7 October 2019

HAGUE AND LONDON OIL PLC
("HALO" or the "Company")

Unaudited Interim Results for the Half-Year ended 30 June 2019

Hague and London Oil PLC, the oil and gas company with a diverse portfolio of production, development, appraisal, exploration and infrastructure assets primarily focused on the Southern North Sea, is pleased to announce its unaudited interim results for the half-year ended 30 June 2019.

Highlights

Operational

- The E15c licence extension was granted in the Dutch North Sea until start of 2021; containing the Maple prospect which is scheduled to be drilled in 2020 (HALO 20%)
- Pegasus West field development began review for alternative plans in Greater Pegasus Area (HALO 45%) and possibly inclusive of Andromeda North drilling results

Financial

- Profit before taxation of £4.6m (1H 2018: loss £0.9m)
- Cash balance of £3.1m as at 30 June 2019 (1H 2018: £4.5m)
- Revenues of £11.8m (1H 2018: £13.8m)
- Finance income includes gain on hedge derivatives of £4.6m (1H 2018: £nil)

Post-period

- Andromeda North well spudded on licence Block 42/12, Southern North Sea, on 31 July, and currently drilling ahead (HALO 45%) with initial results expected later this year
- F5 licence, offshore Holland, has been provisionally awarded with partners; final award and participating interests expected to be announced, and completed, in November

Proposed Acquisition

- On 25 September, HALO announced the proposed acquisition of several North Sea assets from ONE-Dyas BV (“OND”) (“Proposed Acquisition”); consisting of:
  - 7.9% of the Sillimanite Development Unit, straddling the Dutch & UK Median Line;
  - 0.85% of the Joint Development Area production, development & exploration;
  - 2.34% of the Western Gas Transmission pipeline & processing system; and,
  - 4.167% net profit interests on blocks in, and adjacent to, the JDA.
- Purchase price of €8.85m plus working capital adjustment at Closing payable in cash
- Proposed Acquisition is subject to third party and government approvals or waivers
- Probable reserves of ca. 2mmboe; materially increasing interests in “core” assets
- Potentially adds an estimated 800-1,000 boepd production within 2020
- Projected to increase production by 30-40% and reserves by ca. 12.5%

Financing Update

- €10m additional pre-pay and structured finance, with ENGIE Energy Management SCRL, secured against 2020-21 natural gas production to support Proposed Acquisition and provide additional working capital for the Group’s activities.
- ABG Sundal Collier ASA has been retained to advise on a potential “Nordic” bond issue (Oslo Børs) to provide capital for the Proposed Acquisition, potential future acquisitions and development capital for Greater Pegasus Area.

Andrew Cochran, Chairman and Interim CEO, commented:

"The first half of the year has been reasonably good and profitable, despite an acute drop in European gas prices the Company has done relatively well due to hedging positions taken last year. Additionally, the second half of the year has already been very active with the provisional award of F5, spudding of Andromeda North and the announcement of the Proposed Acquisition, offshore Holland and UK. Parallel to all this the Company has addressed its growing capital requirements of the expanding portfolio through a structured finance agreement and mandating an advisor for a Nordic Bond issue. Once all of this has been accomplished HALO can look to realize liquidity for its shares next year."

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Chairman's review

The start of year has seen lower than expected natural gas prices in Europe. While this has been below budget forecasts, an effective hedging strategy last year has relatively insulated the Company from the worst effects of the downturn in European gas prices; ergo, the Company has remained profitable. These Interim Results demonstrate the resilience and depth of HALO's portfolio; which has been carefully constructed over the last two and a half years and continues to grow.

The second half of the year has started with a flurry of activity; the Andromeda North well is the most significant exploration exposure the Company has seen in its existence. The results may help to redefine the development of the Greater Pegasus Area ("GPA"). The partners in GPA are currently examining alternative development plans to optimize the value of the asset and include the potential for any incremental volumes. Additionally, HALO has also seen its first organic award with the provisional F5 licence. This has taken some time but appears to be worth the wait and this, plus E15c, could underpin an exciting drilling campaign offshore Holland through 2Q 2021.

Most recently, the Company announced the Proposed Acquisition of certain assets from ONE-Dyas (OND) offshore Holland and the United Kingdom. The focus of HALO in the short term will be closing the OND transaction and, to that end, the Company has laid the foundation to fund both the transaction and future capital needs through an agreement with ENGIE Energy Management SCRL (ENGIE), within a structured finance facility and pre-payment of gas volumes next year and 2021. Additionally, the Company has mandated ABG Sundal Collier ASA to advise on the likely bond issue on the Oslo Børs (Nordic Bond). The proceeds of the Nordic Bond would support the growing capital needs, future acquisitions and the start of developments within the GPA.

Once the plans for the Company's portfolio are wholly defined, implemented and funded, HALO would aim to realize liquidity for its shares. The Company would then seek the admission of its ordinary share capital to a stock exchange within the Deutsche Börse, Euronext, London Stock Exchange Groups, or another Recognised Investment Exchange.

Therefore, HALO plans to appoint a Listing Adviser and work to achieve the admission of the Company's ordinary shares as soon as realistically possible; and, in any event by 31 December 2020 (subject to market conditions).

Financial review

Income Statement

In the period ended 30 June 2019, the Group recorded revenue from gas sales of £11.8m (1H 2018: £13.8m) and cost of sales £9.1m (1H 2018: £11.1m) yielding gross profit of £2.7m (1H 2018: £2.7m).

Administrative expenses were £1.1m, including exploration charges and impairments of £0.2m (1H 2018: £0.3m). Despite the growth in the company, HALO is maintaining a disciplined approach to cost management, as reflected in the relatively small increase in costs in the period.

Finance costs of £1.6m (1H 2018: £2.8m) arose from decommissioning unwinding, fair value adjustments to contingent consideration and interest on the ENGIE facility. Finance income of £4.6m resulted from gains on the hedge derivative in the period. Overall, the group recorded a profit before tax of £4.6m (1H 2018: loss of £0.9m), and a profit after tax of £3.8m (1H 2018: loss of £1.5m).

Balance Sheet and Cash Flow

The cash position at the end of the period was £3.1m (1H 2018: £4.5m). Cash outlays in the period included the cost of decommissioning the E18 field platform and wells of £3.1m, and a contingent consideration payment to Tullow of £4.4m.

Overall, equity and reserves of the group increased to £7.9m (1H 2018: (£2.3m)).

New Financing arrangements

In September 2019, the Group entered into a new finance arrangement of €10m with Engie Energy Management SCRL to finance the Andromeda well and provide working capital. The funds will be repaid through the provision of a fixed quantity of gas at a discount to prevailing market rates in 2020 and 2021. As part of the arrangement, and to further protect the Group's cashflow from gas price fluctuations, a hedging program has been initiated for gas produced in 2020 and 2021.

PROJECT REVIEW

The Netherlands

HALO's primary asset is currently a 9.95% working interest in the Joint Development Area (JDA) of the Netherlands' Southern North Sea (SNS); The JDA comprises 31 producing fields spanning 7 licence blocks and five processing platforms, of which three have compression facilities. Well head platforms and subsea completions are used to connect the wells to the processing platforms. Two different gas qualities are produced in the JDA area: HiCal and LoCal.

The JDA gas is transported via the Western Gas Transmission pipeline system and Den Helder processing facilities (WGT (HALO 8.88%)). The Proposed Transaction with ONE-D, if successfully closed, would increase HALO's interests to 10.80% of the JDA and 11.22% of WGT respectively.

Overall the Netherlands portfolio has performed well operationally in the first half of the year. While the Title Transfer Facility (TTF (eg. Dutch "Benchmark" index) gas price has disappointed, year on year, 1H19 production has remained quite stable and the Company enjoyed a full first half year contribution from the L13-FI field which only came on stream in 3Q18.

The hedging of some gas production last year for 2019 has helped the Company manage profitability against the relatively weak TTF pricing so far this year.

Key operational highlights were as follows:

- The gas production from the Joint Development Area ((JDA) HALO 9.95%), HiCal and LoCal, systems was stable at around 2.6 and 1.0 million Nm3/day gross respectively.
- The new L13-FI field, developed under budget and ahead of schedule in 2018, contributed up to 0.8 million Nm3/d (i.e. 25%) to JDA HiCal production.
- The Operator has completed the first phase of a comprehensive review of JDA exploration and infill drilling targets. The review will be used to define the future drilling and development programme for next year and beyond.
- The decommissioning of the E18-A field (HALO 18.357%) wells and platform was completed successfully and in line with budget. E18-A partners received a selling price of €2.25 million for the topsides, which were moved to the nearby Wintershall DEA Sillimanite Unit development; 7.9% of which is part of the OND transaction.
- Progress was made within the F5 application process; the provisional award to HALO and partners was made in 3Q 2019 with hopes of a formal award in 4Q 2019; if so, then exploration activities could commence in 2020.

United Kingdom

HALO's primary asset in the UK is a 45% working interest in the Greater Pegasus Area (GPA) of the UK Southern North Sea (SNS); this includes a number of natural gas discoveries including the Pegasus West (Pegasus) Development, operated by Spirit Energy (55% working interest). However, assuming the Proposed Transaction with OND successfully closes the Company will have established production in the UK next year with the Sillimanite development scheduled for "first gas" by 4Q 2020.

A field development plan (FDP) was submitted to the Oil and Gas Authority (OGA) last year by the Pegasus Partnership and a final investment decision (FID) was planned for Pegasus in 2019. However, the potential to transport gas through the Cygnus facilities became more challenging for the Pegasus development. The FID had not yet been made and in June the OGA opened an own initiative non-binding dispute resolution (NBDR) investigation into the prioritisation of access to Cygnus capacity in relation to transportation and processing services for gas from Pegasus.

The OGA concluded its investigation in August, announcing its findings under the NBDR process in September and the Pegasus partnership thanked them for reviewing the matter so swiftly. The Company believes strongly in the future development of Pegasus and, with the Operator, have identified several potential alternative export routes. HALO is, within the Pegasus partnership, continuing to assess these options in order to progress towards the FID on Pegasus as soon as is reasonably practicable.

The Andromeda North well spudded at the end of July, drilling into a structure that could prove a westward extension of the Greater Pegasus Carboniferous play; initial drilling results are due in 4Q 2019. If successful, a testing programme would follow, and the results could be factored into a revised development concept for the GPA.

Assuming the Proposed Transaction closes successfully, the Group would establish its first production in the UK through the Sillimanite Development Unit (Sillimanite); where HALO expects to acquire a 11.73% interest in Block 44/19a. Sillimanite has been unitized with the D12b Block (HALO 7.037%) offshore Netherlands; thus, HALO would hold a net 7.9% interest in the field as a whole.

The Sillimanite field is governed by a unique tax treaty between the relevant countries (i.e. UK & Netherlands) and the gas would be transported to Holland via the Noordgastransport pipeline system. Therefore, the Group may be able to accelerate the use of inherited tax losses (i.e. from Third Energy Offshore Ltd. acquisition which closed on 31st December 2018) through any future production governed by the UK fiscal regime.

CONSOLIDATED INCOME STATEMENT
Period ended 30 June 2019

	Note	Period ended 30 June 2019 Unaudited £	Period ended 30 June 2018 Unaudited £	Year ended 31 December 2018 Audited £
Revenue		11,801,887	13,810,727	31,107,390
Cost of sales		(9,106,150)	(11,147,846)	(21,934,777)
		2,695,737	2,662,881	9,172,613
Gross profit				
Administrative expenses:				
Other administrative expenses		(933,456)	(506,535)	(1,407,946)
Exploration and impairment expenses		(160,705)	(268,771)	(1,298,864)
		(1,094,161)	(775,306)	(2,706,810)
Operating profit		1,601,576	1,887,575	6,465,803
Finance income	3	4,605,351	15	72
Finance costs		(1,599,192)	(2,804,448)	(5,711,355)
Share of losses of joint ventures		(5,474)	(1,542)	(1,542)
Profit / (loss) before taxation		4,602,261	(918,400)	752,978
Taxation		(762,351)	(553,507)	(1,315,857)
Profit / (loss) for the financial period		3,839,910	(1,471,907)	(562,879)
Attributable to:				
Equity shareholders of the Company		3,839,910	(1,471,907)	(562,616)
Non-controlling interests		-	-	(263)
Earnings / (loss) per share attributable to equity shareholders of the Company:	4			
Basic & diluted (pence)		12.85	(6.10)	(2.33)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME / EXPENSE

	Period ended 30 June 2019 Unaudited £	Period ended 30 June 2018 Unaudited £	Year ended 31 December 2018 Audited £
Profit / (loss) for the financial period/year	3,839,910	(1,471,907)	(562,879)
Foreign exchange difference	350,619	(7,926)	34,018
Total comprehensive income / (expense) for the financial period / year	4,190,529	(1,479,833)	(528,861)
Attributable to:			
Equity shareholders of the Company	4,190,529	(1,479,833)	(528,598)
Non-controlling interests	-	-	(263)

CONSOLIDATED BALANCE SHEET
At 30 JUNE 2019

	Note	30 June 2019	30 June 2018	31 December 2018
		Unaudited	Unaudited	Audited
		£	£	£
NON-CURRENT ASSETS				
Intangible Assets	5	14,637,032	46,468	13,490,820
Property, Plant and Equipment	6	78,341,162	82,836,818	83,084,521
		92,978,194	82,883,286	96,575,341
CURRENT ASSETS				
Inventories		560,807	512,442	485,228
Trade and other receivables		2,919,186	1,981,674	3,369,469
Derivative financial instruments		1,536,718	-	-
Cash and cash equivalents		3,125,853	4,465,683	11,344,126
		8,142,564	6,959,799	15,198,823
TOTAL ASSETS		101,120,758	89,843,085	111,774,164
CAPITAL AND RESERVES ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY				
Share capital	7	1,195,473	965,343	1,195,473
Share premium		16,800,122	16,800,122	16,800,122
Merger reserve		5,830,270	1,060,400	5,830,270
Share-based payment reserve		1,170,205	1,170,205	1,170,205
Retained earnings		(17,353,561)	(22,102,762)	(21,193,471)
Translation reserve		268,832	(123,731)	(81,787)
		7,911,341	(2,230,423)	3,720,812
Non-controlling interests		(58,093)	(57,830)	(58,093)
TOTAL EQUITY		7,853,248	(2,288,253)	3,662,719
CURRENT LIABILITIES				
Trade and other payables		2,181,109	3,480,923	6,306,935
Borrowings		2,529,925	2,270,349	4,866,164
Derivative financial instruments		-	-	3,184,860
Current taxation		2,971,552	1,451,038	2,394,834
Provisions		6,917,867	-	6,988,750
		14,600,453	7,202,310	23,741,543
NON-CURRENT LIABILITIES				
Borrowings		-	2,118,497	-
Derivative financial instruments		-	2,668,568	-
Provisions		78,266,287	79,747,534	84,123,970
Deferred tax		400,770	394,429	245,932
		78,667,057	84,929,028	84,369,902
TOTAL LIABILITIES		93,267,510	92,131,338	108,111,445
TOTAL EQUITY AND LIABILITIES		101,120,758	89,843,085	111,774,164

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
Period ended 30 June 2019

	Attributable to equity shareholders of the Company							
	Share capital £	Share premium account £	Merger reserve account £	Retained earnings £	Share-based payment reserve £	Translation reserve £	Non-controlling interests £	Total £
Balance at 1 January 2019	1,195,473	16,800,122	5,830,270	(21,193,471)	1,170,205	(81,787)	(58,093)	3,662,719
For the financial period ended 30 June 2019								
Profit for the period	-	-	-	3,839,910	-	-	-	3,839,910
Currency translation	-	-	-	-	-	350,619	-	350,619
Total comprehensive expense	-	-	-	3,839,910	-	350,619	-	4,190,529
Balance at 30 June 2019	1,195,473	16,800,122	5,830,270	(17,353,561)	1,170,205	268,832	(58,093)	7,853,248
Balance at 1 January 2018	965,343	16,800,122	1,060,400	(20,630,855)	1,170,205	(115,805)	(57,830)	(808,420)
For the financial period ended 30 June 2018								
Loss for the period	-	-	-	(1,471,907)	-	-	-	(1,471,907)
Currency translation	-	-	-	-	-	(7,926)	-	(7,926)
Total comprehensive expense	-	-	-	(1,471,907)	-	(7,926)	-	(1,479,833)
Balance at 30 June 2018	965,343	16,800,122	1,060,400	(22,102,762)	1,170,205	(123,731)	(57,830)	(2,288,253)
Balance at 1 January 2018	965,343	16,800,122	1,060,400	(20,630,855)	1,170,205	(115,805)	(57,830)	(808,420)
For the financial year ended 31 December 2018								
Loss for the year	-	-	-	(562,616)	-	-	(263)	(562,879)
Currency translation	-	-	-	-	-	34,018	-	34,018
Total comprehensive expense	-	-	-	(562,616)	-	34,018	(263)	(528,861)
Issue of shares	230,130	-	4,769,870	-	-	-	-	5,000,000
Balance at 31 December 2018	1,195,473	16,800,122	5,830,270	(21,193,471)	1,170,205	(81,787)	(58,093)	3,662,719

CONSOLIDATED STATEMENT OF CASHFLOWS

Period ended 30 June 2019

	Period ended 30 June 2019 Unaudited	Period ended 30 June 2018 Unaudited	Year ended 31 December 2018 Audited
	£	£	£
Cash flows from operating activities			
Profit / (loss) for the financial period / year before tax	4,602,261	(918,400)	752,978
Finance income	(4,605,351)	(15)	(72)
Finance costs	1,599,192	2,804,448	5,711,355
Loss from joint venture	5,474	1,542	1,542
Decommissioning costs on impaired intangible assets	-	-	972,498
Decommissioning payments	(3,121,642)	-	(295,815)
Depreciation	3,527,369	3,291,642	7,227,804
Impact of foreign exchange movements	(109,643)	(6,241)	(38,151)
	1,897,660	5,172,976	14,332,139
Changes in working capital			
(Increase) / decrease in inventories	(75,579)	181,413	390,450
(Increase) / decrease in trade and other receivables	(2,141,571)	484,494	(566,175)
Decrease in trade and other payables	(2,358,755)	(575,983)	(1,894,576)
Net cash (used in) / generated from operating activities	(2,678,245)	5,262,900	12,261,838
Cash flows from investing activities			
Cash acquired in acquisition of subsidiaries	-	-	416
Contingent consideration paid	(4,355,554)	-	-
Purchase of intangible assets	(1,147,004)	(41,756)	(139,829)
Purchase of property, plant and equipment	(146,482)	(4,509,617)	(4,772,623)
Investments in joint ventures	(5,474)	(1,542)	(1,542)
Interest received	(47)	15	72
Net cash used in investing activities	(5,654,561)	(4,552,900)	(4,913,506)
(Decrease) / increase in cash and cash equivalents	(8,332,806)	710,000	7,348,332
Cash and cash equivalents at beginning of period / year	11,344,126	3,765,661	3,765,661
Effects of exchange rate changes	114,533	(9,978)	230,133
Cash and cash equivalents at end of period / year	3,125,853	4,465,683	11,344,126

Notes to the financial information

Period ended 30 June 2019

1. GENERAL

The interim financial information for the period to 30 June 2019 is unaudited.

2. ACCOUNTING POLICIES

The interim financial information in this report has been prepared on the basis of the accounting policies set out in the audited financial statements for the period ended 31 December 2018, which complied with International Financial Reporting Standards as adopted for use in the European Union ("IFRS").

IFRS is subject to amendment and interpretation by the International Accounting Standards Board ("IASB") and the IFRS Interpretations Committee and there is an on-going process of review and endorsement by the European Commission.

The financial information has been prepared on the basis of IFRS that the Directors expect to be applicable as at 31 December 2019. During the year the Group has implemented IFRS 16 which has had an immaterial impact on the financial statements due to the Group's lease arrangements being limited to a short-term office lease. The Group has taken the option in IFRS 16 not to restate comparative information.

The Directors have adopted the going concern basis in preparing the financial information. In assessing whether the going concern assumption is appropriate, the Directors have taken into account all relevant available information about the foreseeable future.

The condensed financial information for the year ended 31 December 2018 set out in this interim report does not comprise the Group's statutory accounts as defined in section 434 of the Companies Act 2006.

The statutory accounts for the year ended 31 December 2018, which were prepared under IFRS, have been delivered to the Registrar of Companies. The auditors reported on these accounts; their report was unqualified and did not contain a statement under section 498(2) or 498(3) of the Companies Act 2006. The report did however include reference to matters which the auditors drew attention by way of emphasis regarding going concern.

Going Concern

At 30 June 2019, the Group had cash balances of £3.1m (1H 2018: £4.5m). Existing commitments for the forthcoming period include the drilling of the Andromeda West well. In addition, when the Pegasus FDP is approved and the Pegasus partnership makes the FID then further capital expenditures will be incurred.

Decommissioning security arrangements (DSA) were introduced in 2018 for the Group's Dutch offshore licences. In the case of the JDA, sufficient future cash flow from existing fields means that there was currently no requirement to post securities. However, under current TTF pricing, there may be a requirement to post JDA securities in early 2020. The Group expects to be able to place an industry-standard surety bond to cover these and future security obligations. The E18a abandonment in the first half of this year was excluded from DSA on the grounds that abandonment was already anticipated in the current year work program.

Despite the continuing positive cash contribution from existing gas producing assets in the Netherlands, the Group will require additional funding for the remainder of 2019 and beyond due to the expanding portfolio and activity. In September 2019, HALO agreed a €10m facility with ENGIE to support the OND Acquisition, improve liquidity and increase short-term availability of working capital reflecting lower than anticipated TTF pricing for the remainder of 2019. In addition, HALO formally mandated ABG Sundal Collier ASA to advise on the issue of a Nordic Bond to support the proposed OND acquisition in late 2019, planned expenditure on the next phase of the Pegasus

West development project, potential new acquisitions and generally increased working capital for the Group.

With the anticipated additional financing, the Group expects to remain in a strong financial position for the foreseeable future. For this reason, the Directors continue to adopt the going concern basis in preparing this interim financial information.

Listing of Ordinary Shares

HALO plans to appoint Listing Adviser(s) in relation to a Listing and work to achieve a Listing of the Company's ordinary shares as soon as reasonably practicable and in any event by 31 December 2020, provided that it may be required to delay such Listing if advised by its Listing Adviser(s) that prevailing material adverse changes in market conditions or commodity pricing make it inappropriate to carry out a Listing at that time.

The Company therefore plans to seek the admission of its ordinary share capital to the London Stock Exchange or Borsa Italiana markets for listed securities; or admission to trading on Euronext Amsterdam, Brussels, London, Lisbon, Dublin, Oslo or Paris exchanges of the Company's ordinary share capital; or admission of the ordinary share capital to Deutsche Börse Frankfurt exchange; or the admission of the HALO's ordinary share capital to, or trading of its ordinary share capital on, a Recognised Investment Exchange.

3. FINANCE INCOME

	Period ended 30 June 2019	Period ended 30 June 2018	Year ended 31 December 2018
Bank interest	-	15	72
Gain on derivative financial instruments	4,605,351	-	-
	4,605,351	15	72

4. EARNINGS PER SHARE

Basic earnings / (loss) per share is calculated by dividing the profit / (loss) attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Basic and diluted earnings / (loss) per share

	Period ended 30 June 2019	Period ended 30 June 2018	Year ended 31 December 2018
Earnings / (loss) for the period (£)	3,839,910	(1,471,907)	(562,616)
Basic & diluted earnings / (loss) per share from continuing operations (cents per share)	12.85	(6.10)	(2.33)
Weighted average number of ordinary shares (number)	29,886,837	24,133,587	24,196,636

During the current period the share options and warrants in issue were not considered to be dilutive. As a result, they have not been taken into account when determining the weighted average number of ordinary shares in issue during the current period, and therefore the basic and diluted earnings per share are the same.

Due to the Group's reported loss for the prior period / year, share options and warrants were not taken into account when determining the weighted average number of ordinary shares in issue during the period / year as they would be anti-dilutive, and therefore the basic and diluted loss per share are the same.

5. INTANGIBLE ASSETS

	Exploration and Evaluation assets £
Cost	
At 31 December 2017	4,712
On acquisition of subsidiary	13,346,279
Additions	139,829
At 31 December 2018	13,490,820
Additions	1,146,212
At 30 June 2019	14,637,032
Net book value	
At 31 December 2018	13,490,820
At 30 June 2019	14,637,032

6. PROPERTY, PLANT AND EQUIPMENT

	Production assets £	Plant and equipment £	Total £
Cost			
At 31 December 2017	82,827,522	36,173	82,863,695
Additions	7,557,694	22,631	7,580,325
Exchange rate differences on translation	847,664	-	847,664
At 31 December 2018	91,232,880	58,804	91,291,684
Additions	133,286	13,197	146,483
Exchange rate differences on translation	(1,377,995)	(6,479)	(1,384,474)
At 30 June 2019	89,988,171	65,522	90,053,693
Accumulated depreciation			
At 31 December 2017	918,268	27,967	946,235
Charge	7,219,732	8,072	7,227,804
Exchange rate differences on translation	33,003	121	33,124
At 31 December 2018	8,171,003	36,160	8,207,163
Charge	3,523,049	4,320	3,527,369
Exchange rate differences on translation	(11,887)	(10,114)	(22,001)
At 30 June 2019	11,682,165	30,366	11,712,531
Net book value:			
At 30 June 2019	78,306,006	35,156	78,341,162
At 31 December 2018	83,061,877	22,644	83,084,521

7. EVENTS AFTER THE BALANCE SHEET DATE

On 25 September 2019, HALO announced the proposed acquisition of several assets in the Dutch & United Kingdom sectors of the North Sea from ONE-Dyas BV ("OND"). These interests consist of 7.9% of the Sillimanite Development Unit, straddling the Dutch & UK median line in the North Sea; 0.85% of the Joint Development Area ("JDA"); 2.34% of the Western Gas Transmission ('WGT') pipeline system, including the onshore Den Helder gas processing facilities; and, 4.167% net profit interests on blocks in and adjacent to the JDA.

HALO will pay a purchase price to OND of €8.85 million paid in cash at the closing of the Sales Purchase Agreement ("SPA"), subject to working capital adjustments between the Effective Date of 1 January 2019 and closing of the SPA. The completion amount will be funded through existing cash resources of the Company, structured finance associated with the existing and expanded portfolio or secured lending against hydrocarbon gas volumes within HALO's portfolio.

The proposed acquisition will increase HALO's interests in the JDA and WGT to 10.80% and 11.22% respectively and a new entry with 7.9% of the Sillimanite Development Unit comprised of 11.73% Block 44/19a (UK (includes the Sillimanite West Discovery)) and 7.037% Block D12b (Netherlands). Once completed, the proposed transaction would add ca. 2mmboe of reserves and an estimated 800-1,000boepd of production by Q4 2020.

8. COPIES OF INTERIM REPORT

Copies of the interim report are available on the Company’s website at www.haloil.co.uk.