Tano 2A block has identified a number of areas which need follow up.

In common with many countries Ghana requires cabinet and parliamentary approval of all concessions awarded. This process takes time but we are working our way through the system. Tano 2A is a good block with both onshore and shallow offshore possibilities. New seismic is needed to better define targets, but the ultimate test is a well or two. We are eager to begin exploration.

Our third sphere of activity is in Bolivia, a country with significant mineral and hydrocarbon potential. Clontarf inherited a company which has been active in Bolivia for over 20 years. The acquisition brought interests in two producing fields. The Monteagudo oil/gas field (30% Clontarf, 30% Repsol, 20% Petrobras, 20% Andina which is owned by the state), has been producing for 40 years and is in decline. There is a well defined deep target (4,000 metres) in the Block, in the Devonian Formations. Giant gas discoveries, of trillions of cubic feet, have been made in the Huamapampa and Santa Rosa Formations on adjacent blocks by Total, Petrobras and Repsol. Agreement has been reached and formalised with operating partner Repsol, as well as Petrobras, for both to sell their stakes, subject to normal state approvals. Operatorship will be transferred to our new partner, Latinoamericana de Energia, which will result in significantly lower operating costs and hence, profitability, for the Monteagudo Field. This restructuring will also facilitate early drilling of the deep gas play. Approvals by the Bolivian Government and Legislature are expected by the end of first quarter 2012.

Clontarf also holds a 10% interest in the producing El Dorado gas field near Santa Cruz in Bolivia. There is a legal dispute with our operating partner, YPFB Chaco which is 100% owned by the state. Negotiations are ongoing and, based on legal advice received, we believe that we can resolve the outstanding legal and financial issues. Clontarf, due to its 100% ownership of Bolivian company Petrolex S.A., has been involved in the El Dorado field for over a decade. Early drilling suggested a field in excess of 0.4 trillion cubic feet of gas. Plans to exploit this gas in the early 2000s were frustrated by low gas prices. Recently, the majority owner YPFB Chaco, has drilled additional wells, constructed a modern gas-processing plant and is producing 21 million cubic feet of gas and 500 barrels of condensate daily.

This is a challenging time for exploration ventures and financial markets generally. We successfully raised money and listed Clontarf Energy during a period when equity financing was difficult to obtain. Clontarf is funded for all immediate needs. I am confident that the patience of shareholders will be well rewarded. The signing of the Peruvian blocks is a significant milestone and is the first of what I hope will be a series of positive announcements.

John J Teeling

John Teeling
Chairman

30th September 2011

Financial Information (unaudited)

	Six Months Ended		Year Ended
	30 June 11 unaudited	30 June 10 unaudited	31 Dec 10 audited
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	**£'000**	**£'000**	**£'000**
REVENUE	38	-	-
Cost of sales	(38)	-	-
GROSS PROFIT	-	-	-
Listing and acquisition costs	(446)	-	-
Administrative expenses	(245)	(142)	(287)
Impairment of exploration and evaluation assets	-	-	(1,935)
OPERATING LOSS	(691)	(142)	(2,222)
Finance costs	(2)	(1)	(3)
LOSS BEFORE TAXATION	(693)	(143)	(2,225)
Income Tax	-	-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	**(693)**	**(143)**	**(2,225)**
LOSS PER SHARE - basic and diluted	**(.52c)**	**(.19p)**	**(2.96p)**

CONDENSED CONSOLIDATED BALANCE SHEET	**30 June 11 unaudited**	**30 June 10 unaudited**	**31 Dec 10 audited**
ASSETS:	**£'000**	**£'000**	**£'000**
NON-CURRENT ASSETS			
Intangible assets	5,712	1,925	170
Tangible assets	2,440	-	-
Investments	-	-	178
	8,152	1,925	348
CURRENT ASSETS			
Trade and other receivables	57	7	4
Cash and cash equivalents	1,354	4	55
	1,411	11	59
TOTAL ASSETS	9,563	1,936	407
LIABILITIES:			
CURRENT LIABILITIES			
Trade and other payables	(3,160)	(507)	(1,070)
NON-CURRENT LIABILITIES			
Provisions	(675)	(10)	-
TOTAL LIABILITIES	(3,835)	(517)	(1,070)
NET ASSETS/(LIABILITIES)	**5,728**	**1,419**	**(663)**
EQUITY			
Share capital	500	188	188
Share premium	9,249	2,674	2,674
Reserves	(4,021)	(1,443)	(3,525)
TOTAL EQUITY/(DEFICIT)	**5,728**	**1,419**	**(663)**

Financial Information (unaudited)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital £'000	Share Premium £'000	Share based Payment Reserves £'000	Retained Losses £'000	Total Equity £'000
As at 1 January 2010	187	2,655	215	(1,515)	1,542
Shares issued	1	19	-	-	20
Warrants exercised	-	-	(8)	8	-
Loss for period	-	-	-	(143)	(143)
As at 30 June 2010	**188**	**2,674**	**207**	**(1,650)**	**1,419**
Loss for period	-	-	-	(2,082)	(2,082)
As at 31 December 2010	**188**	**2,674**	**207**	**(3,732)**	**(663)**
Shares issued	113	2,614	-	-	2,727
Issue of shares on acquisition of Hydrocarbon Exploration	169	3,882	-	-	4,051
Warrants exercised	13	192	(74)	74	205
Share Options exercised	17	26	-	-	43
Warrants issued	-	(6)	6	-	-
Share issue costs	-	(133)	-	-	(133)
Share Options granted	-	-	191	-	191
Loss for period	-	-	-	(693)	(693)
As at 30 June 2011	**500**	**9,249**	**330**	**(4,351)**	**5,728**

CONDENSED CONSOLIDATED CASH FLOW

	Six Months Ended 30 June 11 unaudited £'000	Six Months Ended 30 June 10 unaudited £'000	Year Ended 31 Dec 10 audited £'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss for the period	(693)	(143)	(2,225)
Finance costs recognised in loss	2	1	3
Exchange movements	3	1	-
Impairment	-	-	1,935
	(688)	(141)	(287)
Movements in Working Capital	(903)	118	674
CASH USED IN OPERATIONS	(1,591)	(23)	387
Finance costs	(2)	(1)	(3)
NET CASH USED IN OPERATING ACTIVITIES	(1,593)	(24)	384
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for intangible assets	(181)	(15)	(195)
Payments for investment	-	-	(178)
Cash transfers on acquisition	234	-	-
NET CASH USED IN INVESTING ACTIVITIES	53	(15)	(373)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from exercise of warrants	205	20	20
Proceeds from share issue	2,727	-	-
Share issue costs	(133)	-	-
Proceeds from exercise of options	43	-	-
NET CASH FROM FINANCING ACTIVITIES	2,842	20	20
NET INCREASE IN CASH AND CASH EQUIVALENTS	**1,302**	**(19)**	**31**
Cash and cash equivalents at beginning of the period	55	24	24
Effect of exchange rate changes on cash held	(3)	(1)	-
CASH AND CASH EQUIVALENT AT THE END OF THE PERIOD	**1,354**	**4**	**55**

1. INFORMATION

The financial information for the six months ended 30 June 2011 and the comparative amounts for the six months ended June 30th, 2010 are unaudited. The financial information above does not constitute full statutory accounts within the meaning of section 434 of the Companies Act 2006.

The Interim Financial Report has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union. The accounting policies and methods of computation used in the preparation of the Interim Financial Report are consistent with those used in the Group 2010 Annual Report, which is available at www.clontarfenergy.com

The interim financial statements have not been audited or reviewed by the auditors of the Group pursuant to the Auditing Practices board guidance on Review of Interim Financial Information.

2. No dividend is proposed in respect of the period.

3. On 23 March 2011 the company changed its name to Clontarf Energy plc. On 6 April 2011 the company acquired the total issued share capital of Hydrocarbon Exploration plc ("HyEx"), a UK company, on the basis of 2,800 Clontarf Energy plc shares for every one HyEx share. Following the acquisition admission to trading of the existing ordinary shares of Clontarf Energy plc was cancelled and the shares of the new enlarged group were admitted to trading.

Further details of the transaction are set out in Note 5

4. LOSS PER SHARE

Basic loss per share is computed by dividing the loss after taxation for the year available to ordinary 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.

	Six months Ended		Year Ended
	30 June 11	30 June 10	31 Dec 10
	£	£	£
Loss per share – Basic and Diluted	(0.52p)	(0.19p)	(2.96p)

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

Numerator			
For basic and diluted EPS retained loss	(693,411)	(143,188)	(2,225,347)
Denominator			
Weighted average number of ordinary shares	134,378,870	74,690,178	74,947,595

Basic and diluted loss per share are the same as the effect of the outstanding share options is anti-dilutive and is therefore excluded.

5. ACQUISITION OF SUBSIDIARY

On 6 April 2011, the company completed the acquisition of Hydrocarbon Exploration plc, including its subsidiaries Endeavour Oil & Gas Limited, Bolivian Hydrocarbon Limited, Pan Andean Oil and Gas Limited and Hydrocarbon Prospecting plc.

The cost of the acquisition was satisfied by the issue of 2,800 Clontarf Energy plc shares for every one Hydrocarbon Exploration share. A total of 67,513,600 consideration shares were issued by the company to Hydrocarbon shareholders giving a value for the transaction of £4,050,816 (Based on the company share price of 6p)

Analysis of assets and liabilities assumed at the date of acquisition:

	Book Value	Fair Value
Non Current Assets	**£'000**	**£'000**
Tangible Assets - Oil Interests	2,440	2,440
Intangible Assets	721	5,361
	3,161	7,801
Current Assets		
Trade and other receivables	224	224
Cash and cash equivalents	234	234
	458	458
Total Assets Acquired	**3,619**	**8,259**
Current Liabilities		
Trade and other payables	(3,165)	(3,165)
Non Current Liabilities		
Provisions	(675)	(675)
Total Liabilities Assumed	**(3,840)**	**(3,840)**
Net Assets Acquired	**(221)**	**4,419**
Total Consideration		
Fair value of shares issued		4,051
Fair value of options re-issued		190
Fair value of previously held shares		178
		4,419

6. INTANGIBLE ASSETS

Exploration and evaluation assets:	**30 June 11**	**30 June 10**	**31 Dec 10**
	£'000	**£'000**	**£'000**
Cost:			
At 1 January	2,105	1,910	1,910
Additions	181	15	195
Assets acquired (Note 5)	5,361	-	-
Closing Balance	**7,647**	**1,925**	**2,105**
Impairment:			
At 1 January	1,935	-	-
Provision for impairment	-	-	1,935
Closing Balance	**1,935**	**-**	**1,935**
Carrying value:			
At 1 January	**170**	**1,910**	**1,910**
At period end	**5,712**	**1,925**	**170**

Exploration and evaluation assets relates to expenditure incurred in prospecting and exploration for oil and gas in Ghana, Peru and Bolivia.

The directors are aware that by its nature there is an inherent uncertainty in such development expenditure as to the value of the asset.

In relation to the Iranian operations, discovery certificates were applied for in 2008 in respect of both the Chah-e-zard project and the Dalli project, neither of which have been granted. As there is no guarantee that a discovery certificate will be issued in respect of either project in Iran, an impairment provision of £1,934,807 had been recognised in the year ended 31 December 2010. The provision for impairment has been recognised against the total of exploration and evaluation expenditure incurred in relation to the Iranian projects.

The realisation of these intangible assets is dependent on the discovery and successful development of economic mineral reserves which is affected by the risks outlined below. Should this prove unsuccessful the value included in the balance sheet would be written off to the statement of comprehensive income.

The group's activities are subject to a number of significant potential risks including:

- price fluctuations
- foreign exchange risks
- uncertainties over development and operational risks
- operations and environmental risks
- political and legal risks, including arrangements with governments for licenses, profit sharing and taxation.
- foreign investment risks including increases in taxes, royalties and renegotiation of contracts
- liquidity risks
- funding risks

Having reviewed the deferred exploration and evaluation development expenditure at 30 June 2011, the directors are satisfied that the value of the intangible asset is not less than carrying net book value.

7. TANGIBLE ASSETS

Property, plant and equipment	**30 June 11 £'000**	**30 June 10 £'000**	**31 Dec 10 £'000**
Cost:			
At 1 January	-	-	-
Assets acquired (Note 5)	2,440	-	-
Closing Balance	**2,440**	**-**	**-**
Carrying value:			
At 1 January	-	-	-
At period end	**2,440**	**-**	**-**

The Tangible assets relate to oil interests held in the USA. See Note 9 below.

8. INVESTMENTS OTHER

Cost:	**30 June 11 £'000**	**30 June 10 £'000**	**31 Dec 10 £'000**
Cost at 1 January	178	-	-
Additions	-	-	178
Transfer to investment in subsidiary (Note 5)	(178)	-	-
Closing balance	**-**	**-**	**178**

The company purchased 1,425 new ordinary shares in Hydrocarbon Exploration plc, a UK company, in July 2010. On 6 April 2011 the company acquired all of the remaining issued share capital of Hydrocarbon Exploration on the basis of 2,800 Clontarf Energy plc shares for every one Hydrocarbon Exploration plc share. Hydrocarbon Exploration is now a wholly owned subsidiary of Clontarf Energy plc. Further details are set out in Note 5.

9 TRADE AND OTHER PAYABLES

	30 June 11 £'000	30 June 10 £'000	31 Dec 10 £'000
Trade payables	2,855	369	536
Other payables	306	138	534
	3,161	**507**	**1,070**

The carrying value of trade and other payables approximates to their fair value. Included in trade payables is an amount of £2,285,669 due to Hunt Oil Company, the operator of High Island 30L. It is expected that this amount will be settled by ceding the U.S. assets to Hunt Oil Company

10. PROVISION FOR DECOMMISSIONING COSTS

	30 June 11 £'000	30 June 10 £'000	31 Dec 10 £'000
At 1 January	-	-	-
Liability acquired (Note 5)	675	-	-
Unwinding of discount	-	-	-
	675	-	-

The group makes full provision for the future cost of decommissioning mine sites and related production facilities on a discounted basis on the development of mines or installation of those facilities.

The decommissioning provision represents the present value of decommissioning costs relating to oil interests. At present, it is not possible to determine when the decommissioning costs are likely to be incurred. These provisions have been made based on the group's internal estimates. Assumptions based on the current economic environment, have been made with management believing it to be a reasonable basis on which to estimate the future liability. These estimates are reviewed regularly to take account of any material changes to the assumptions. However, the actual decommissioning costs will ultimately depend on market conditions at the relevant time

11. SHARE CAPITAL

	30 June 11 £'000	30 June 10 £'000	31 Dec 10 £'000
Authorised:			
800,000,000 Ordinary shares of 0.25p each	2,000	2,000	2,000

Allotted, Called Up and Fully Paid:	Number '000	Share Capital £'000	Share Premium £'000
At 1 January 2010	74,662	187	2,655
Issue of shares	510	1	19
At 30 June 2010	**75,172**	**188**	**2,674**
Issue of shares	-	-	-
At 31 December 2010	**75,172**	**188**	**2,674**
Issue of shares	45,464	113	2,614
Issue of shares on acquisition of Hydrocarbon (Note 5)	67,513	169	3,882
Warrants exercised	5,114	13	192
Options exercised	6,920	17	26
Share issue costs	-	-	(133)
Share warrants issued	-	-	(6)
At 30 June 2011	**200,183**	**500**	**9,249**

Movements in share capital

- On 6 April 2011 a total of 67,513,600 consideration shares were issued to Hydrocarbon shareholders (excluding the company) as the cost of the acquisition of Hydrocarbon.
- On 6 April 2011 a total of 45,463,671 shares were placed at a price of 6p per share.
- During the year 5,114,363 warrants were exercised at a price of 4p per share.
- During the year 6,920,000 share options were exercised at prices ranging from 0.25p to 2.5p per share.
- On 6 April 2011 a total of 649,616 warrants were granted to the Company's broker to subscribe to 649,616 shares at a price of 6p per share. These warrants are exercisable for 3 years from the date of Admission.

Share options

A total of 10,850,000 share options were in issue at 30 June 2011 (2010: 9,370,000). These options are exercisable at prices ranging between 2.5p and 25p up to seven years from the date of granting of the options unless otherwise determined by the board.

Warrants

A total of 649,616 warrants were in issue at 30 June 2011 (2010: 5,114,363). These warrants are exercisable at a price of 6p up to three years from the date of granting of the warrants.

12. SHARE BASED PAYMENTS

OPTIONS	Options Number '000	Weighted Ave Exercise Price in pence
At 1 January 2010 and 1 January 2011	1,540	16.9
Granted 6 April 2011	8,400	4.46
Outstanding and exercisable at 30 June 2011	**9,940**	**6.39**

At 30 June 2011 there were 910,000 (2010: 7,830,000) options in existence which were not accounted for under IFRS 2 as the grant date was prior to 1 January 2006.

During the period 6,920,000 options were exercised for a total consideration of £43,400

On 6 April 2011 the directors surrendered their Hydrocarbon options in exchange for the issuance of new options in Clontarf. The directors received 2,800 Clontarf options for every Hydrocarbon option held. These were granted at a fair value of £190,595. The fair value was calculated using the Black-Scholes model.

The inputs into the Black-Scholes model are as follows:

Weighted average share price at date of grant (pence)	6
Weighted average exercise price (pence)	4.46
Expected volatility	23.70%
Expected life	7 years
Risk free rate	0.50%
Expected dividends	-

WARRANTS

	Warrants Number '000	Weighted Ave Exercise Price in pence
At 1 January 2010	5,625	4
Exercised during the period	(511)	4
Outstanding and exercisable at 30 June 2010	**5,114**	**4**
Exercised during the period	-	-
Outstanding and exercisable at 31 December 2010	**5,114**	**4**
Exercised during the period	(5,114)	4
Granted during the period	650	6
Outstanding and exercisable at 30 June 2011	**650**	**6**

During the period to 30 June 2011 a total of 5,114,363 warrants were exercised with a fair value of £73,883.14

On 6 April 2011 a total of 649,616 warrants were granted with a fair value of £6,578.01. The fair value was calculated using the Black-Scholes model

The inputs into the Black-Scholes model are as follows:

Weighted average share price at date of grant (pence)	6
Weighted average exercise price (pence)	6
Expected volatility	23.70%
Expected life	3 years
Risk free rate	0.50%
Expected dividends	-

13. The Interim Report for the six months to 30 June 2011 was approved by the Directors on 29 September 2011.

14. Copies of this announcement will be sent to shareholders and will be available for inspection at the Companies Registered Office at 20-22 Bedford Row, London WC1R 4JS. The Interim Report may also be viewed at Clontarf Energy plc's website at www.clontarfenergy.com.

CLONTARF ENERGY PLC
20-22 Bedford Row, London WCIR 4JS
COMPANY REGISTRATION NUMBER 04967918

www.clontarfenergy.com