SynergiaEnergy

INTERIM FINANCIAL REPORT

Six Months Ended 31 December 2022

INTERIM FINANCIAL REPORT 31 DECEMBER 2022

CONTENTS

REVIEW OF OPERATIONS

OVERVIEW AND STRATEGY

Consistent with the Company's strategy to focus on gas production and Carbon Capture and Storage ("CCS"), Synergia's activities have centred on the Company's Cambay gas and condensate field in India and on CCS opportunities in the UK and recently, in India.

A significant development for the Company during the period was the successful re-frac of the Cambay C-77H well facilitating progress towards a full field development. To this end, a formal farm out process was instigated in Q4 2022 with a view to farming out up to 50% of the Cambay PSC to a suitable JV partner.

In addition, the Company added a further CCS project in the form of the conceptual Cambay CCS scheme which we believe not only leverages our Company's expertise in this sector but also has the potential to make a material impact on India's carbon emissions reduction aspirations.

Due to the continued high gas prices, the Company has put its search for mature producing gas assets in the UK Continental Shelf area on hold.

CAMBAY FIELD, ONSHORE GUJARAT, INDIA
(Synergia Energy: Operator and 100% Participating Interest)

The Cambay field was placed on production following a lengthy hiatus in April 2022. The Company's primary producing well, C-77H, provided the majority of the field's production during the period even though it was shut in for approximately 2 months during the re-frac operation. Prior to the re-frac, the original 4 fracked zones were unable to provide sustained production due to liquid loading which necessitated the frequent shutting in of the well to allow wellhead pressure to be restored. It was believed that the 4 zones had been fracked sub-optimally.

In order to prove up a new fracking methodology, a bridge plug was set above the original 4 fracked zones to isolate them from 2 new fracked zones at the heel of the well. The 2 new zones were fracked in July 2022 and following a lengthy clean-up process, the well finally provided stable and constant gas production at up to 275,000 SCFD despite the existence of a c.1500m column of condensate. Through the period end the C-77H well exhibited plateau production which verified the new fracking methodology and provides a template for future new wells.

The C-77H re-frac operation confirmed the need for an artificial lift ("AL") solution for Eocene wells in order to optimise gas and gas condensate production. Progressive cavity pumps ("PCP") were considered the best AL solution and an evaluation of PCP configuration was commenced in conjunction with the preferred supplier, PCM. Due to elastomer compatibility and availability problems, the Company is evaluating a jet pump AL solution.

Based on the C-77H re-frac results, the Company believes new multi-zone and fracked horizontal Eocene wells with AL can be drilled with initial production rates of 4 mmscfd and 40% annual decline rates.

A formal farm out process commenced in October 2022 with a view to farming out up to 50% of the Cambay PSC. The process is being managed by Moyes & Company. The primary objective of the farm out is to facilitate the commencement of a full field development of the Cambay field in H2 2023.

In November 2022, oil production from C-19z, C-20, C63 and C72 started to augment the gas and condensate production from C-77H and C-73.

CAMBAY FIELD, ONSHORE GUJARAT, INDIA (CONTINUED)

Cambay CCS Scheme

Leveraging its CCS expertise and experience in the UK, the Company has developed a CCS scheme in India based on CO_2 storage in the extensive Olpad Formation which extends under the Cambay producing reservoirs. The scheme proposes the capture of CO_2 emitted from the many gas and coal-fired power stations in the vicinity of the Cambay field. CO_2 would be transported via pipeline to a CCS hub on the Cambay field for injection into the Olpad Formation for permanent storage.

Further technical studies will be required to confirm the suitability of the Olpad Formation. In addition to the securing of funding, the necessary regulatory and commercial frameworks will need to be developed in order to bring this significant CCS scheme to fruition.

UNITED KINGDOM CONTINENTAL SHELF

Carbon Capture and Storage ("CCS")

Due to a potential overlap of CCS and windfarm activities in the area around the Esmond and Forbes fields, these areas were excluded by the NSTA from the licensing round. Consequently, the Company undertook extensive technical evaluation of two alternative licensing areas incorporating a mix of depleted gas reservoirs and aquifers. The Company made two carbon storage license applications under the NSTA's first carbon storage licensing round. The licenses are planned to form part of Synergia's Medway Hub CCS project. It is anticipated that the NSTA will commence the award of licenses at the end of calendar Q1 2023.

JPDA 06-103, TIMOR SEA

Under the terms of the Deed of Settlement and Release, the final instalment of US$250,000 (out of the original US$800,000) was made to Autoridade Nacional Do Petroleo E Minerais ("ANPM") on 7 September 2022.

The movement in the loan payable relating to the settlement during the period is detailed in Note 12 to the condensed consolidated interim financial report, which shows balance of the loan from Japan Energy E&P JPDA Pty Ltd ("JX") being at US$440,970 at 31 December 2022. At report date, the balance of the loan from JX was approximately US$253,549, following a repayment to JX of US$196,754 on 13 February 2023.

The balance of the loan from JX at reporting date, plus interest, is to be repaid to JX in August 2023, upon the loan's maturity on 17 August 2023.

During the period, the non-defaulting parties to the JPDA joint venture agreed to terminate the Joint Operating Agreement. Synergia Energy will be progressing the final closure of the joint venture accounts to conclude this matter.

WEST KAMPAR PSC, CENTRAL SUMATRA, INDONESIA

During the half-year, the Company was advised that its efforts to regain a participating interest and control of the West Kampar PSC in Indonesia were unsuccessful. The Company understands that the West Kampar PSC was awarded to a third party. This marks the end of the Company's activities in Indonesia.

QUALIFIED PERSON

The technical information contained in the above disclosure has been prepared by or under the supervision of Mr Jonathan Salomon (B App Sc (Geology), GAICD), Executive Chairman employed by Synergia Energy Ltd. Mr Salomon has over 36 years' experience in petroleum geology and is a member of the American Association of Petroleum Geologists, and the Society of Petroleum Engineers. Mr Salomon meets the requirements of and acts as the Qualified Person under the Alternative Investment Market Rules – *AIM Note for Mining and Oil & Gas Companies*, and consents to the inclusion of this information in this report in the form and context in which it appears.

PERMIT SCHEDULE

PETROLEUM PERMIT SCHEDULE – 31 DECEMBER 2022					
ASSET	**LOCATION**	**ENTITY**	**CHANGE IN INTEREST DURING THE PERIOD %**	**EQUITY %**	**OPERATOR**
Cambay Field PSC	Gujarat, India	Synergia Energy Ltd	-	85.0	Synergia Energy Ltd
		Oilex N.L. Holdings (India) Limited	-	15.0	

The directors present their report together with the condensed interim financial report of the group comprising of Synergia Energy Ltd (the "Company" or "Synergia Energy") and its subsidiaries (together collectively referred to as the "Group") for the half-year ended 31 December 2022 and the auditor's review report thereon.

DIRECTORS

The directors of the Company at any time during the interim period and until the date of this report are detailed below. All directors were in office for this entire period unless otherwise stated.

Mr Jonathan Salomon	Executive Chairman
Mr Roland Wessel	Chief Executive Officer ("CEO") and Executive Director
Mr Colin Judd	Chief Financial Officer ("CFO") and Executive Director
Mr Mark Bolton	Non-Executive Director
Mr Paul Haywood	Independent Non-Executive Director
Mr Peter Schwarz	Independent Non-Executive Director

REVIEW OF OPERATIONS

A review of the operations of the Group during the financial period and the results of those operations are set out in the Review of Operations on pages 1 to 3 of this report.

FINANCIAL AND OPERATING RESULTS

The Group incurred a consolidated loss after income tax of $3,674,813 for the half-year (31 December 2021: loss of $2,235,196).

During the half-year, production continued on the Cambay field together with oil and gas sales following recommencement of production which happened in April 2022. Oil sales during the half-year amounted to $294,053 (31 December 2021: $nil) and gas sales amounted to $396,767 (31 December 2021: $nil), providing total revenues of $690,820 during the half-year (31 December 2021: $nil). Cost of sales including production costs incurred during the half-year amounted to $2,380,919 (31 December 2021: $nil), which included re-fraccing costs of $1,845,527 (31 December 2021: $nil). This resulted in the Group incurring a gross loss of $1,690,099 during the half-year (31 December 2021: $nil).

The prior period results included care and maintenance expenditure of $187,908 (which included re-fraccing preparation costs of $113,416 up to December 2021), with no care and maintenance expenditure recorded in the current period due to the recommencement of production in April 2022.

The expected credit losses incurred during the half-year were significantly reduced to $22,712 (from $238,514 during the half-year ended 31 December 2021) mainly due to GSPC no longer being a 55% joint venture partner in Cambay since the previous financial year on 4 February 2022. This also resulted in exploration expenditure reducing to $385,788 (from $493,111 during the half-year ended 31 December 2021) as no additional accrual of exploration expenditure was required as at 31 December 2022 (31 December 2021: $129,613 additional exploration expenditure required).

Net finance costs including net foreign exchange losses increased during the half-year to $236,515 (31 December 2021: $129,509), mainly due to an increase in the unwinding of discount on site restoration provision to $144,632 during the half-year (31 December 2021: $25,147).

Cash and cash equivalents held by the Group as at 31 December 2022 has decreased to $1,364,423 (at 30 June 2022: $4,838,459). The Group's borrowings as at 31 December 2022 increased to $650,878 (at 30 June 2022: $451,355).

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

The auditor's review report contains a statement of material uncertainty regarding the Company's ability to continue as a going concern. The consolidated financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The funding requirements of the Group are reviewed on a regular basis by the Group's Executive Directors and are reported to the Board at each board meeting to ensure the Group can meet its financial obligations as and when they fall due. In this regard, please refer to the note below concerning the raising of £650,000 by way of a convertible loan note agreement subsequent to the balance date. This loan will be utilised for working capital purposes.

Cambay's gas and oil production and associated revenue streams recommenced in the six months to 31 December 2022 but, until sufficient operating cash flows are generated from its operations, the Group remains reliant on equity raisings, joint venture contributions or debt funding, as well as asset divestitures or farmouts to fund its expenditure commitments.

The Group will require additional funding in due course to continue its exploration activities, progress the Cambay development and drilling programme, repay its loan balance, meet its ongoing administrative expenses, and for any new business opportunities that the Group may pursue.

Further information on the Group's going concern basis of preparation is provided in Note 2(c) of the consolidated financial statements.

CORPORATE

Following shareholder approval received at the 13 July 2022 General Meeting, 174,831,394 fully paid ordinary shares ("shares") were issued at £0.002 ($0.0035) per share raising approximately £350k ($608k) before costs. The shares were the final instalment of the placement previously arranged and announced on 4 May 2022. 69,932,558 shares out of 174,831,394 shares were issued on 21 July 2022 and the remaining 104,898,836 shares were issued on 3 August 2022.

Following the issue of these shares, 30,000,000 unlisted options exercisable at £0.002 each and expiring on or before 30 April 2024 were issued on 13 September 2022. These unlisted options were issued to Novum Securities Limited ("Novum") for their role as Lead Manager pursuant to the capital raising advisory agreement relating to the May 2022 placement.

As at 31 December 2022, the Company had:

- Available cash resources of $1,364,423;
- Borrowings of $650,878; and
- Issued capital of 8,417,790,704 fully paid ordinary shares and 379,885,408 unlisted options.

SIGNIFICANT EVENTS AFTER BALANCE DATE

On 13 February 2023, the Company made a repayment to JX of US$196,754. Following the repayment and further interest accrued, at report date, the balance of the loan from JX is approximately US$253,549.

On 22 February 2023, the Company announced that it entered into a convertible loan agreement with certain sophisticated and/or professional existing and new shareholders to secure a new convertible loan facility of £650,000. The convertible loan proceeds were received by the Company between 23 February 2023 and 9 March 2023 and will be used for working capital purposes. Under the terms of the agreement, and as a consequence of the receipt date of the funds, the option date and maturity date were extended to 9 December 2023 and 9 March 2024 respectively.

SIGNIFICANT EVENTS AFTER BALANCE DATE (CONTINUED)

A summary of the key terms of the convertible loan facility is disclosed in Note 12 to the condensed consolidated interim financial report.

There were no other significant subsequent events occurring after the half-year end.

LEAD AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration is set out on page 8 and forms part of the Directors' Report for the half-year ended 31 December 2022.

Signed in accordance with a resolution of the Board of Directors.

Mr Jonathan Salomon Executive Chairman	Roland Wessel Chief Executive Officer and Director

West Perth, Western Australia
15 March 2023

Advisory • Audit
Business Solutions

AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF SYNERGIA ENERGY LTD

In relation to our review of the financial report of Synergia Energy Ltd for the half year ended 31 December 2022, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

PKF Perth

PKF PERTH

SHANE CROSS
PARTNER

15 MARCH 2023
WEST PERTH,
WESTERN AUSTRALIA

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SYNERGIA ENERGY LTD
ABN 50 078 652 632

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

	Note	31 December 2022 $	31 December 2021 $
Revenue	6(a)	**690,820**	-
Cost of sales	6(b)	**(2,380,919)**	-
Gross Profit		**(1,690,099)**	-
Exploration expenditure		**(385,788)**	(493,111)
Care and maintenance expenditure	6(c)	**-**	(187,908)
Administration expense	6(d)	**(1,251,915)**	(1,150,753)
Expected credit losses expense	7	**(22,712)**	(238,514)
Share-based payments expense	17	**(84,094)**	(19,489)
Other expenses	6(e)	**(3,689)**	(15,912)
Results from Operating Activities		**(3,438,297)**	(2,105,687)
Finance income	6(f)	**158**	189
Finance costs	6(g)	**(180,650)**	(123,466)
Net foreign exchange loss	6(h)	**(56,024)**	(6,232)
Net Finance Costs		**(236,516)**	(129,509)
Loss Before Tax from Continuing Operations		**(3,674,813)**	(2,235,196)
Income tax expense		**-**	-
Loss for the Period from Continuing Operations		**(3,674,813)**	(2,235,196)
Profit after tax for the period from discontinued operations		**-**	-
Loss for the Period		**(3,674,813)**	(2,235,196)
Other Comprehensive Income			
Items that may be reclassified subsequently to profit or loss			
Foreign exchange differences on translation of foreign operations		**74,357**	129,406
Other Comprehensive Income for the Period, Net of Income Tax		**74,357**	129,406
Total Comprehensive Loss for the Period		**(3,600,456)**	(2,105,790)
Loss per Share from Continuing and Discontinued Operations			
Basic loss per share (cents per share)		**(0.04)**	(0.04)
Diluted loss per share (cents per share)		**(0.04)**	(0.04)

The above Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying notes.

SYNERGIA ENERGY LTD
ABN 50 078 652 632

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	31 December 2022 $	30 June 2022 $
Assets			
Cash and cash equivalents		**1,364,423**	4,838,459
Trade and other receivables	7	**477,906**	127,058
Prepayments		**10,454**	15,617
Inventories		**99,107**	387,685
Investments	8	**69,185**	69,185
Total Current Assets		**2,021,075**	5,438,004
Development assets	9	**20,540,522**	20,310,614
Plant and equipment		**28,105**	29,830
Total Non-Current Assets		**20,568,627**	20,340,444
Total Assets		**22,589,702**	25,778,448
Liabilities			
Trade and other payables	10	**889,566**	1,729,185
Employee benefits	11	**195,717**	180,827
Borrowings	12	**650,878**	451,355
Total Current Liabilities		**1,736,161**	2,361,367
Provisions	11	**9,125,394**	8,833,483
Total Non-Current Liabilities		**9,125,394**	8,833,483
Total Liabilities		**10,861,555**	11,194,850
Net Assets		**11,728,147**	14,583,598
Equity			
Issued capital	16	**192,817,143**	192,181,384
Reserves		**7,982,467**	7,798,864
Accumulated losses		**(189,071,463)**	(185,396,650)
Total Equity		**11,728,147**	14,583,598

The above Condensed Consolidated Statement of Financial Position is to be read in conjunction with the accompanying notes.

SYNERGIA ENERGY LTD
ABN 50 078 652 632

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

	Note	Issued Capital $	Share-Based Payments Reserve $	Foreign Currency Translation Reserve $	Accumulated Losses $	Total Equity $
		Attributable to Owners of the Company				
Balance at 1 July 2022		**192,181,384**	**221,321**	**7,577,543**	**(185,396,650)**	**14,583,598**
Total Comprehensive Income/(Loss)						
Loss for the period		-	-	-	(3,674,813)	(3,674,813)
Other Comprehensive Income						
Foreign currency translation differences		-	-	74,357	-	74,357
Total Other Comprehensive Income		-	-	74,357	-	74,357
Total Comprehensive Income/(Loss) for the Period		-	-	74,357	(3,674,813)	(3,600,456)
Transactions with Owners of the Company						
Contributions and Distributions						
Shares issued	**16**	608,378	-	-	-	608,378
Capital raising costs [(1)]	**16**	27,381	-	-	-	27,381
Share-based payment transactions	**17**	-	109,246	-	-	109,246
Total Transactions with Owners of the Company		635,759	109,246	-	-	745,005
Balance at 31 December 2022		**192,817,143**	**330,567**	**7,651,900**	**(189,071,463)**	**11,728,147**
Balance at 1 July 2021		**185,355,925**	**-**	**7,096,752**	**(183,469,774)**	**8,982,903**
Total Comprehensive Income/(Loss)						
Loss after tax for the period		-	-	-	(2,235,196)	(2,235,196)
Other Comprehensive Income						
Foreign currency translation differences		-	-	129,406	-	129,406
Total Other Comprehensive Income		-	-	129,406	-	129,406
Total Comprehensive Income/(Loss) for the Period		-	-	129,406	(2,235,196)	(2,105,790)
Transactions with Owners of the Company						
Contributions and Distributions						
Shares issued for cash		1,485,195	-	-	-	1,485,195
Capital raising costs [(1)]		(384,845)	-	-	-	(384,845)
Share-based payment transactions	**17**	19,489	53,133	-	-	72,622
Total Transactions with Owners of the Company		1,119,839	53,133	-	-	1,172,972
Balance at 31 December 2021		**186,475,764**	**53,133**	**7,226,158**	**(185,704,970)**	**8,050,085**

(1) Capital raising costs include cash payments and the fair value of options granted to the underwriter.

The above Condensed Consolidated Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

SYNERGIA ENERGY LTD
ABN 50 078 652 632

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

	31 December 2022 $	31 December 2021 $
Cash Flows from Operating Activities		
Cash receipts from customers	**467,308**	-
Recovery of prior period operating costs	**52,539**	510,644
Payments to suppliers and employees	**(3,771,568)**	(1,543,727)
Repayment of JPDA 06-103 PSC termination penalty	**(372,523)**	(348,481)
Cash outflows from operations	**(3,624,244)**	(1,381,564)
Payments for exploration and evaluation expenses	**(442,433)**	(349,347)
Interest received	**158**	189
Interest paid	**(4,790)**	(3,931)
Net Cash Used in Operating Activities	**(4,071,309)**	(1,734,653)
Cash Flows from Investing Activities		
Payment for deposit for Cambay Acquisition (paid to bank guarantee and later called upon by GSPC)	**-**	(2,903,141)
Payments for capitalised exploration and evaluation	**-**	(7,352)
Acquisition of plant and equipment	**-**	(26,621)
Proceeds from sale of other investments	**-**	118,694
Net Cash Used in Investing Activities	**-**	(2,818,420)
Cash Flows from Financing Activities		
Proceeds from issue of share capital	**608,378**	1,485,195
Payment for share issue costs	**(106,168)**	(141,361)
Proceeds from borrowings	**372,523**	348,481
Repayment of borrowings	**(199,906)**	(23,404)
Net Cash from Financing Activities	**674,827**	1,668,911
Net Decrease in Cash and Cash Equivalents	**(3,396,482)**	(2,884,162)
Cash and cash equivalents at 1 July	**4,838,459**	4,310,767
Effect of exchange rate fluctuations on cash held	**(77,554)**	(1,191)
Cash and Cash Equivalents at 31 December	**1,364,423**	1,425,414

The above Condensed Consolidated Statement of Cash Flows is to be read in conjunction with the accompanying notes.

1. REPORTING ENTITY

Synergia Energy Ltd (the "Company") is a for-profit entity domiciled in Australia. The condensed consolidated interim financial report as at and for the half-year ended 31 December 2022 comprise the Company and its subsidiaries (collectively the "Group" and individually "Group Entities"). Synergia Energy Ltd is a company limited by shares incorporated in Australia whose shares are publicly traded on the Alternative Investment Market ("AIM") of the London Stock Exchange ("LSE"). The Company's shares were also recently publicly traded on the Australian Securities Exchange ("ASX") until its delisting from the ASX on 30 December 2022.

The Group is primarily involved in the exploration, evaluation, development and production of hydrocarbons.

The consolidated annual financial report of the Group as at and for the year ended 30 June 2022 is available upon request from the Company's registered office at Level 1, 11 Lucknow Place, West Perth, Western Australia 6005 or at www.synergiaenergy.com.

2. BASIS OF PREPARATION

(a) Presentation Currency

The condensed consolidated interim financial report is presented in Australian Dollars ("$"), unless otherwise stated.

(b) Statement of Compliance

The condensed consolidated interim financial report is a general purpose condensed financial report which has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001,* and IAS 34 *Interim Financial Reporting*. The condensed consolidated interim financial report does not include all of the notes and information included in an annual financial report and accordingly this report should be read in conjunction with the consolidated annual financial report of the Group as at and for the year ended 30 June 2022.

The Company is a company of the kind referred to in *ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191*, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the half-year financial report are rounded off to the nearest dollar, unless otherwise indicated.

This condensed consolidated interim financial report was authorised for issue by the Board of Directors on 15 March 2023.

(c) Going Concern Basis

The Directors believe it is appropriate to prepare the consolidated financial statements on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The Group incurred a loss of $3,674,813 (half-year ended 31 December 2021: $2,235,196) and had cash outflows from operating activities of $4,071,309 (half-year ended 31 December 2021: $1,734,653). The Group concluded the half-year at 31 December 2022 with cash and cash equivalents of $1,364,423 (at 30 June 2022: $4,838,459) and had loans outstanding at period end of $650,878 (at 30 June 2022: $451,355).

On 22 February 2023, the Company announced that it entered into a convertible loan agreement with certain sophisticated and/or professional existing and new shareholders to secure a new convertible loan facility of £650,000. The convertible loan proceeds were received by the Company between 23 February 2023 and 9 March 2023 and will be used for working capital purposes.

2. BASIS OF PREPARATION (CONTINUED)

(c) Going Concern Basis (Continued)

The Group also requires further funding within the next twelve months in order to repay its loan balance, continue its exploration activities, progress the Cambay development and drilling programme, meet its ongoing administrative expenses, and for any new business opportunities that the Group may pursue.

The Directors believe that the Group will be able to secure sufficient funding to meet the requirements to continue as a going concern, due to its history of previous capital raisings, acknowledging that the structure and timing of any capital raising is dependent upon investor support, prevailing capital markets, shareholder participation, oil and gas prices and the outcome of planned exploration and evaluation activities, which creates uncertainty.

The Directors consider the going concern basis of preparation to be appropriate based on its forecast cash flows for the next twelve months and that the Group will be in a position to continue to meet its minimum administrative, evaluation and development expenditures and commitments for at least twelve months from the date of this report.

If further funds are not able to be raised or realised, then it may be necessary for the Group to sell or farmout its exploration and development assets and to reduce discretionary administrative expenditure.

The ability of the Group to achieve its forecast cash flows, particularly the raising of additional funds, represents a material uncertainty that may cast significant doubt about whether the Group can continue as a going concern, in which case it may not be able to realise its assets and extinguish its liabilities in the normal course of business and at the stated amounts in the financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied by the Group in this condensed consolidated interim financial report are the same as those applied by the Group in its consolidated financial report as at and for the year ended 30 June 2022.

New or Amended Accounting Standards and Interpretations Adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period.

Any new or amended accounting standards, interpretations and other accounting pronouncements that are not yet mandatory have not been early adopted.

4. ESTIMATES AND JUDGEMENTS

The preparation of a condensed consolidated interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report as at and for the year ended 30 June 2022.

5. OPERATING SEGMENTS

The Group has identified its operating segments based upon the internal reports that are reviewed and used by the executive management team in assessing performance and that are used to allocate the Group's resources. There has been no change in the basis of segmentation from the Group's 30 June 2022 annual consolidated financial report.

	India		JPDA [1]		Indonesia		United Kingdom		Corporate [2]		Consolidated	
6 Months Ended 31 December	**31 Dec 2022 $**	31 Dec 2021 $	**31 Dec 2022 $**	31 Dec 2021 $	**31 Dec 2022 $**	31 Dec 2021 $	**31 Dec 2022 $**	31 Dec 2021 $	**31 Dec 2022 $**	31 Dec 2021 $	**31 Dec 2022 $**	31 Dec 2021 $
Revenue												
External revenue	**690,820**	-	**-**	-	**-**	-	**-**	-	**-**	-	**690,820**	-
Gross Loss	**(1,690,099)**	-	**-**	-	**-**	-	**-**	-	**-**	-	**(1,690,099)**	-
Reportable Segment (Loss)/Profit Before Income Tax	**(2,037,985)**	(925,413)	**(9,054)**	(23,513)	**62,867**	(11,904)	**(80,304)**	(7,468)	**(1,373,821)**	(1,137,389)	**(3,438,297)**	(2,105,687)
Net finance costs											**(180,492)**	(123,277)
Foreign exchange loss											**(56,024)**	(6,232)
Income tax expense											**-**	-
Net Loss for the Period											**(3,674,813)**	(2,235,196)

	India		JPDA [1]		Indonesia		United Kingdom		Corporate [2]		Consolidated	
	31 Dec 2022 $	30 June 2022 $	**31 Dec 2022 $**	30 June 2022 $	**31 Dec 2022 $**	30 June 2022 $	**31 Dec 2022 $**	30 June 2022 $	**31 Dec 2022 $**	30 June 2022 $	**31 Dec 2022 $**	30 June 2022 $
Segment Assets	**21,812,333**	19,426,958	**5,451**	10,657	**-**	-	**-**	-	**771,918**	6,340,833	**22,589,702**	25,778,448
Segment Liabilities	**9,822,654**	9,823,249	**4,765**	372,034	**17,261**	86,190	**6,055**	-	**1,010,820**	913,377	**10,861,555**	11,194,850

There were no significant inter-segment transactions during the half-year.

[1] Joint Petroleum Development Area.

[2] Corporate represents a reconciliation of reportable segment revenues, profit or loss and assets to the consolidated figure.

6. REVENUE AND EXPENSES

	31 December 2022 $	31 December 2021 $
(a) Revenue		
Oil sales	**294,053**	-
Gas sales	**396,767**	-
	690,820	-
(b) Cost of Sales		
Production costs	**(2,072,613)**	-
Amortisation of development assets	**(5,865)**	-
Movement in oil stocks inventory	**(302,441)**	-
	(2,380,919)	-
(c) Care and Maintenance Expenditure		
Care and maintenance costs	**-**	(185,134)
Movement in oil stocks inventory	**-**	(2,774)
	-	(187,908)
(d) Administration Expenses		
Employee benefits expense	**(647,592)**	(470,694)
Administration expense	**(604,323)**	(680,059)
	(1,251,915)	(1,150,753)
(e) Other Expenses		
Depreciation expense	**(3,689)**	(11,385)
Loss on disposal of plant and equipment	**-**	(4,527)
	(3,689)	(15,912)
(f) Finance Income		
Interest income	**158**	189
	158	189
(g) Finance Costs		
Interest expense – borrowings	**(36,018)**	(4,827)
Unwinding of discount on site restoration provision	**(144,632)**	(25,147)
Equity securities designated at FVTPL – net change in fair value	**-**	(93,492)
	(180,650)	(123,466)
(h) Foreign Exchange Loss – Net		
Foreign exchange loss – realised	**9,920**	-
Foreign exchange loss – unrealised	**(65,944)**	(6,232)
	(56,024)	(6,232)

7. TRADE AND OTHER RECEIVABLES

	31 December 2022 $	30 June 2022 $
Current		
Allocation of Receivables		
Joint venture receivables	**33,626**	43,543
Other receivables	**444,280**	83,515
	477,906	127,058
Joint Venture Receivables		
Joint venture receivables	**411,149**	400,341
Provision for expected credited losses	**(377,523)**	(356,798)
	33,626	43,543
Other Receivables		
Corporate receivables	**481,639**	114,859
Provision for expected credited losses	**(37,359)**	(31,344)
	444,280	83,515

Joint venture receivables include the Group's share of outstanding cash calls and recharges owing from joint venture partners, as well as other minor receivables.

The Group considers that there is evidence of impairment if any of the following indicators are present: financial difficulties of the debtor, probability that the debtor will dispute amounts owing and default or delinquency in payment (more than one year old). Each receivable has been assessed individually for recovery, and those deemed to have a low chance of recovery have been fully provided for in the current period. The carrying value of trade and other receivables approximates its fair value due to the assessment of recoverability.

Allocation of Provision for Expected Credit Losses	31 December 2022 $	30 June 2022 $
Joint venture receivables	**(377,523)**	(356,798)
Other receivables	**(37,359)**	(31,344)
	(414,882)	(388,142)

Movement in Provision for Expected Credit Losses	Half-Year Ended 31 December 2022 $
Balance at 1 July 2022	**(388,142)**
Expected credit losses incurred during the period	**(22,712)**
Effect of movements in exchange rates	**(4,028)**
Balance at 31 December 2022	**(414,882)**

8. INVESTMENTS, INCLUDING DERIVATIVES

	31 December 2022 $	30 June 2022 $
Current Investments		
Equity securities – designated at FVTPL	**69,185**	69,185
	69,185	69,185

At 31 December 2022, the Group had 11,530,847 Armour shares on hand (at 30 June 2022: 11,530,847 Armour shares on hand).

Fair Value Measurement

The fair value measurement of the equity securities has been determined using a three-level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets that the Group can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly

Level 3: Unobservable inputs for the asset

Equity securities – designated as at FVTPL have been valued using quoted market rates (Level 1). This valuation technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates.

Dividends

Dividends received are recognised as other income by the Company when the right to receive payment is established.

9. DEVELOPMENT ASSETS

	31 December 2022 $	30 June 2022 $
Non-Current		
Allocation of Development Assets		
Cambay development asset	**11,679,122**	11,595,853
Cambay restoration asset	**8,861,400**	8,714,761
Carrying Amounts - Total	**20,540,522**	20,310,614

9. DEVELOPMENT ASSETS (CONTINUED)

	Half-Year Ended 31 December 2022 $
Movement in Carrying Amount – Cambay Development Asset	
Cost – Cambay Development Assets	
Balance at 1 July 2022	**33,617,561**
Effect of movements in foreign exchange rates	**(809,662)**
Balance at 31 December 2022	**32,807,899**
Amortisation and Impairment Losses – Cambay Development Asset	
Balance at 1 July 2022	**(22,021,708)**
Amortisation charge for the period	**(5,865)**
Effect of movements in foreign exchange rates	**898,796**
Balance at 31 December 2022	**(21,128,777)**
Carrying Amount – Cambay Development Asset	**11,679,122**
Movement in Carrying Amount – Cambay Restoration Asset	
Cost – Cambay Restoration Asset	
Balance at 1 July 2022	**8,714,761**
Effect of movements in foreign exchange rates	**146,639**
Balance at 31 December 2022	**8,861,400**
Amortisation and Impairment Losses – Cambay Restoration Asset	
Balance at 1 July 2022	**-**
Effect of movements in foreign exchange rates	**-**
Balance at 31 December 2022	**-**
Carrying Amount – Cambay Restoration Asset	**8,861,400**
Carrying Amounts – Total	
At 1 July 2022	**20,310,614**
At 31 December 2022	**20,540,522**

Cambay Field Development Assets

Development assets are reviewed at each reporting date to determine whether there is any indication of impairment or reversal of impairment. Indicators of impairment can include changes in market conditions, future oil and gas prices and future costs.

Based on a review of key assumptions, no impairment indicators were identified as at 31 December 2022. As such no impairment charges were applied to the Cambay Field development assets during the financial half-year ended 31 December 2022. Also, no further reassessment was made of the restoration asset and provision as at 31 December 2022, the last reassessment of the restoration asset and provision being made during the year ended 30 June 2022 (refer to the consolidated annual financial report of the Group as at and for the year ended 30 June 2022).

10. TRADE AND OTHER PAYABLES

	31 December 2022 $	30 June 2022 $
Current		
Trade creditors	**284,656**	285,127
Accruals	**604,910**	1,081,161
Termination penalty payable (JPDA 06-103 PSC)	**-**	362,897
	889,566	1,729,185

Trade and Other Payables
The carrying value of trade and other payables is considered to approximate its fair value due to the short-term nature of these financial liabilities.

Termination Penalty Payable (JPDA 06-103 PSC)

Movement in Termination Penalty Payable Balance During the Half-Year	**Half-Year Ended 31 December 2022 $**
Balance at 1 July 2022	**362,897**
Repayment of termination penalty (US$250,000)	**(372,523)**
Effect of movements in exchange rates	**9,626**
Balance at 31 December 2022	**-**

The termination penalty payable was payable to Autoridade Nacional Do Petroleo E Minerais ("ANPM"). The final instalment of the termination penalty (US$250,000) was paid to ANPM on 7 September 2022, thereby fully extinguishing the Group's obligations to ANPM.

11. PROVISIONS

	31 December 2022 $	30 June 2022 $
Current – Employee Benefits	**195,717**	180,827
Non-Current – Site Restoration and Well Abandonment	**9,125,394**	8,833,483
	9,321,111	9,014,310

Movement in Provision for Site Restoration and Well Abandonment During the Half-Year	**Half-Year Ended 31 December 2022 $**
Balance at 1 July 2022	**8,833,483**
Unwinding of discount on site restoration provision	**144,632**
Effect of movements in exchange rates	**147,279**
Balance at 31 December 2022	**9,125,394**

12. BORROWINGS

	31 December 2022 $	30 June 2022 $
Unsecured loan	**650,878**	451,355
	650,878	451,355

Terms and Repayment Schedule of US$800,000 Loan Facility
The above relates to an unsecured loan facility agreement for US$800,000, which the Company entered into during the financial year ended 30 June 2021 with two of its JPDA joint venture partners, and which was restricted to fund the settlement of the termination penalty payable to ANPM (see Note 10).

At 31 December 2022, the terms and conditions of the US$800,000 loan facility is as follows:

				31 December 2022 $		30 June 2022 $	
	Currency	**Nominal Interest Rate**	**Year of Maturity**	**Face Value**	**Carrying Amount**	Face Value	Carrying Amount
US$800,000 loan facility	USD	11.0%	2023	**650,878**	**650,878**	451,355	451,355
				650,878	**650,878**	451,355	451,355

The movement of the loan during the half-year was as follows:

Movement in Loan Balance	**Half-Year Ended 31 December 2022 $**
Balance at 1 July 2022 (US$310,938)	**451,355**
Repayments made to lender (US$140,414)	**(199,906)**
Amounts drawn down to pay termination penalty (US$250,000)	**372,523**
Interest on facility balance (US$20,446)	**31,228**
Effect of movements in exchange rates	**(4,322)**
Balance at 31 December 2022 (US$440,970)	**650,878**

The interest rate of the loan facility is 11% and the balance of the loan, plus interest, is to be repaid to Japan Energy E&P JPDA Pty Ltd ("JX") in two instalments (US$196,754 which was repaid on 13 February 2023 and the remaining to be repaid in August 2023), prior to the loan's maturity on 17 August 2023.

12. BORROWINGS (CONTINUED)

Subsequent Event:

As mentioned above, on 13 February 2023, the Company made a repayment to JX of US$196,754. Following the repayment and further interest accrued, at report date, the balance of the loan from JX is approximately US$253,549.

In addition, on 22 February 2023, the Company announced that it entered into a convertible loan agreement with certain sophisticated and/or professional existing and new shareholders to secure a new convertible loan facility of £650,000.

Summary of Key Terms of the Convertible Loan Facility:

Maturity Date:	9 March 2024 (2)
Option Date:	9 December 2023 (2)
Interest Rate:	5%
Conversion Terms:	Option to convert the loan and interest payable (to that point) in the period between the Option Date and the Maturity Date. If conversion elected, loan principal and accrued interest is payable by the Company in new fully paid ordinary shares ("Common Shares") at a £0.0008 conversion price, equating to a maximum issue of, in aggregate, 853,125,000 new Common Shares.
Repayment Terms:	No option for the Company to elect to repay ahead of Maturity Date, or for the Company to elect repayment to be made in cash.
Security:	Unsecured
Arrangement Fee:	None

Note:

1) Standard form representations and warranties have been agreed between the Company and the convertible loan lenders.

2) The convertible loan proceeds were received by the Company between 23 February 2023 and 9 March 2023 and, as a consequence, the option date and the maturity date were extended to 9 December 2023 and 9 March 2024 respectively.

13. LEASES

Rental Lease Commitments

	31 December 2022 $	30 June 2022 $
Within one year	**49,755**	36,480
One year or later and no later than five years	**-**	-
	49,755	36,480

Expenses Related to Short-Term or Low Value Leases

	31 December 2022 $	31 December 2021 $
Operating lease rentals expensed during the half-year	**36,737**	13,121

14. EXPENDITURE COMMITMENTS

Exploration Expenditure Commitments

In order to maintain rights of tenure to exploration permits, the Group is required to perform exploration work to meet the minimum expenditure requirements specified by various state and national governments. These obligations are subject to renegotiation when an application for an exploration permit is made and at other times. These obligations are not provided for in the financial report. The expenditure commitments are currently estimated to be $nil (30 June 2022: $nil).

There are no minimum exploration work commitments in the Cambay Production Sharing Contract.

When obligations expire, are renegotiated, or cease to be contractually or practically enforceable, they are no longer considered to be a commitment.

Further expenditure commitments for subsequent permit periods are contingent upon future exploration results. These cannot be estimated and are subject to renegotiation upon the expiry of the existing exploration leases.

Capital Expenditure Commitments

The Group had no capital expenditure commitments as at 31 December 2022 (30 June 2022: $nil).

15. CONTINGENT ASSETS, CONTINGENT LIABILITIES AND GUARANTEES

Contingent Assets and Contingent Liabilities at Reporting Date

The Directors are of the opinion that there were no contingent assets or contingent liabilities as at 31 December 2022 and as at 30 June 2022.

Guarantees

Synergia Energy Ltd has issued guarantees in relation to corporate credit cards. The bank guarantees amount to $50,000 (30 June 2022: $50,000).

16. ISSUED CAPITAL – FULLY PAID

	Half-Year Ended 31 December 2022		Year Ended 30 June 2022	
	Number of Ordinary Shares	**Issued Capital $**	Number of Ordinary Shares	Issued Capital $
Shares				
On issue 1 July	**8,242,959,310**	**192,181,384**	5,685,971,571	185,355,925
Issue of share capital				
Shares issued for cash (1)	**174,831,394**	**608,378**	2,497,758,909	7,503,616
Shares issued for non-cash	**-**	**-**	4,389,645	19,489
Exercise of unlisted options	**-**	**-**	54,839,185	136,393
Capital raising costs (2)	**-**	**27,381**	-	(834,039)
Balance at 31 December / 30 June	**8,417,790,704**	**192,817,143**	8,242,959,310	192,181,384

Additional information of the issue of ordinary shares:

1) Following shareholder approval received at the 13 July 2022 General Meeting, 174,831,394 fully paid ordinary shares were issued at £0.002 ($0.0035) per share. The shares were the final instalment of the placement previously arranged and announced on 4 May 2022. 69,932,558 shares out of 174,831,394 shares were issued on 21 July 2022 and the remaining 104,898,836 shares were issued on 3 August 2022.

2) The overall credit “inflow” of capital raising costs during the half-year period is a result of reversals of capital raising costs which were over-accrued in previous financial periods, and which were more than other capital raising costs incurred during the period (including those for options granted to Novum during the period). Refer to Note 17 (footnote (2)) with regards to the fair value of options granted to Novum.

The Company does not have authorised capital or par value in respect of its issued shares. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

17. SHARE-BASED PAYMENTS

	Half-Year Ended 31 December 2022 $	Half-Year Ended 31 December 2021 $
Shares and Options – Equity Settled		
Non-Executive Directors – remuneration shares	**-**	19,489
Executive Directors – long-term incentive options (1)	**84,094**	-
Total share-based payments expense and amount recognised in the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	**84,094**	19,489
Share-Based Payments Recognised Directly in Equity		
Options granted to brokers and financiers during the period (2)	**25,152**	53,133
Total share-based payments recognised directly in equity	**25,152**	53,133
Total Share-Based Payment Transactions	**109,246**	72,622

Additional information on share-based payment transactions during the period:

1) Relates to 324,675,324 unlisted options which were issued to Executive Directors (Messrs Salomon, Wessel and Judd) on 12 August 2022, following the Company's General Meeting held on 13 July 2022. The options are exercisable at £0.0022 ($0.0039) and expire on 12 August 2027, with one third (1/3) vesting on 30 June 2022, one third (1/3) vesting on 30 June 2023 and one third (1/3) vesting on 30 June 2024.

The total fair value of the unlisted options issued to Executive Directors ($504,564) was calculated at the grant date of 13 July 2022 using the Black-Scholes Model. Expected volatility was estimated by considering historical volatility of the Company's share price over the period commensurate with the expected term. The following factors and assumptions were used to determine the fair value of the 324,675,324 unlisted options granted to Executive Directors on 13 July 2022:

Grant Date	Vesting Date	Expiry Date	Fair Value Per Option	Exercise Price	Price of Shares on Grant Date	Expected Volatility	Risk Free Interest Rate	Dividend Yield
13 July 2022	As indicated above	12 August 2027	£0.0009 ($0.0016)	£0.0022 ($0.0039)	£0.0016 ($0.0028)	75.15%	1.35%	-

One third (1/3) of the value of these options ($168,188) was expensed at 30 June 2022, with a further $84,094 expensed during the half-year ended 31 December 2022.

17. SHARE-BASED PAYMENTS (CONTINUED)

2) On 13 July 2022, at the Company's General Meeting held on that date, 30,000,000 unlisted options were approved by shareholders and granted to Novum, pursuant to the placing agreement the Company had with Novum for their role as Lead Manager pursuant to the capital raising advisory agreement relating to the May placement.

The options are exercisable at £0.002 ($0.0039) and expires on 30 April 2024. The fair value of the unlisted options was calculated at the grant date of 13 July 2022 using the Black-Scholes Model. Expected volatility was estimated by considering historical volatility of the Company's share price over the period commensurate with the expected term.

The following factors and assumptions were used to determine the fair value of the 30,000,000 unlisted options granted to Novum during the period:

Grant Date	Vesting Date	Expiry Date	Fair Value Per Option	Exercise Price	Price of Shares on Grant Date	Expected Volatility	Risk Free Interest Rate	Dividend Yield
13 July 2022	13 July 2022	30 April 2024	£0.0005 ($0.0008)	£0.0020 ($0.0039)	£0.0016 ($0.0028)	75.15%	1.35%	-

The options were issued on 13 September 2022 and have not been exercised at the half-year report date.

No other options were issued during the half-year ended 31 December 2022. The balance of unlisted options at 31 December 2022 was 379,885,408 (30 June 2022: 736,505,236 options), as shown in the schedule below:

Issue Date	Expiry Date	Exercise Price	Balance at 1 July 2022	Issued During the Period	Options Expired	Balance at 31 Dec 2022
19 Jan 2022	31 May 2024	£0.0024	25,210,084	-	-	25,210,084
17 Mar 2022	31 Dec 2022	£0.0028	711,295,152	-	(711,295,152)	-
12 Aug 2022	12 Aug 2027	£0.0022	-	324,675,324	-	324,675,324
13 Sep 2022	30 Apr 2024	£0.0020	-	30,000,000	-	30,000,000
			736,505,236	**354,675,324**	**(711,295,152)**	**379,885,408**

18. RELATED PARTY TRANSACTIONS

Arrangements with related parties continue to be in place, including the 324,675,324 unlisted options issued on 12 August 2022 to the Executive Directors as long-term incentives. For details of these arrangements, refer to the consolidated annual financial report of the Group as at and for the year ended 30 June 2022.

No further related party arrangements were made during the period to 31 December 2022.

19. CHANGE IN THE COMPOSITION OF THE GROUP

Since the last annual reporting date, there have been no significant changes in the composition of the Group.

20. SUBSEQUENT EVENTS

On 13 February 2023, the Company made a repayment to JX of US$196,754. Following the repayment and further interest accrued, at report date, the balance of the loan from JX is approximately US$253,549.

On 22 February 2023, the Company announced that it entered into a convertible loan agreement with certain sophisticated and/or professional existing and new shareholders to secure a new convertible loan facility of £650,000. The convertible loan proceeds were received by the Company between 23 February 2023 and 9 March 2023 and will be used for working capital purposes. Under the terms of the agreement, and as a consequence of the receipt date of the funds, the option date and maturity date were extended to 9 December 2023 and 9 March 2024 respectively.

A summary of the key terms of the convertible loan facility is disclosed in Note 12.

Other than the above disclosures, there has not arisen in the interval between the end of the financial half-year period and the date of this report an item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial periods.

DIRECTORS' DECLARATION

In the opinion of the Directors of Synergia Energy Ltd (the Company):

1. the condensed consolidated financial statements and notes set out on pages 9 to 28, are in accordance with the *Corporations Act 2001* including:
   (a) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
   (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
2. there are reasonable grounds to believe that the Group and the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.

Mr Jonathan Salomon	Mr Roland Wessel
Executive Chairman	Chief Executive Officer

West Perth
Western Australia
15 March 2023

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INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF SYNERGIA ENERGY LTD

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Synergia Energy Ltd (the company) and controlled entities (consolidated entity) which comprises the condensed consolidated statement of financial position as at 31 December 2022, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at 31 December 2022, or during the half year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Synergia Energy Ltd is not in accordance with the Corporations Act 2001 including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report.

Material Uncertainty related to Going Concern

Without qualifying our conclusion, we draw attention to Note 2(c) in the financial report in which indicates that the consolidated entity incurred a loss of ($3,674,813) (31 December 2021: ($2,235,196)) during the half year ended 31 December 2022, it incurred negative operating cashflow of ($4,071,309) (31 December 2021: ($1,734,653)). These conditions, along with other matters as set forth in Note 2(c) indicate the existence of a material uncertainty which may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report.

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Independence

We are independent of the company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the Corporations Act 2001 and for such internal controls as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2022 and its performance for the half year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporation Regulations 2001.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

PKF Perth

PKF PERTH

SHANE CROSS
PARTNER

15 MARCH 2023
WEST PERTH,
WESTERN AUSTRALIA

DEFINITIONS

Associated Gas	Natural gas found in contact with or dissolved in crude oil in the reservoir. It can be further categorised as Gas-Cap Gas or Solution Gas.
Barrels/Bbls	Barrels of oil or condensate - standard unit of measurement for all oil and condensate production. One barrel is equal to 159 litres or 35 imperial gallons.
BBO	Billion standard barrels of oil or condensate.
BCF	Billion cubic feet of gas at standard temperature and pressure conditions.
BCFE	Billion cubic feet equivalent of gas at standard temperature and pressure conditions.
BOE	Barrels of Oil Equivalent. Converting gas volumes to the oil equivalent is customarily done on the basis of the nominal heating content or calorific value of the fuel. Common industry gas conversion factors usually range between 1 barrel of oil equivalent ("BOE") = 5,600 standard cubic feet ("scf") of gas to 1 BOE = 6,000 scf. (Many operators use 1 BOE = 5,620 scf derived from the metric unit equivalent 1 m^3 crude oil = 1,000 m^3 natural gas).
BOEPD	Barrels of oil equivalent per day.
BOPD	Barrels of oil per day.
CCGT	Combined cycle gas turbines.
CCS	"Carbon Capture and Sequestration" or "Carbon Capture and Storage"
CO_2	Carbon dioxide.
Contingent Resources	Those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable due to one or more contingencies. Contingent Resources may include, for example, projects for which there are currently no viable markets, or where commercial recovery is dependent on technology under development, or where evaluation of the accumulation is insufficient to clearly assess commerciality. Contingent Resources are further categorised in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterised by their economic status.
Discovered in place volume	Is that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations prior to production.
FISO	Floating injection, storage and offloading.
FEED	Front End Engineering Design.
GOI	The Government of India.
GOR	Gas to oil ratio in an oil field, calculated using measured natural gas and crude oil volumes at stated conditions. The gas/oil ratio may be the solution gas/oil, symbol Rs; produced gas/oil ratio, symbol Rp; or another suitably defined ratio of gas production to oil production. Volumes measured in scf/bbl.

DEFINITIONS (CONTINUED)

LNG	Liquefied natural gas.
MMBO	Million standard barrels of oil or condensate.
mD	Millidarcy – unit of permeability.
MD	Measured Depth.
MMbbls	Million barrels of oil or condensate.
MMscfd	Million standard cubic feet (of gas) per day.
MSCFD	Thousand standard cubic feet (of gas) per day.
NSTA	North Sea Transition Authority.
PI	Participating Interest.
Prospective Resources	Those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations.
PSC	Production Sharing Contract.
Reserves	Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions. Proved Reserves are those quantities of petroleum, which by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods and government regulations. Probable Reserves are those additional Reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than Proved Reserves but more certain to be recovered than Possible Reserves. Possible Reserves are those additional reserves which analysis of geoscience and engineering data indicate are less likely to be recoverable than Probable Reserves. Reserves are designated as 1P (Proved), 2P (Proved plus Probable) and 3P (Proved plus Probable plus Possible). Probabilistic methods • P90 refers to the quantity for which it is estimated there is at least a 90% probability the actual quantity recovered will equal or exceed. • P50 refers to the quantity for which it is estimated there is at least a 50% probability the actual quantity recovered will equal or exceed. • P10 refers to the quantity for which it is estimated there is at least a 10% probability the actual quantity recovered will equal or exceed.
SCF/BBL	Standard cubic feet (of gas) per barrel (of oil).
SCFD	Standard cubic feet (of gas) per day.
TCF	Trillion cubic feet of gas at standard temperature and pressure conditions.

DEFINITIONS (CONTINUED)

Tight Gas Reservoir	The reservoir cannot be produced at economic flow rates or recover economic volumes of natural gas unless the well is stimulated by a large hydraulic fracture treatment, a horizontal wellbore, or by using multilateral wellbores.
UKCS	The United Kingdom Continental Shelf
Undiscovered in place volume	Is that quantity of petroleum estimated, as of a given date, to be contained within accumulations yet to be discovered.

CORPORATE INFORMATION

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Joe Salomon (B APP SC (Geology), GAICD)
Executive Chairman

Roland Wessel
Chief Executive Officer and Executive Director

Colin Judd
Chief Financial Officer and Executive Director

Mark Bolton (B Business)
Non-Executive Director

Paul Haywood
Independent Non-Executive Director

Peter Schwarz
(B Sc (Geology), M Sc (Petroleum Geology))
Independent Non-Executive Director

Company Secretary
Jack Rosagro (B.Com, FGIA)

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Stock Exchange Listings
Synergia Energy Ltd's shares are listed under the code SYN on the Alternative Investment Market ("AIM") of the London Stock Exchange ("LSE")

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