FOR IMMEDIATE RELEASE **28 SEPTEMBER 2016**

LGO ENERGY PLC
("LGO" OR THE "COMPANY")

UNAUDITED INTERIM RESULTS FOR 6 MONTH PERIOD ENDING 30 JUNE 2016

CHIEF EXECUTIVE'S REVIEW

In the first half of 2016 LGO has remained focussed on its operations in Trinidad and Spain. The Company has also been able to address the financial pressures that resulted from the loan default with BNP Paribas ("BNPP") which followed the sharp fall in oil prices in late 2015. The Company has improved its balance sheet through the reduction of costs, renegotiation of the terms of its bank loan and through making payments to major creditors by way of LGO shares and equity placements. LGO hopes that with renewed financial stability and higher oil prices drilling operations can recommence at the Goudron Field during the second half of the year targeting the underexploited Mayaro Sandstone interval. Preparatory work for the enhanced oil recovery ("EOR") pilot scheme is now also well advanced and it is hoped that that project can be submitted for regulatory approval by year end 2016.

HIGHLIGHTS
FOR THE 6 MONTH PERIOD ENDING 30 JUNE 2016

OPERATIONAL
- Group oil sales in the period were 84,470 barrels net to LGO (1H2015: 208,209 barrels)
- Spanish oil production has been maintained at an average of 132 barrels of oil per day ("bopd") (1H2015: 83 bopd)
- Four well recompletions; GY-671, GY-50, GY-673 and GY-277, have been successfully carried out at Goudron supporting 1H2016 production which averaged 418 bopd (1H2015: 1,191 bopd)
- A new updated resource assessment issued in July 2016 for the Goudron Field has increased reserves in all categories, proven, probable and possible, and has increased oil in place to 975 million barrels ("mmbbls")
- Lower royalty rates have been negotiated to support the Goudron production at oil prices below US$50/bbl, reducing the royalty rate on the majority of barrels produced to below 10%, a reduction of 40% effective from 1st February 2016.
- Plans for the drilling of the first ten Mayaro Sandstone infill wells now await final approval by the Trinidad authorities
- An initial pilot EOR scheme has been prepared and is expected to be submitted for regulatory approval before the end of 2016

CORPORATE
- In the 6 months ending the 30 June, the Company raised a gross amount of £5,576,284 through the issue of 2,595,122,080 shares at an average price of 0.215p. Of this total, 425,912,746 shares were issued to suppliers for settlement of creditor balances.
- After the reporting date, on the 18 August 2016, the Company issued 727,877,588 shares at 0.146p to Well Services Petroleum Company Limited for settlement of creditor balances.
- On the 22 September, the Company raised £795,000 through a placement of 795 million shares at a price of 0.10p for working capital purposes.
- At the end of Q3, the debt outstanding to BNPP was reduced to US$3m.

FINANCIAL

- Revenue for period of £1,921,000 (1H 2015 £6,610,000), an decrease of 71%
- Gross profit for period was a loss of £130,000 (1H 2015 a profit of £2,062,000)
- Pre-tax group loss for period of £1,925,000 (1H 2015 loss of £2,525,000) a 24% improvement.

NOTES

All figures are net to LGO unless otherwise stated.

TRINIDAD & TOBAGO

Strategically the Company remains focussed on Trinidad, which represents the majority of near-term activity and significant long-term growth potential, both within existing assets and in additional assets acquired through third-party arrangements or directly from the Trinidad and Tobago government. The Company holds interests in three producing fields; Goudron, Icacos and Bonasse, and in a number of private petroleum leases where production has yet to be established.

Goudron

LGO acquired the rights to the Goudron Field, by way of an Incremental Production Service Contract ("IPSC"), through its wholly owned subsidiary, Goudron E&P Limited ("GEPL"), in October 2012. The Goudron Field lies in the Eastern Fields Area in south eastern onshore Trinidad. Under the terms of the IPSC the Company acts as a service contractor to the Petroleum Company of Trinidad & Tobago ("Petrotrin") who reimburse LGO on the basis of the oil sales and oil price.

The Goudron Field contains two separate reservoir packages; the shallow Mayaro (formally referred to as Goudron) Sandstones and the deeper Grose Morne and Cruse equivalent C-sands. During drilling in 2014 and 2015 a deeper, pre-Cruse, interval of turbidite sands was penetrated and evaluated and this has added an additional, previously unexplored, deep resource for future exploitation.

The Company's plans for the development of the Goudron Field included four distinct phases:

Phase 1: reactivation of existing wells and the repair and replacement of infrastructure

Phase 2: drilling of the deep reservoir (C-sand) to further raise production and establish the basis for an EOR (water flood) project

Phase 3: infill drilling of the shallow reservoir (Goudron or Mayaro Sandstone) and the simultaneous carrying out of a pilot waterflood project in the C-sands

Phase 4: a full-field EOR project depending on results of the pilot scheme

Phases 1 and 2 have been completed and work on Phase 3 is waiting to commence.

During Phase 1 GEPL established a permanent camp, repaired and expanded the oil tank batteries, and repaired and extended the electrical grid and associated roads and bridges. In addition the Company placed on production about 70 of the pre-existing wells dating back to the 1920's. Production was raised from 30 to over 300 bopd, taking LGO Group production over 500 bopd for the first time.

Phase 2 started with the drilling of GY-664 in May 2014 and continued through to October 2015 when GY-678 was drilled and experienced technical problems. A total of 15 new deviated C-sand wells were drilled from a series of newly constructed drilling pads establishing GEPL as one of the most active operators on the island. The average cost of a deviated C-sand well was US$1.5 million. During the drilling of the 2014 and 2015 program data critical to the anticipated EOR project was collected. Production from the field peaked in early 2015 at just over 2,000 bopd.

An infill program of up to 70 Mayaro Sandstone wells has been designed and plans are in place for the first 10 locations. The Company already holds existing regulatory approval for 45 further wells. The average Mayaro Sandstone well will be drilled to a depth between 1,000 and 1,750 feet at an estimated cost of less than US$500,000 per well. This program will be executed using a small footprint heavy workover rig adapted by means of leased equipment to drill simple vertical wells close to the existing infrastructure without the need for extensive pad construction.

In parallel with the Mayaro Sandstone infill drilling program, and as part of Phase 3 of the development, a water injection pilot project has been designed using existing C-sand wells (two injectors and six producers). Permitting of the Pilot EOR is expected to be complete in 2017 at which time, subject to funding, the project will commence. The results of the Phase 3 EOR Pilot will determine the detailed form of the Phase 4 development.

In July, following the end of the reporting period, LGO issued a new updated resource assessment for the Goudron Field. The previous work by LR Senergy in 2015 was integrated with the ongoing studies by LGO and the data from the seven new wells acquired in 2015. The analysis was independently audited by Deloitte’s Resource Evaluation & Advisory team in Alberta, Canada (“Deloitte”). As announced on 18 July, volumes in all reserves categories, proven, probable and possible, have increased, as well as the estimated oil in place within the field which has risen by over 20 percent. Estimated oil initially in place ("STOIIP") within the field has increased since the 2015 independent review and is now reported to be up to 975 mmbbls. The majority of the 21% increase relates to a thickening of the C-sand and pre-Cruse reservoir unit which is observed in logs of wells drilled during the 2015 campaign, notably well GY-678. The increased STOIIP is especially important in the context of a waterflood enhanced oil recovery ("EOR") project at Goudron which is currently at a planning stage. The present Deloitte report includes a gross 3C estimate of 63.40 mmbbls, which is very close to the 2012 estimate and again confirms the significant potential of the planned EOR phase of the field development.

Proved (1P) gross oil reserves in the Mayaro Sandstone and C-sand reservoirs has increased by 3% to 1.58 mmbbls, which when adjusted for the oil produced in the period (240,000 barrels), represents a 22% increase in proven reserves when compared to the June 2015 resource report. The gross proven and probable reserves (2P) have increased by 4% to 11.79 mmbbls. Proved, probable and possible reserves (3P) have increased by 9% to 25.60 mmbbls.

Table 1: Goudron Reserves and Contingent Resources (mmbbls)

	Reserves			Contingent Resources		
mmbbls	Proved	Proved + probable	Proved + probable + possible	Low Estimate	Best Estimate	High Estimate
Total Oil	1.580	11.791	25.598	3.150	22.20	63.40

Deloitte CPR, April 2016

The Company was severely constrained as to the deployment of capital in the field following GY-678 and the oil price collapse in late 2015, and until April 2016 production levels dropped across all well types, old and new. The Company has more recently been able to invest in a number of low cost recompletions, and an active well maintenance campaign as oil prices rose and stabilized in the range of US$40 to US$50/barrel. Furthermore, the Company had also negotiated a significant reduction in the overriding royalty by Petrotrin at lower oil prices for production above 150 bopd, further improving the margin to support operations in the Goudron Field.

A number of wells were selected for additional perforating. The first five, GY-671, GY-50, GY-673, GY-277 and GY-668, have now been worked over and placed on pumped production. Additional investment will enable further low cost production uplift from legacy and recent wells, and the results of that program will be announced on an ongoing basis through the remainder of 2016.

Drilling of the first of the Mayaro Sandstone infill targets, as part of the originally planned Phase 3 development, is hoped to commence before year end.

South West Peninsula

Through its local subsidiary, Leni Trinidad Limited ("LTL"), LGO holds a 50% interest in the producing Icacos Oil Field in the South West Peninsula ("SWP") where production has been maintained at roughly 35 bopd gross. LTL also holds a 25% shareholding in Beach Oil Field Limited ("BOLT") acquired in October 2015. BOLT operates the Bonasse Field in the South West Peninsula where production remains low pending further work. LTL holds an exclusivity agreement with BOLT on acquiring all BOLT's deep rights in the SWP; that exclusivity has been extended by mutual agreement until 31 March 2017 pending award by the Trinidad and Tobago Ministry of Energy and Energy Industries ("MOEEI") of a renewal of the relevant private petroleum licence ("PPL").

Operations have been restricted to routine well maintenance at the Icacos Field in 2016 in order to maintain production at current levels. An application to the MOEEI for a new PPL has been made for the Icacos Field and is a pre-requisite for further development work to commence. An extension of the PPL covering the Bonasse leases has also been applied for with the MOEEI prior to commencing additional work, including drilling additional wells, to raise production levels.

LGO also holds, through LTL, a number of 100% owned private petroleum leases totalling approximately 1,750 acres, and the Company is in the process of obtaining a PPL from the MOEEI in order to finalise ongoing field survey activities with a view to drilling exploration wells at some point in the future.

A number of significant prospects for oil and gas have been identified in the South West Peninsula acreage using a combination of data acquired from BOLT and integrated with a proprietary soil geochemistry survey as well as the LTL sponsored Full Tensor Gravity survey acquired in 2015. Future drilling of the various shallow and deep prospects now depends on completion of the licensing process currently with the MEEI for consideration.

SPAIN

LGO holds 100% ownership through its wholly owned subsidiary, Compañia Petrolifera de Sedano ("CPS"), in the La Lora Production Concession ("La Lora") which contains the producing Ayoluengo Oilfield in northern Spain. An application for the production of oil from the nearby Hontomin discovery within the Huermeces permit was made some time ago and is pending award. The award of an economically viable production concession at the Hontomin Field is dependent on the Ayoluengo oil field facilities remaining in place.

The current 50-year La Lora concession expires at the end of January 2017 after which, so long as the Ayoluengo Field is still producing and a number of other conditions are met, the concession can be renewed for one, or potentially two, further 10-year periods. In August 2015 a full application for the renewal of La Lora was filed with the relevant authorities in Spain and the management remain confident that the concession will be renewed. That application is currently awaiting final review by the Spanish Council of State, however, due to the lack of a government in Spain throughout 2016 and with no sign of change in the short term, it is possible that the decision may not be finalised before January. In the event that the application is not processed by January 2017 LGO is preparing to provide for transition arrangements for the field operations to continue until such time as the application can be duly considered by the relevant government bodies.

Initial post-renewal work plans include the side-tracking of a number of existing wells into areas of the reservoir believed to contain unswept oil based on extensive studies of the well and 3D seismic data. The combination of new well bores into areas of unswept oil is anticipated to provide significant production uplift.

The Company currently maintains a regular well intervention programme using a combination of hot oil, xylene and acid, which continues to provide improvements in production of these mature, active wells. These interventions, using the Company owned Cardwell work-over rig, have continued throughout 2016 to optimise production whilst limiting operating costs.

Oil sales in 2015 were made exclusively to Saint-Gobain Vicasa SA (“Saint-Gobain”) under a contract renewed in 2012 and again in September 2015. This contract was terminated by Saint-Gobain in late 2015 due to a change in ownership of the main recipient factory. Notwithstanding the contract termination oil has continued to be purchased by the factory and arrangements are in place to continue with this arrangement on a month by month basis.

During 2016 with oil prices at record lows and restricted off-take from Saint-Gobain, CPS has built up additional oil in storage and it has recently started to market a bulk cargo of up to approximately 10,000 barrels of oil. Storage capacity at Ayoluengo is currently limited to approximately 16,000 barrels, but can be expanded should market conditions favour the continuing retention of high levels of stock.

In 2015 CPS also renewed its long-term contractual arrangements to supply the BP España Castellon refinery under certain conditions that may be met once new investments have been made following the renewal of the La Lora concession.

Due to a lack of access in some areas covered by national parks and a reduced interest in exploration, CPS is in the process of relinquishing the exploration permits held in Northern Spain and is seeking the return of performance guarantees associated with these permits from the Spanish authorities. It is anticipated that process will complete in 2017.

OUTLOOK

The Company continues to focus on the long-term value of the significant potential in its portfolio, most notably at Goudron, Ayoluengo and in the South West Peninsula, whilst continuing to maintain short-term capital discipline. Operations at the Goudron Field continue, and despite the reduced new well drilling activity levels, the Company has accelerated routine maintenance operations and completed four low cost recompletions. Plans are in place to commence the drilling of a number of shallow Mayaro Sandstone infill wells when capital permits.

Whilst the debt remains at call and on demand, it is now reduced to US$3 million and LGO is considering opportunities to refinance the BNPP liability with a view to enabling greater amounts of capital to be applied across the range of production enhancement opportunities at the Goudron Field.

Safe and environmentally sound onshore production operations where there are proven reserves will remain central to the Company’s long-term growth proposition.

Neil Ritson
Chief Executive Officer
27 September 2016

Enquiries:

LGO Energy plc	+44 (0) 203 794 9230
Neil Ritson	
Fergus Jenkins	
Beaumont Cornish Limited	+44 (0) 20 7628 3396
Nomad	
Roland Cornish	
Rosalind Hill Abrahams	
FirstEnergy Capital LLP	+44 (0) 20 7448 0200
Joint Broker	
Jonathan Wright	
David van Erp	
Bell Pottinger	+44 (0) 20 3772 2500
Financial PR	
Henry Lerwill	

GLOSSARY & NOTES

AIM	London Stock Exchange Alternative Investment Market
barrel or bbl	45 US gallons
bbls	barrels of oil
best estimate or P50	the most likely estimate of a parameter based on all available data, also often termed the P50 (or the value of a probability distribution of outcomes at the 50% confidence level)
BNPP	BNP Paribas
BOLT	Beach Oilfield Limited
bopd	barrels of oil per day
C-sand	sandstone reservoirs below the pre-Mayaro unconformity and above the pre-Lower Cruse unconformity encompassing sandstones of equivalent age to both the Gros Morne and the Lower Cruse formations
CESL	Columbus Energy Services Limited
CPR	Competent Persons Report
CPS	Compañia Petrolifera de Sedano
EOR	enhanced oil recovery
FTG	Full Tensor Gravity Gradiometry. Full tensor gradiometers measure the rate of change of the gravity vector in all three perpendicular directions
GEPL	Goudron E&P Limited
Goudron Sandstone	reservoir sands above the pre-Mayaro unconformity, also known as the Mayaro Sandstone
IPSC	incremental production service contract
La Lora	La Lora Production Concession in Spain
LTL	Leni Trinidad Limited
Mayaro Sandstone	reservoir sands above the pre-Mayaro unconformity, also known as the Goudron Sandstone
MOEEI	Trinidad and Tobago Ministry of Energy and Energy Industries (formally the Ministry of Energy and Energy Affairs, MOEEA)
m	thousand
mm	million

mmbbls	million barrels of oil
Saint-Gobain	Saint-Gobain Vicasa SA
STOIIP or oil in place	stock tank oil initially in place, those quantities of oil that are estimated to be in known reservoirs prior to production commencing
Petrotrin	The Petroleum Company of Trinidad and Tobago Limited
PPL	private petroleum rights license
sidetrack	an additional or replacement well bore created from an existing well bore at a depth below the surface casing
WTI	West Texas Intermediate; oil price marker crude

The estimates provided in this statement are based on the Petroleum Resources Management System ("PRMS") published by the Society of Petroleum Engineers ("SPE") and are reported consistent with the SPE's 2011 guidelines. All definitions used in the announcement have the meaning given to them in the PRMS.

Qualified Person's statement:

The information contained in this announcement has been reviewed and approved by Neil Ritson, Executive Director for LGO Energy plc. Mr Ritson is a member of the Society of Petroleum Engineers, a Fellow of the Geological Society and an Active Member of the American Association of Petroleum Geologists. Mr Ritson has over 38 years of relevant experience in the oil industry

FINANCIAL STATEMENTS

GROUP STATEMENT OF COMPREHENSIVE INCOME
FOR THE INTERIM PERIOD ENDED 30 JUNE 2016

	Notes	Six months to 30 June 2016 (Unaudited) £ 000's	Six months to 30 June 2015 (Unaudited) £ 000's	Year ended 31 December 2015 (Audited) £ 000's
Revenue		1,921	6,610	9,475
Cost of sales *		(2,051)	(4,548)	(9,808)
Gross profit		**(130)**	**2,062**	**(333)**
Administrative expenses		(1,659)	(2,475)	(4,196)
Amortisation and depreciation		(500)	(785)	(1,732)
Exceptional item **		444	-	(2,515)
Loss from operations		**(1,845)**	**(1,198)**	**(8,776)**
Finance charges ***		(80)	(1,327)	(240)
Impairment charge		-	-	(2,457)
Loss before taxation		**(1,925)**	**(2,525)**	**(11,473)**
Income tax credit/(expense)		-	(117)	930
Loss for the period		**(1,925)**	**(2,642)**	**(10,543)**
Other comprehensive income				
Exchange differences on translation of foreign operations		1,534	(898)	23
Other comprehensive income for the period net of taxation		**1,534**	**(898)**	**23**
Total comprehensive income for the period attributable to equity holders of the parent		**(391)**	**(3,540)**	**(10,520)**
Loss per share (pence)				
Basic	**3**	(0.05)	(0.09)	(0.35)
Diluted	**3**	(0.05)	(0.09)	(0.35)

* During the six month period ended 30 June 2016, cost of sales included the depreciation of specific oil and gas assets of £680,000 (year ended 31 December 2015: £3,474,000).

** During the six month period ended 30 June 2016, costs in relation to the abandoned well that were expensed during the year ended 31 December 2015 were adjusted, as a result of a negotiated settlement agreed with a creditor.

*** During the six month period ended 30 June 2015, finance charges included an unrealised fair value loss of £730,000 in relation to the BNPP loan facility.

GROUP STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Notes	As at 30 June 2016 (Unaudited) £ 000's	As at 30 June 2015 (Unaudited) £ 000's	As at 31 December 2015 (Audited) £ 000's
Assets				
Non-current assets				
Goodwill	**4**	-	3,083	-
Intangible evaluation assets	**4**	12,209	11,949	11,477
Oil and gas assets	**5**	14,827	14,221	14,754
Property, plant and equipment	**5**	2,735	2,377	2,690
Investment in associate		36	-	34
Total non-current assets		**29,807**	**31,630**	**28,955**
Current assets				
Inventories		522	426	309
Trade and other receivables		2,650	2,603	2,475
Cash and cash equivalents		1,170	9,468	4,127
Total current assets		**4,342**	**12,497**	**6,911**
Total assets		**34,149**	**44,127**	**35,866**
Liabilities				
Current liabilities				
Trade and other payables		(4,215)	(5,377)	(6,212)
Borrowings		(2,340)	(2,811)	(7,006)
Taxation		-	-	(20)
Deferred consideration		(120)	(120)	(120)
Total current liabilities		**(6,675)**	**(8,308)**	**(13,358)**
Non-current liabilities				
Borrowings		(242)	(5,850)	(246)
Deferred consideration		-	(1,233)	-
Deferred taxation		-	(1,096)	-
Provisions		(1,130)	(895)	(1,011)
Total non-current liabilities		**(1,372)**	**(9,074)**	**(1,257)**
Total liabilities		**(8,047)**	**(17,382)**	**(14,615)**
Net assets		**26,102**	**26,745**	**21,251**
Shareholders' equity				
Called-up share capital	**6**	2,930	1,525	1,632
Share premium		60,508	55,185	56,564
Share based payments reserve		1,309	1,309	1,309
Retained earnings		(43,967)	(34,423)	(42,156)
Revaluation surplus		3,237	3,519	3,351
Foreign exchange reserve		2,085	(370)	551

Total equity attributable to equity holders of the parent	**26,102**	**26,745**	**21,251**

GROUP STATEMENT OF CASH FLOW
FOR THE INTERIM PERIOD ENDED 30 JUNE 2016

	Six months to 30 June 2016 (Unaudited)	Six months to 30 June 2015 (Unaudited)	Year ended 31 December 2015 (Audited)
	£ 000's	£ 000's	£ 000's
Cash outflow from operating activities			
Operating (loss)	(1,845)	(1,198)	(8,776)
(Increase) /decrease in trade and other receivables	(175)	200	(279)
Increase/(decrease) in trade and other payables	(1,987)	46	1,057
(Increase)/decrease in inventories	(213)	(123)	(6)
Depreciation	985	1,443	4,496
Amortisation	195	152	710
Net cash inflow/(outflow) from operating activities	**(3,040)**	**520**	**(2,798)**
Cash flows from investing activities			
Payment to acquire associate	-	-	(34)
Payments to acquire intangible assets	(1)	(1,192)	(833)
Payments to acquire tangible assets	(174)	(3,892)	(7,202)
Net cash (outflow) from investing activities	**(175)**	**(5,084)**	**(8,069)**
Cash flows from financing activities			
Issue of ordinary share capital	5,576	8,296	9,853
Share issue costs	(334)	(387)	(458)
Finance charges paid	(9)	(132)	(262)
Repayment of borrowings	(5,461)	(3,552)	(4,224)
Proceeds from borrowings	-	8,171	8,511
Net cash inflow from financing activities	**(228)**	**12,396**	**13,420**
Net increase/(decrease) in cash and cash equivalents	(3,443)	7,832	2,553
Foreign exchange differences on translation	486	53	(9)
Cash and cash equivalents at beginning of period	4,127	1,583	1,583
Cash and cash equivalents at end of period	**1,170**	**9,468**	**4,127**

GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE INTERIM PERIOD ENDED 30 JUNE 2016

	Called up share capital	Share premium reserve	Share based payments reserve	Retained earnings	Foreign exchange reserve	Revaluation surplus	Total Equity
	£ 000's	£000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's
As at 31 December 2014	**1,364**	**47,437**	**1,296**	**(32,169)**	**528**	**3,907**	**22,363**
Loss for the period	-	-	-	(2,642)	-	-	(2,642)
Revaluation surplus amortisation				388		(388)	-
Currency translation differences	-	-	-	-	(898)	-	(898)
Total comprehensive income	**-**	**-**	**-**	**(2,254)**	**(898)**	**(388)**	**(3,540)**
Share capital issued	161	8,135	-	-	-	-	8,296
Cost of share issue	-	(387)	-	-	-	-	(387)
Share based payments	-	-	13	-	-	-	13
Total contributions by and distributions to owners of the Company	**161**	**7,748**	**13**	**-**	**-**	**-**	**7,922**
As at 30 June 2015	**1,525**	**55,185**	**1,309**	**(34,423)**	**(370)**	**3,519**	**26,745**
As at 31 December 2014	**1,364**	**47,437**	**1,296**	**(32,169)**	**528**	**3,907**	**22,363**
Loss for the year	-	-	-	(10,543)	-	-	(10,543)
Revaluation surplus amortisation	-	-	-	556	-	(556)	-
Currency translation differences	-	-	-	-	23	-	23
Total comprehensive income	-	-	-	**(9,987)**	**23**	**(556)**	**(10,520)**
Share capital issued	268	9,585	-	-	-	-	9,853
Cost of share issue	-	(458)	-	-	-	-	(458)
Share based payments	-	-	13	-	-	-	13
Total contributions by and distributions to owners of the Company	**268**	**9,127**	**13**	**-**	**-**	**-**	**9,408**
As at 31 December 2015	**1,632**	**56,564**	**1,309**	**(42,156)**	**551**	**3,351**	**21,251**
Loss for the period	-	-	-	(1,925)	-	**-**	(1,925)
Revaluation surplus amortisation	-	-	-	114	-	(114)	-
Currency translation differences	-	-	-	-	1,534	**-**	1,534
Total comprehensive income	**-**	**-**	**-**	**(1,811)**	**1,534**	**(114)**	**(391)**
Share capital issued	1,298	4,278	-	-	-	-	5,576
Cost of share issue	-	(334)	-	-	-	**-**	(334)
Share based payments	**-**	**-**	-	-	**-**	**-**	-
Total contributions by and distributions to owners of the Company	**1,298**	**3,944**	**-**	**-**	**-**	**-**	**5,242**
As at 30 June 2016	**2,930**	**60,508**	**1,309**	**(43,967)**	**2,085**	**3,237**	**26,102**

1. Basis of preparation

The financial information has been prepared under the historical cost convention and on a going concern basis and in accordance with International Financial Reporting Standards and IFRIC interpretations adopted for use in the European Union ("IFRS") and those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The financial information for the period ended 30 June 2016 has not been audited or reviewed in accordance with the International Standard on Review Engagements 2410 issued by the Auditing Practices Board. The figures were prepared using applicable accounting policies and practices consistent with those adopted in the statutory accounts for the period ended 31 December 2015. The figures for the period ended 31 December 2015 have been extracted from these accounts, which have been delivered to the Registrar of Companies, and contained an unqualified audit opinion.

The financial information contained in this document does not constitute statutory accounts. In the opinion of the directors the financial information for this period fairly presents the financial position, result of operations and cash flows for this period.

This Interim Financial Report was approved by the Board of Directors on 27 September 2016.

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ('IAS') 34 – Interim Financial Reporting as adopted by the European Union. Accordingly the interim financial statements do not include all of the information or disclosures required in the annual financial statements.

Basis of consolidation

The consolidated financial statements comprise the financial statements of LGO Energy Plc and its controlled entities. The financial statements of controlled entities are included in the consolidated financial statements from the date control commences until the date control ceases.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

All inter-company balances and transactions have been eliminated in full.

Foreign currencies

The functional currency of each entity is determined after consideration of the primary economic environment of the entity. The group's presentational currency is Sterling.

2. Segmental analysis

Six months 1 January 2016 to 30 June 2016	Corporate UK £'000	Operating Spain £'000	Operating Trinidad £'000	Non-operating £'000	Total £'000
Operating profit/(loss) by geographical area					
Revenue	-	467	1,454	-	1,921
Operating (loss)/profit *	(655)	(78)	(1,102)	(10)	(1,845)
Finance charges	-	-	(80)	-	(80)
Profit/(loss) before taxation	**(655)**	**(78)**	**(1,182)**	**(10)**	**(1,925)**
Other information					
Depreciation and amortisation	(42)	(92)	(1,046)	-	(1,180)
Capital additions	-	10	165	-	175
Segment assets					
Non-current assets	283	8,281	21,243	-	29,807
Trade and other receivables	543	239	1,868	-	2,650
Inventories	-	333	189	-	522
Cash	701	12	447	10	1,170
Consolidated total assets	**1,527**	**8,865**	**23,747**	**10**	**34,149**
Segment liabilities					
Trade and other payables	(316)	(282)	(3,605)	(12)	(4,215)
Deferred taxation	-	-	-	-	-
Borrowings	-	-	(2,582)	-	(2,582)
Deferred consideration	(120)	-	-	-	(120)
Provisions	-	(791)	(339)	-	(1,130)
Consolidated total liabilities	**(436)**	**(1,073)**	**(6,526)**	**(12)**	**(8,047)**

* Operating (loss)/profit includes management fee income/expenses charged by the Company to its subsidiaries.

2. Segmental analysis (continued)

Six months 1 January 2015 to 30 June 2015	Corporate UK £'000	Holding Cyprus £'000	Holding St Lucia £'000	Operating Spain £'000	Operating Trinidad £'000	Corporate US £'000	Total £'000
Operating profit/(loss) by geographical area							
Revenue	-	-	-	543	6,067	-	6,610
Operating (loss)/profit	(789)	(116)	(3)	(291)	2	(1)	(1,198)
Finance charges	(121)	-	-	-	(1,206)	-	(1,327)
Profit/(loss) before taxation	**(910)**	**(116)**	**(3)**	**(291)**	**(1,204)**	**(1)**	**(2,525)**
Other information							
Depreciation and amortisation	(18)	-	-	(70)	(1,507)	-	(1,595)
Capital additions	273	-	-	140	4,739	-	5,152
Segment assets							
Non-current assets	3,339	-	-	7,809	20,482	-	31,630
Trade and other receivables	430	-	-	247	1,926	-	2,603
Inventories	-	-	-	102	324	-	426
Cash	851	-	16	60	8,541	-	9,468
Consolidated total assets	**4,620**	**-**	**16**	**8,218**	**31,273**	**-**	**44,127**
Segment liabilities							
Trade and other payables	(675)	-	(2)	(200)	(4,500)	-	(5,377)
Deferred taxation	-	-	-	-	(1,096)	-	(1,096)
Borrowings	-	-	-	-	(8,661)	-	(8,661)
Deferred consideration	(1,353)	-	-	-	-	-	(1,353)
Provisions	-	-	-	(673)	(222)	-	(895)
Consolidated total liabilities	**(2,028)**	**-**	**(2)**	**(873)**	**(14,479)**	**-**	**(17,382)**

2. Segmental analysis (continued)

Year ended 31 December 2015	Corporate UK £'000	Operating Spain £'000	Operating Trinidad £'000	Non-operating £'000	Total £'000
Operating profit/(loss) by geographical area					
Revenue	-	1,112	8,363	-	9,475
Operating (loss)/profit	(1,380)	(1,093)	(6,158)	(145)	(8,776)
Loan impairment	-	-	-	-	-
Asset Impairment	(1,850)	-	(607)	-	(2,457)
Finance charges	(123)	-	(117)	-	(240)
Profit/(loss) before taxation	**(3,353)**	**(1,093)**	**(6,882)**	**(145)**	**(11,473)**
Other information					
Depreciation and amortisation	(57)	(582)	(4,567)	-	(5,206)
Capital additions	381	220	7,434	-	8,035
Segment assets					
Non-current assets	325	7,631	20,999	-	28,955
Trade and other receivables	437	96	1,942	-	2,475
Inventories	-	135	174	-	309
Cash	406	159	3,554	8	4,127
Consolidated total assets	**1,168**	**8,021**	**26,669**	**8**	**35,866**
Segment liabilities					
Trade and other payables	(450)	(270)	(5,480)	(12)	(6,212)
Taxation	-	-	-	(20)	(20)
Borrowings	-	-	(7,252)	-	(7,252)
Deferred consideration	(120)	-	-	-	(120)
Provisions	-	(703)	(308)	-	(1,011)
Consolidated total liabilities	**(570)**	**(973)**	**(13,040)**	**(32)**	**(14,615)**

3. Loss per share

The calculation of loss per share is based on the loss after taxation divided by the weighted average number of share in issue during the period.

	Six months to 30 June 2016 (Unaudited)	Six months to 30 June 2015 (Unaudited)	Year ended 31 December 2015 (Audited)
Loss after taxation (£000's)	(1,925)	(2,642)	(10,542)
Weighted average number of ordinary shares used in calculating basic loss per share (millions)	4,232	2,965	3,044
Weighted average number of ordinary shares used in calculating diluted loss per share (millions)	4,524	3,263	3,343
Basic loss per share (pence)	(0.05)	(0.09)	(0.35)
Diluted loss per share (pence)	(0.05)	(0.09)	(0.35)

As the inclusion of the potential issuable ordinary shares would result in a decrease in the loss per share, they are considered to be anti-dilutive and as such, a diluted earnings per share is not included.

4. Intangible evaluation assets

	Intangible evaluation assets	Software	Goodwill	Total
	£000's	£000's	£000's	£000's
Cost				
As at 31 December 2014	**14,047**	**-**	**3,083**	**17,130**
Adjustment	-	-	(1,233)	(1,233)
Additions	700	133	-	833
Foreign exchange differences on translation	(324)	-	-	(324)
As at 31 December 2015	**14,423**	**133**	**1,850**	**16,406**
Additions	1	-	-	1
Foreign exchange differences on translation	1,256	-	-	1,256
As at 30 June 2016	**15,680**	**133**	**1,850**	**17,663**
Amortisation and impairment				
As at 31 December 2014	**2,461**	**-**	**-**	**2,461**
Amortisation	692	18	-	710
Impairment	-	-	1,850	1,850
Foreign exchange differences on translation	(92)	-	-	(92)
As at 31 December 2015	**3,061**	**18**	**1,850**	**4,929**
Amortisation	178	17	-	195
Foreign exchange differences on translation	330	-	-	330
As at 30 June 2016	**3,569**	**35**	**1,850**	**5,454**
Net book value				
As at 30 June 2016	**12,111**	**98**	**-**	**12,209**
As at 31 December 2015	**11,362**	**115**	**-**	**11,477**
As at 31 December 2014	**11,586**	**-**	**3,083**	**14,669**

.

5. Property, plant and equipment

	Oil and gas assets	Property, plant and equipment	Decommissioning costs	Total
	£ 000's	£ 000's	£ 000's	£ 000's
Cost				
As at 31 December 2014	**13,348**	**2,403**	**905**	**16,656**
Additions	6,355	706	141	7,202
Foreign exchange differences on translation	351	13	(35)	329
As at 31 December 2015	**20,054**	**3,122**	**1,011**	**24,187**
Additions	142	32	-	174
Foreign exchange differences on translation	1,046	232	108	1,386
As at 30 June 2016	**21,242**	**3,386**	**1,119**	**25,747**
Depreciation				
As at 31 December 2014	**1,175**	**945**	**41**	**2,161**
Depreciation	4,030	415	51	4,496
Foreign exchange differences on translation	95	(7)	(2)	86
As at 31 December 2015	**5,300**	**1,353**	**90**	**6,743**
Depreciation	793	175	17	985
Foreign exchange differences on translation	322	123	12	457
As at 30 June 2016	**6,415**	**1,651**	**119**	**8,185**
Net book value				
As at 30 June 2016	**14,827**	**1,735**	**1,000**	**17,562**
As at 31 December 2015	**14,754**	**1,769**	**921**	**17,444**
As at 31 December 2014	**12,173**	**1,458**	**864**	**14,495**

6. Called up share capital

Called up, allotted, issued and fully paid	Number of shares	Nominal value (£000's)
As at 31 December 2014	**2,728,840,849**	**1,364**
15 January 2015 for cash at 3.00p per share	52,500,000	27
23 February 2015 for cash at 2.50p per share	96,062,500	48
24 February 2015 for cash at 2.50p per share	172,760,000	85
As at 30 June 2015	**3,050,163,349**	**1,524**
9 July 2015 consideration at 3.30p per share	3,889,697	2
5 October 2015 cash at 0.90p per share	111,111,110	56
12 October 2015 consideration at 0.90p per share	14,679,556	7
8 December 2015 consideration at 0.43p per share	41,487,776	21
14 December 2015 consideration at 0.28p per share	43,668,470	22
As at 31 December 2015	**3,264,999,958**	**1,632**
22 January 2016 consideration at 0.23p per share	28,848,519	14
16 March 2016 cash at 0.25p per share	424,209,334	212
16 March 2016 consideration at 0.25p per share	235,995,235	118
18 April 2016 cash at 0.25p per share	120,000,000	60
4 May 2016 cash at 0.20p per share	1,625,000,000	813
9 June 2016 consideration at 0.19p per share	161,068,992	81
As at 30 June 2016	**5,860,122,038**	**2,930**

During the period, 2,595.1 million shares were issued (year ended 31 December 2015: 536.2 million).

Total share options in issue

Exercise price	Vesting criteria	Expiry date	Number of options
1.00p	-	31 December 2020	56,000,000
1.00p	500 bopd	31 December 2020	49,333,333
1.00p	600 bopd	31 December 2020	49,333,333
1.00p	700 bopd	31 December 2020	49,333,334
4.00p	1,250 bopd	31 December 2020	16,250,000
4.00p	1,500 bopd	31 December 2020	45,000,000
4.00p	1,750 bopd	31 December 2020	16,250,000
As at 30 June 2016			**281,500,000**

During the period, no options were issued (year ended 31 December 2015: nil). No options were exercised (year ended 31 December 2015: nil), lapsed (year ended 31 December 2015: nil) or cancelled (year ended 31 December 2015: nil).

Total warrants in issue

Exercise price	Expiry date	Number of warrants
4.50p	25 June 2017	4,081,802
6.20p	15 October 2017	2,158,692
5.10p	22 December 2017	3,931,838
4.20p	16 January 2018	4,915,084
2.50p	23 February 2018	2,688,225
As at 30 June 2016		**17,775,641**

During the period, no warrants were issued (year ended 31 December 2015: 7.6 million). No warrants were exercised (year ended 31 December 2015: nil), lapsed (year ended 31 December 2015: nil) or cancelled (year ended 31 December 2015: nil).

7. Events after the reporting date

On 18th August 2016, the Company announced the issue of 727,877,588 new ordinary shares of 0.05p each at a price of 0.1463p to Well Services Petroleum Company Limited ("Well Services"), a creditor of Goudron E & P Ltd, a subsidiary of the Company, as consideration for outstanding fees for services provided of US$1,379,331.

On 22nd September 2016, the Company raised £795,000 before expenses through a placement of 795,000,000 new ordinary shares of 0.05p each at a price of 0.10p.

8. The financial information set out above does not constitute the Group's statutory accounts for the period ended 31 December 2015, but is derived from those accounts.

9. A copy of this interim statement is available on the Company's website: www.lgo-energy.com.