28 September 2026

Block Energy Plc

("Block" or the "Company")

Interim Results for the Six Months Ended 30 June 2026

Block Energy plc (AIM: BLOE), the international oil and gas company with assets in Georgia and interests in offshore Gabon, is pleased to announce its unaudited consolidated interim results for the Company and its subsidiaries (the "Group") for the six months ended 30 June 2026.

Health, safety and environment

Block recorded 148,911 operational man-hours with zero lost-time incidents during the six months ended 30 June 2026 (1H 2025: 136,065 operational man-hours). Safe and responsible operations remain fundamental to the Company's operating approach and the delivery of its growth strategy.

Strategic highlights

The first half was a period of significant strategic delivery. Block completed the Aspect XIQ farm-out, signed a binding Framework Agreement with Sanning in respect of Project III, and established a new growth platform located offshore Gabon within the fairway of the Gulf of Guinea. These milestones demonstrate the Company's ability to turn technical work into commercial partnerships and to broaden shareholder exposure to material oil and gas opportunities across various jurisdictions, through a partner-funded growth strategy.

- Completed the XIQ farm-out with Aspect Georgia, LLC, a subsidiary of US-based Aspect Energy. Block is fully carried through a staged work programme with estimated gross expenditure of approximately US$95 million (Block internal estimate), targeting 301.7 MMboe of gross mean unrisked recoverable prospective resources (DeGolyer and MacNaughton, 2023) in the Martkopi Terrace. The programme extends from seismic through exploration and appraisal drilling to early production facilities, contingent on results and the agreed stages.
- Signed a binding Framework Agreement with Zhijiang Sanning Energy Co. Ltd ("Sanning") for the farm-out of Project III, which contains 2.77 Tcf of gross 2C contingent gas resources (OPC 2024 and internal estimates). The Framework Agreement provides for up to US$75 million of total carry, including initial appraisal activities currently estimated at US$13 million. Under the terms of the Framework Agreement, Block will retain 49% of Project III and operatorship through appraisal, subject to definitive documentation, which is well advanced, government and other customary approvals.
- Established a 76.5% indirect economic interest, net of the Government of Gabon's 10% carried interest, in the Ndjila (CD2) and Mpari (CD3) PSCs through the secured convertible loan arrangement previously announced with Pilgrim Exploration Limited. The 5,331 km² offshore position combines four historical oil discoveries with substantial pre- and post-salt exploration potential.
- Advanced the CCS opportunity following OPC's February 2026 report confirming mineralisation of the CO_2 injected during the pilot. The next phase has been designed to focus on commercial feasibility, verification and potential scale-up.

- Refinanced the Company's US$2.0 million secured loan, extending its maturity to August 2027 on materially the same terms.
- Raised gross funds of £4.7 million (US$6.3 million) before expenses through a placing and retail offer at 1.1 pence per share, supporting the Gabon entry and additional working capital.
- Continued to evaluate further farm-outs and selective new ventures, applying the partner-funded approach across the wider portfolio.

Operational and financial performance

- Cash and cash equivalents of US$2.690 million at 30 June 2026 (31 December 2025: US$1.493 million), after US$4.312 million of advances made to Pilgrim. The increase in cash was supported by the equity fundraise.
- Oil in inventory net to the Company at the end of the period was 9.61 Mbbls (1H 2025: 8.27 Mbbls).
- Revenue of US$2.887 million (1H 2025: US$3.380 million).
- Group loss of US$659,000 (1H 2025: loss of US$639,000) and positive adjusted EBITDA of US$56,000 (1H 2025: positive adjusted EBITDA of US$81,000).
- Georgia extraction activities generated positive adjusted EBITDA of US$794,000 (1H 2025: US$713,000), before corporate and other costs of US$738,000 (1H 2025: US$632,000). Net cash used in operating activities was US$415,000 (1H 2025: US$171,000 generated).
- Total production of 67.7 Mboe, comprising 48.0 Mbbls of oil and 19.6 Mboe of gas (1H 2025: 87.5 Mboe, comprising 66.4 Mbbls of oil and 21.1 Mboe of gas).
    - Average daily production of 374 boepd (1H 2025: 483 boepd).
- Oil sales of 31.3 Mbbls, generating revenue of US$2.52 million at a weighted average realised price of US$80.6/bbl (1H 2025: 49.9 Mbbls, US$3.02 million and US$60.5/bbl).
- Gas sales of 82.9 MMcf, generating revenue of US$0.36 million at a weighted average realised price of US$4.4/Mcf (1H 2025: 82.2 MMcf, US$0.36 million and US$4.4/Mcf).

Operating performance

Lower first-half production reflected mature-field decline and intermittent downtime affecting artificial-lift equipment. Management is prioritising targeted well interventions, maintenance and improved production reliability, while directing growth capital towards the larger opportunities across the portfolio.

Administrative expenses were US$1.147 million (1H 2025: US$1.010 million), during a period of active transaction and technical work. Cost control and cash conversion remain central to the execution of the Company's strategy.

Post-period progress and commercial momentum

On Project IV (XIQ), the Aspect-funded 3D seismic programme is translating the farm-out into visible field progress. As announced on 21 September 2026, approximately 70% of the Martkopi survey had been acquired, with acquisition expected to complete by mid-October. Processing and interpretation will refine prospect definition of Martkopi Terrace and support the selection of future exploration drilling locations.

On Project III, work continues with Sanning and the parties' advisers on the definitive transaction documents and the proposed appraisal programme. The focus remains on converting the binding Framework Agreement into a completed transaction and a funded programme to appraise Block's strategic gas resources.

In Gabon, the technical programme is delivering encouraging early insights into the discoveries and wider exploration potential. Integration of the well and seismic datasets is refining the Iguega development concept, evaluating the other discoveries and helping to prioritise further appraisal and exploration work. Technical validation remains ongoing.

In Gabon, the Ndjila (CD2) and Mpari (CD3) PSCs are attracting interest from potential industry partners, with preliminary commercial discussions underway. Block is also exploring further potential farm-outs across its Georgian portfolio, with the objective of funding material work programmes while retaining meaningful exposure to successful outcomes.

Commenting, Paul Haywood, Block Energy Chief Executive Officer, said:

"Block is now a materially broader business, with a completed US-backed farm-out in Georgia, a Binding Framework Agreement to advance our strategic gas resources in Project III and a substantial discovered-oil position offshore Gabon. The common thread is clear: to use our technical and commercial capability to secure and develop high-impact opportunities and attract partner capital while retaining meaningful exposure to success.

The Aspect-funded 3D seismic campaign is already making visible progress, while early technical work in Gabon is reinforcing our confidence in the significant opportunity there. We are working to convert the Sanning Framework Agreement into definitive agreements and exploring further farm-outs across the portfolio. With disciplined capital allocation and several significant opportunities to advance, our ambition is to make 2027 a high-impact year of appraisal, exploration and commercial delivery."

Outlook: building towards a high-impact 2027

- Project III: pursue definitive agreements and required approvals, with appraisal operations planned for H1 2027, subject to transaction completion and operational readiness.
- Project IV (XIQ): complete seismic acquisition, progress processing and interpretation, and advance towards exploration drilling decisions under the agreed partner-funded programme.
- Gabon: mature the discovered-oil opportunities and wider exploration portfolio, and convert industry engagement into partner-funded exploration, appraisal and development work programmes.
- Producing assets and finance: maintain strong focus on well availability, cash conversion and capital discipline, and actively manage the 2027 secured-loan maturity.
- Wider portfolio: pursue further farm-out opportunities, advance CCS commercial feasibility and assess selective new ventures consistent with the Company's financial capacity and execution priorities.

Together, these efforts create several potential catalysts for 2027. Transaction timing and programme delivery remain subject to definitive agreements, approvals, funding and technical results, with further updates to follow as material milestones are achieved.

Mr Christopher Brown BSc, MSc, DIC (Block's Technical Director) has reviewed the technical information contained in this announcement, including the referenced prospective resource estimate. Mr Brown is a geoscientist with over 45 years of experience in the oil and gas E&P sector.

****ENDS****

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Notes to editors

Block Energy plc is an AIM-quoted independent international oil and gas company with production, development, appraisal and exploration assets in Georgia and interests offshore Gabon. Its Georgian portfolio includes Project III, with 2.77 Tcf of gross 2C contingent gas resources (OPC 2024 and internal estimates), and the XIQ exploration licence, where an Aspect-funded programme is advancing the Martkopi Terrace prospect.

The Company's strategy is to advance material resource opportunities through technical evaluation, partnerships and asset-level funding, while retaining meaningful exposure to successful outcomes. Its producing assets remain important to operating cash generation and the wider strategy.

In Gabon, Block has a 76.5% indirect economic interest in the Ndjila and Mpari PSCs, net of the Government of Gabon's 10% carried interest, through the secured convertible loan arrangement with Pilgrim Exploration Limited. The licences cover 5,331 km² and contain the Iguega, Topaz, Ekouata and Pilote discoveries, alongside material pre- and post-salt exploration potential in an established West African petroleum province.

Glossary

- bbls: barrels. A barrel is 35 imperial gallons.
- Bcf: billion cubic feet.
- boe: barrels of oil equivalent.
- boepd: barrels of oil equivalent per day.
- bopd: barrels of oil per day.
- CCS: carbon capture and storage.
- Contingent Resources: quantities of hydrocarbons which are estimated to be potentially recoverable from known accumulations but are contingent on technical or commercial factors not currently defined.
- Mbbls: thousand barrels.
- Mboe: thousand barrels of oil equivalent.
- MMbbls: million barrels.
- MMboe: millions of barrels of oil equivalent.
- MMcf: million cubic feet.
- Prospective resources: estimated potentially recoverable quantities from undiscovered accumulations, subject to discovery and development risk. These are not reserves.
- PSC: production sharing contract.
- Tcf: trillion cubic feet.
- 2C: the unrisked best estimate scenario of contingent resources.

Condensed Consolidated Interim Statement of Comprehensive Income

For the six-month period ended 30 June 2026

	Notes	30 June 2026 Unaudited $'000	30 June 2025 Unaudited $'000
Continuing operations:			
Revenue		2,887	3,380
Cost of sales:			
Direct costs		(1,854)	(1,777)
Oil inventory adjustments	*7*	69	(498)
Depreciation and depletion of oil and gas assets		(597)	(619)
		(2,382)	(2,894)
Gross profit		**505**	**486**
Administrative expenses		(1,147)	(1,010)
Share-based payments		-	(14)
Foreign exchange movements		57	16
		(1,090)	(1,008)
Operating loss		**(585)**	**(522)**
Other income		123	32
Finance income		19	30
Finance expense		(216)	(179)
Loss for the period before taxation		**(659)**	**(639)**
Taxation		-	-
Loss for the period from continuing operations (attributable to the equity holders of the parent)		**(659)**	**(639)**
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		(105)	(38)
Total comprehensive loss for the period attributable to the equity holders of the parent		**(764)**	**(677)**
Loss per share (basic and diluted)	*5*	**(0.06)c**	**(0.08)c**
Adjusted EBITDA (non-IFRS measure)	*4*	***56***	***81***

Condensed Consolidated Interim Statement of Financial Position

As at 30 June 2026

	Notes	**30 June 2026 Unaudited $'000**	**31 December 2025 Audited $'000**
Non-current assets			
Intangible assets		796	745
Property, plant and equipment	*6*	22,525	22,810
Other non-current assets	*9*	4,312	-
		27,633	23,555
Current assets			
Inventory	*7*	3,911	3,819
Trade and other receivables		650	826
Cash and cash equivalents		2,690	1,493
Total current assets		7,251	6,138
Total assets		**34,884**	**29,693**
Equity and liabilities			
Capital and reserves attributable to equity holders of the Company:			
Share capital	*8*	6,183	4,642
Share premium	*8*	41,804	36,958
Other reserves		2,454	2,441
Foreign exchange reserve		738	843
Accumulated deficit		(20,017)	(19,358)
Total equity		**31,162**	**25,526**
Non-current liabilities			
Borrowings		2,000	-
Total non-current liabilities		2,000	-
Current liabilities			
Trade and other payables		643	1,207
Borrowings		-	2,000
Provisions		1,079	960
Total current liabilities		1,722	4,167
Total liabilities		**3,722**	**4,167**
Total equity and liabilities		**34,884**	**29,693**

Condensed Consolidated Interim Statement of Cash Flows

For the six-month period ended 30 June 2026

	Notes	**30 June 2026 Unaudited $'000**	**30 June 2025 Unaudited $'000**
Operating activities			
Loss for the period before income tax		(659)	(639)
Adjustments for:			
Finance and other income		(142)	(62)
Finance expense		216	179
Depreciation and depletion	*6*	597	619
Share-based payments expense		-	14
Foreign exchange movement		51	47
Net cash flows from operating activities before changes in working capital		**63**	**158**
Decrease in trade and other receivables		176	58
Decrease in trade and other payables		(562)	(486)
(Increase)/decrease in inventory	*7*	(92)	441
Net cash flows from operating activities		**(415)**	**171**
Investing activities			
Expenditure in respect of intangible assets		(52)	(150)
Expenditure in respect of PP&E		(236)	(209)
Interest and other income		142	62
Investment in CLN (Pilgrim)	*9*	(4,312)	-
Cash used in investing activities		**(4,458)**	**(297)**
Financing activities			
Issue of ordinary share capital		6,267	-
Costs of issue of share capital		(37)	-
Interest paid		(160)	(165)
Net cash flows from/(used in) financing activities		**6,070**	**(165)**
Net increase/(decrease) in cash and cash equivalents		**1,197**	**(291)**
Cash and cash equivalents at start of period		1,493	1,136
Cash and cash equivalents at end of period		**2,690**	**845**

Condensed Consolidated Interim Statement of Changes in Equity

For the six-month period ended 30 June 2026

	Share capital	Share premium	Accumulated deficit	Other reserve	Foreign exchange reserve	Total equity
	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 30 June 2025 (unaudited)	**3,856**	**35,110**	**(19,637)**	**5,152**	**595**	**25,076**
Loss for the period	-	-	(1,878)	-	-	(1,878)
Exchange differences on translation of operations in foreign currency	-	-	-	-	248	248
Total comprehensive loss for the period	***-***	***-***	***(1,878)***	***-***	***248***	***(1,630)***
Shares issued 2025	775	1,925	-	(709)	-	1,991
Share issue cost	-	(90)	-	-	-	(90)
Share based payments in 2025	-	-	-	97	-	97
Other reserve movement	-	-	-	82	-	82
Options exercised	11	13	-	(24)	-	-
Warrants expired	-	-	2,157	(2,157)	-	-
Total transactions with owners	***786***	***1,848***	***2,157***	***(2,711)***	***-***	***2,080***
Balance at 31 December 2025 (Audited)	**4,642**	**36,958**	**(19,358)**	**2,441**	**843**	**25,526**
Loss for the period	-	-	(659)	-	-	(659)
Exchange differences on translation of operations in foreign currency	-	-	-	-	(105)	(105)
Total comprehensive loss for the period	***-***	***-***	***(659)***	***-***	***(105)***	***(764)***
Shares issued 2026	1,527	5,122	-	-	-	6,649
Share issue cost	-	(276)	-	-	-	(276)
Other reserve movement	-	-	-	27	-	27
Options exercised	14	-	-	(14)	-	-
Total transactions with owners	***1,541***	***4,846***	***-***	***13***	***-***	***6,400***
Balance at 30 June 2026 (unaudited)	**6,183**	**41,804**	**(20,017)**	**2,454**	**738**	**31,162**

Notes to the Condensed Consolidated Interim Financial Statements

For the six-month period ended 30 June 2026

1. General information

Block Energy plc (the "Company") is a company registered in England and Wales (05356303), with its registered office at Eccleston Yards, 25 Eccleston Place, London SW1W 9NF.

The Condensed Consolidated Interim Financial Statements of the Group, which comprises Block Energy plc and its subsidiaries (the "Group"), for the six-month period from 1 January 2026 to 30 June 2026, were approved by the Directors on 25 September 2026. The Group's principal activity is oil and gas exploration, development and production.

The Company's shares are traded on AIM and the trading symbol is BLOE.

These condensed interim financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2025 were approved by the Board of Directors on 30 May 2026 and delivered to the Registrar of Companies. The auditor's report was unmodified and included a Material Uncertainty Related to Going Concern section. It did not contain a statement under section 498(2) or 498(3) of the Companies Act 2006.

The Company's auditors have not reviewed these condensed consolidated interim financial statements.

2. Basis of preparation

These condensed consolidated interim financial statements for the six months ended 30 June 2026 have been prepared in accordance with the AIM Rules for Companies, using the recognition and measurement principles of UK adopted International Accounting Standards. They have not been prepared in full compliance with IAS 34 Interim Financial Reporting. They do not include all the information required for a complete set of annual financial statements and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2025 and any public announcements made by the Company during the interim reporting period. All amounts are presented in thousands of US dollars unless otherwise stated.

The comparative period for the income statement, cash flow statement and earnings per share is the six months ended 30 June 2025. The comparative statement of financial position is as at 31 December 2025.

The accounting policies adopted in this half-yearly financial report are the same as those adopted in the 2025 Annual Report and Financial Statements. There were no new or amended accounting standards that required the Group to change its accounting policies. The Directors also considered the impact of standards issued but not yet applied by the Group and do not consider that there will be a material impact of transition on the financial statements.

Going concern

The directors have prepared cash flow forecasts for a period of 12 months from the date of signing these financial statements. The Group's forecasts are reviewed regularly to assess whether any actions to curtail expenditure or cut costs are required.

The Group's operations presently generate sufficient revenues to cover operating costs, supporting the continued preparation of the Group's accounts on a going concern basis.

The directors are nevertheless conscious that oil prices have been volatile during the past few years and could rise further but could also fall back in the year ahead, and that future production levels depend on both depletion rates from existing wells and the success of future drilling.

The directors also recognise that the outstanding $2.0 million secured loan is due for full redemption in August 2027 and that there are scenarios in which the Company may not be in a position to settle this liability. Nonetheless, the directors remain confident that the loan can either be repaid, or renegotiated, or that new lenders could take a portion, or that other financing options will be available to the Company and therefore judge that the Company retains sufficient flexibility and optionality around the loan to prepare the accounts on a going concern basis.

As part of their going concern assessment, the directors have examined multiple scenarios in which oil prices and/or future production levels fall substantially and have concluded that it remains possible that future revenues in at least some scenarios might not cover all operating costs and planned capital expenditures, creating a material uncertainty that may cast doubt over the Group's ability to continue as a going concern. Whilst acknowledging this material uncertainty, the directors remain confident of making further cost savings if required and, therefore, the directors consider it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include the adjustments that would result if the Group were unable to continue as a going concern.

3. Operating segments

The Group is engaged in the appraisal and development of oil and gas resources in Georgia and is therefore considered to operate in a single geographical and business segment. The Group's convertible loan note advanced to Pilgrim, which holds the interest in Gabon, is held as a non-current asset (see note 9) and does not currently constitute a separate operating segment.

4. Adjusted EBITDA

Adjusted EBITDA

	30 June 2026 $'000	30 June 2025 $'000
Oil and gas extraction - Georgia	794	713
Corporate and other	(738)	(632)
Total adjusted EBITDA	**56**	**81**

Adjusted EBITDA reconciles to loss before income tax as follows:

Total adjusted EBITDA

	30 June 2026 $'000	30 June 2025 $'000
Total adjusted EBITDA	**56**	**81**
Depreciation and depletion	(597)	(619)
Finance income (non-operational)	41	62
Finance costs and foreign exchange	(159)	(163)
Loss before income tax from continuing operations	**(659)**	**(639)**

5. Earnings per share

Basic loss per Ordinary Share is calculated using the loss attributable to equity shareholders and the weighted average number of Ordinary Shares outstanding during the period. Diluted loss per share equals basic loss per share where potential Ordinary Shares are anti-dilutive.

	30 June 2026	**30 June 2025**
Loss attributable to equity Shareholders $	$(659,000)	$ (639,000)
Weighted average number of Ordinary Shares	1,141,535,021	754,145,097
Loss per Ordinary Share (basic and diluted, US cents)	**(0.06) cents**	**(0.08) cents**

6. Property, plant and equipment

Unaudited	**Development & Production Assets**	**PPE/Computer/ Office equipment/ Vehicles**	**Total**
Cost	**$'000**	**$'000**	**$'000**
At 1 January 2026	32,891	2,346	35,237
Additions	168	68	236
Disposals	-	(1)	(1)
Abandonment provision	73	-	73
Foreign exchange movements	-	9	9
At 30 June 2026	**33,132**	**2,422**	**35,554**
Accumulated depreciation			
At 1 January 2026	10,877	1,550	12,427
Charge for the period	474	123	597
Disposals	6	-	6
Foreign exchange movements	-	(1)	(1)
At 30 June 2026	**11,357**	**1,672**	**13,029**
Carrying amount			
At 30 June 2026	**21,775**	**750**	**22,525**
At 31 December 2025	22,014	796	22,810

No impairment was recognised in the six months ended 30 June 2026 (2025: Nil).

7. Inventory

	30 June 2026	**31 December 2025**
	$'000	**$'000**
Spare parts and consumables	3,363	3,346
Crude oil	548	473
	3,911	**3,819**

Inventories recognised in cost of sales

Movements in the value and volume of oil inventories during the period have been recognised as an adjustment to cost of sales of $69,000 (2025: ($498,000)).

8. Share capital

Called up, allotted, issued and fully paid	No. Ordinary Shares	No. Deferred Shares	Nominal Value $'000	Share Premium $'000	Total $'000
As at 31 December 2025	1,011,647,492	2,095,165,355	4,642	36,958	**41,600**
January 2026 - exercise of options	4,096,347	-	14	-	**14**
February 2026 - issue of equity	30,428,200	-	103	279	**382**
May 2026 - firm fundraise tranche	77,314,000	-	260	885	**1,145**
May 2026 - conditional fundraise tranche	345,893,916	-	1,164	3,958	**5,122**
Share issue costs	-	-	-	(276)	**(276)**
As at 30 June 2026	**1,469,379,955**	**2,095,165,355**	**6,183**	**41,804**	**47,987**

On 29 January 2026, the Company issued 4,096,347 ordinary shares of 0.25p each to a former employee following an exercise of nil cost options.

On 23 February 2026, the Company issued 30,428,200 ordinary shares of 0.25p each to a Director and a member of staff in settlement of bonus awards for the year ended 31 December 2025. The number of shares issued was determined by dividing the respective bonus by the volume weighted average price of the Company's ordinary shares for January 2026 of c.1.25 cents (0.93p) per share.

On 28 April 2026, the Company announced that it had completed a placing and retail offer to issue a total of 423,207,916 ordinary shares, raising gross funds of $6.3m (£4.7m). These shares were issued in two tranches as follows:

- The firm tranche comprised 77,314,000 ordinary shares of 0.25 pence each, issued at 1.1 pence per share (£0.011), raising gross proceeds of $1,145,000 (£850,000). These shares were admitted to trading on AIM on 1 May 2026.
- The conditional tranche comprised 345,893,916 ordinary shares of 0.25 pence each, issued at 1.1 pence per share (£0.011), including 4,506,716 shares subscribed under the retail offer. Gross proceeds were $5,122,000 (£3,805,000). Following shareholders' approval on 18 May 2026, the conditional shares were admitted to trading on AIM on 19 May 2026.

On 30 June 2026, the Company's share capital consisted of 1,469,379,955 Ordinary shares (31 December 2025: 1,011,647,492) and 2,095,165,355 Deferred shares (31 December 2025: 2,095,165,355).

The Ordinary Shares consist of full voting, dividend and capital distribution rights and they do not confer any rights for redemption. The Deferred Shares have no entitlement to receive dividends or to participate in any way in the income or profits of the Company, nor is there entitlement to receive notice of, speak at, or vote at any general meeting or annual general meeting.

9. Other non-current assets

	30 June 2026	31 December 2025
	$'000	$'000
Convertible Loan Note Receivable - $USD	4,312	-

In April 2026 the Group entered into a secured convertible loan agreement with Pilgrim Exploration Limited ("Pilgrim") and its wholly owned subsidiaries, which hold a 90% working interest in the Ndjila and Mpari Production Sharing Contracts in offshore Gabon, with the Government of Gabon holding the remaining 10%. The facility is for up to US$6.0 million, of which US$4.312 million had been advanced at 30 June 2026 and is recognised within other non-current assets, leaving US$1.688 million undrawn. The loan is secured by a debenture over Pilgrim's assets and a charge over the share capital of its subsidiaries.

Block may elect to convert into equity in Pilgrim, an 85% interest in the PSCs, or another lawful alternative interest, subject in each case to any required governmental and regulatory approvals. On conversion this would give Block a 76.5% indirect economic interest in the PSCs, with Pilgrim holding 13.5% and the Government of Gabon 10%. Pilgrim remains the PSC operator, with technical support from Block, and until conversion the arrangement transfers no interest in the PSCs, operatorship or control of Pilgrim.

Block also committed up to US$4.0 million of non-cash support through staff and resources; this is separate from the US$6.0 million loan facility.

10. Warrants

	Number of Warrants	Exercise price	Expiry date
Outstanding at the beginning of the period	243,816,803	0.85p - 12.5p	2/2/26 - 11/6/28
Granted in the period	60,386,474	1.20p	2/2/29
Expired in the period	(44,682,643)	1.7p and 1.9p	2/2/26
Outstanding at the end of the period	**259,520,634**	**0.85p - 12.5p**	**12/12/26 - 2/2/29**

The warrants granted in the period relate to the agreement to extend the $2m loan for a further 18 months to 2 August 2027 on materially the same terms ("New Warrants"). The New Warrants are exercisable at any point up until 2 February 2029 and have an exercise price of 1.20 pence per ordinary share being the closing bid price on 28 January 2026. The number of New Warrants issued to each lender corresponded to an exercise value equal to 50% of their respective loan commitment under the Loan Facility.

The cost of these warrants relates to the cost of borrowing and therefore a fair value of 0.343p per warrant was determined using the Bloomberg Option Pricer. This resulted in a total fair value charge of $270,000 (£207,000) being assigned to the warrants granted to the lenders, which has been amortised on a straight-line basis at $15,000 per month over the 18-month loan extension period. $75,000 is included in the finance charge for this period.

Paul Haywood, Chief Executive Officer, has previously lent $115,000 to the Company under the Loan Facility (as announced February 2023). The related party disclosure in respect of the costs of the 3,472,222 warrants issued to Paul Haywood was $16,000.

11. Related-party transactions

Related-party transactions during the period included share-based award settlements involving a Director and a member of staff, as described in note 8 and a Director’s participation in the loan extension, as described in note 10.

On 23 February 2026, the Company also issued 9,231,083 nil-cost options in settlement of bonus awards for the year ended 31 December 2025. This included 5,257,666 options which were granted to the PDMR Guram Maisuradze.

12. Other matters

A copy of this report is available from the Group's website, www.blockenergy.co.uk