Dissemination of a Regulatory Announcement that contains inside information according to REGULATION (EU) No 596/2014 (MAR).

Trinity Exploration & Production plc
("Trinity" or "the Company" or "the Group")

Interim Results
Profitable growth and debt free

Trinity, the independent E&P company focused on Trinidad & Tobago ("T&T"), announces its unaudited interim results for the six month period ended 30th June 2018 ("H1 2018" or "the period").

This was a transformative period for the Company, including the recommencement of drilling activity and continued production growth delivering an uplift in cash generation. In addition, the post period-end saw the Company raise gross proceeds of USD 20.0 million ("the Fundraising") which has significantly strengthened the balance sheet, leaving it debt free and with the cash resources available to continue to profitably grow production and returns.

H1 2018 Highlights

	H1 2018	**H1 2017**	**% Change**
Average realised oil price (USD/ bbl)[1]	60.0	46.3	30
Average net production (bopd)	2,771	2,397	16
Revenues (USD million)	30.1	20.2	49
Adjusted EBITDA (USD million)[2]	9.3	5.9	58
Adjusted EBITDA (USD/bbl)[2]	18.6	13.6	37
Group operating break-even (USD/bbl)[3]	28.5	28.2	1
Operating cash flow (USD million)	5.0	1.7	194
Capital expenditure (USD million)	4.4	0.7	529
Cash balance (USD million)	9.1	11.5	(21)
Pro Forma net cash / (debt) (USD million)[4]	19.0	(1.2)	N/A

Notes:
1. *Realised price: Actual price received for crude oil sales per barrel ("bbl")*
2. *Adjusted EBITDA: See Note 18 for the calculation of Adjusted EBITDA. Per bbl figures refer to production over the period.*
3. *Group operating break-even: The realised price/bbl for which the Adjusted EBITDA/bbl for the Group is equal to zero. See Appendix 1 – Trading Summary Table*
4. *Pro Forma net cash/ (debt): See Post Funding Pro Forma Balance Sheet Extract*

<u>H1 2018 Highlights</u>

Operational

- H1 2018 average production of 2,771 bopd (H1 2017: 2,397 bopd), representing a 16% increase over the corresponding period last year, underpinned by:
  - Drilling of 2 new onshore wells. Both drilled efficiently and cost effectively on a turnkey basis.
  - 7 recompletions ("RCPs") (H1 2017: 5).
  - Base production maintenance through a continuous campaign of 62 workovers ("WO") and reactivations (H1 2017: 44).

Financial

- Balance sheet significantly strengthened from a net debt position (USD 1.2 million) at 30th June 2017 to a pro-forma net cash position of USD 19.0 million at 30th June 2018 (adjusted for the post period end Fundraise and debt repayments).
- Adjusted EBITDA increased 58% to USD 9.3 million (H1 2017: USD 5.9 million) and Adjusted EBITDA/bbl improved to USD 18.6/bbl (H1 2017: USD 13.6/bbl), with the increased oil price and production growth leveraging off a relatively fixed operating cost base.
- Maintained a group operating break-even price below USD 30.0/bbl (H1 2018: USD 28.5/bbl).
- Operating cash flow increased to USD 5.0 million (H1 2017: USD 1.7 million).
- Capital expenditure for the period amounted to USD 4.4 million (H1 2017: USD 0.7 million), comprising mainly of new wells, RCPs and continued infrastructure investment.
- Accelerated the repayment of outstanding debt to the Board of Inland Revenue ("BIR") and Ministry of Energy and Energy Industries ("MEEI") (together, "the T&T State Creditors") with total payment over the period of USD 3.3 million. All remaining amounts were repaid in July 2018.

Post Period End Highlights

Corporate

- ***Funded and Debt Free***
  - In July 2018 the Company raised gross proceeds of USD 20.0 million through the Fundraising:
    - USD 6.4 million of the Fundraising comprised non-cash rollover by holders of 88% of the Convertible Loan Notes ("CLNs") electing to convert the value of their CLNs into new ordinary shares at the issue price.
    - The Company has subsequently repaid, in full, the outstanding debt of USD 2.6 million to the T&T State Creditors as well as the remaining USD 0.9 million of CLNs which were outstanding.
    - The Fundraising will enable the Company to accelerate its onshore drilling programme and production, with a planned 8-10 wells per year. The free cash flow which the Company expects to generate will enable it to self-fund new onshore drilling activity from 2020 onward while continuing double-digit annual production growth as it develops its low risk onshore assets.
- ***East Coast Asset Development***
  - The Company has continued to revise the Trintes drilling plan and rework the TGAL Field Development Plan ("FDP"), which offers a significant opportunity to deliver a step-change in production levels in the medium term.
- ***The Petroleum Company of Trinidad and Tobago ("Petrotrin") Restructuring Update***
  - On 28th August 2018 Petrotrin announced its intention to discontinue refining operations to focus on its upstream exploration and production activities. The Company does not expect this decision to impact the ongoing Sales Agreements with Petrotrin for Trinity's crude oil production, which it anticipates will be consolidated with Petrotrin and others' output and exported as it has been on previous occasions when the refinery had been shut down.

Operational Look Ahead

- ***Recommencement of drilling activity***
  - Signed a turnkey agreement with external drilling contractor for a 6 well onshore campaign, bringing the total for 2018 to at least 8 wells. The first well was spudded in August 2018.
  - The production impact of this drilling programme will be realised towards the end of Q4 2018 into Q1 2019.
- ***Routine production activity***
  - H2 2018 work programme will continue with; RCPs, routine WOs, reactivations and swabbing.
  - An offshore RCP will be undertaken in the Trintes field, which will be the first offshore RCP that Trinity will be doing since assuming operatorship in 2013.

Bruce A. I. Dingwall CBE, Executive Chairman of Trinity, commented:

"With a return to new infill drilling in H1 2018 alongside a continuing programme of RCPs, WOs, swabbing and reactivation activities, Trinity was able to reset its base production at a higher level. In H2 2018, post the fundraise and the settlement of all outstanding debt, we have established a stable, well-funded platform with significant reserves and resources and an established growth trajectory which is ideally positioned to continue growing production, cash flow and shareholder value. With peer leading break-evens and plans to increase production we can grow profitability in the short-term whilst working up a further step-change from future developments.

"The acceleration of our onshore drilling programme has allowed Trinity to position itself to deliver double digit production growth year-on-year, generate significant cash flow and will facilitate self-funded new onshore drilling activity from 2020 onwards whilst selectively pursuing other value accretive opportunities.

"On behalf of the Board I must thank all our staff and our key suppliers in Trinidad for their hard work and support which has allowed Trinity to focus on profitable growth whilst maintaining a safe working environment. 2018 has been pivotal to Trinity thus far and the Board would additionally like to take this opportunity to thank existing shareholders and other stakeholders for their support and welcome new shareholders as we move forward debt free and strongly positioned to take advantage of future opportunities in the changing environment in Trinidad & Tobago"

The Interim Results report is available for download on the Group's website www.trinityexploration.com.

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Competent Person's Statement

All reserves and resources related information contained in this announcement has been reviewed and approved by Graham Stuart, Trinity's Technical Adviser, who has 36 years of relevant global experience in the oil industry. Mr. Stuart holds a BSC (Hons) in Geology.

About Trinity (www.trinityexploration.com)

Trinity is an independent oil and gas exploration and production company focused solely on Trinidad & Tobago. Trinity operates producing and development assets both onshore and offshore, in the shallow waters off the West and East Coasts of Trinidad. Trinity's portfolio includes current production, significant near-term production growth opportunities from low risk developments and multiple exploration prospects with the potential to deliver meaningful reserves/resources growth. Trinity operates all of its 9 licences and, across all of the Group's assets, management's estimate of 2P reserves as at the end of 2017 was 23.2 mmbbls. Group 2C contingent resources are estimated to be 24.0 mmbbls. The Group's overall 2P plus 2C volumes are therefore 47.2 mmbbls.

Trinity is listed on the AIM market of the London Stock Exchange under the ticker TRIN.

Disclaimer

OPERATIONAL REVIEW

During H1 2018, the Company continued to build on the momentum achieved in 2017 through the continuation of the RCP programme and drilling of 2 onshore wells, thereby delivering 16% year-on-year production growth. The H2 2018 activity set of low cost, high return activities will include; RCPs, WOs, reactivations and swabbing activities and the addition of a 6-well onshore drilling programme.

Onshore operations

- H1 2018 average net production was 1,530 bopd (H1 2017: 1,278 bopd). The 20% increase was as a result of the 2 Infill wells drilled and continued performance from the ongoing RCP (7) and base maintenance WOs and reactivations (45) (H1 2017: 5 RCPs, 34 WOs and 4 reactivations).
- H2 2018 planned work programme anticipates:
  - 6 infill wells which will allow a rebasing of production levels
  - Continued RCPs and ongoing base management via; WOs, reactivations and swabbing across all fields.

East Coast operations

- H1 2018 average production was 1,046 bopd (H1 2017: 909 bopd). The 15% increase in production was due to a WO and reactivation campaign which commenced in 2017 and continued with 13 WOs during H1 2018 (H1 2017 5).
- H2 2018 work programme will include the first RCP offshore since the restructuring in addition to the programme of routine WOs and reactivations.
- Trinity continues to invest in maintaining production levels via better generator maintenance strategies, continued pump optimisation and review of alternative artificial lift technologies to augment production rates.

West Coast operations

- H1 2018 average net production was 195 bopd (H1 2017: 210 bopd). The 7% decrease in production was largely the result of natural production decline.
- H2 2018 planned work programme will include WOs on key wells to maintain production levels along with the continuation of asset integrity related projects.

FINANCIAL REVIEW

Income Statement Analysis

	H1 2018	**H1 2017**	**Change**
Production			
Average realised oil price (USD/ bbl)	60.0	46.3	13.7
Average net production (bopd)	2,771	2,397	374
Statement of Comprehensive Income	***USD'000***	***USD'000***	***USD'000***
Operating revenues	30,098	20,180	9,918
Operating expenses (excluding DD&A)	(22,741)	(14,695)	(8,046)
Operating profit before DD&A	7,357	5,485	1,872
DD&A	(4,746)	(3,551)	(1,195)
Operating profit before exceptional items	2,611	1,934	677
Exceptional items	11,616	25,123	(13,521)
Operating profit after exceptional items	14,227	27,057	(12,844)
Supplemental petroleum taxes	(3,650)	-	(3,650)
Other taxes	884	-	884

Operating profit/(loss) after exceptional items, SPT and other taxes	11,461	27,057	(15,610)
Finance cost	(1,279)	(1,177)	(102)
Profit before income tax	10,182	25,880	(15,712)
Taxation credit/ (charge)	5,726	(2,452)	8,178
Profit after income tax	15,908	23,428	(7,534)
Currency translation	(19)	352	(371)
Total comprehensive income	15,889	23,780	(7,905)

Operating Revenues

Operating revenues of USD 30.1 million (H1 2017: USD 20.2 million). The USD 9.9 million increase was as a result of an increase in average realised crude prices and increased production.

Operating Expenses

Operating expenses of USD (27.5) million (H1 2017: USD (18.2) million) comprised of the following:

- Royalties of USD (10.0) million (H1 2017: USD (5.9) million)
- Production costs ("OPEX") of USD (8.3) million (H1 2017: USD (6.7) million)
- DD&A charges of USD (4.7) million (H1 2017: USD (3.6) million)
- G&A expenditure of USD (2.9) million (H1 2017: USD (1.6) million), including USD (0.3) million non-cash share option expenses (H1 2017: nil)
- Other expenses of USD (1.6) million (H1 2017: 0.4) relate to fair value adjustment on the oil price derivative. During H1 2018 the Group paid USD 0.6 million in relation to the oil price derivative, with the fair value adjustment also allowing for the ongoing exposure for the remainder of 2018.

Operating Profit before Exceptional Items

The operating profit (before exceptional items) for the period amounted to USD 2.6 million (H1 2016: USD 1.9 million) and was mainly driven by an increase in crude oil prices and increased production.

Exceptional items

Exceptional items of USD 11.6 million (H1 2017: USD 25.1 million) relate to a revaluation of the embedded call option associated with the CLNs, which is a non cash gain. The embedded call option associated with the CLN was revalued as at 30th June 2018 which resulted in a fair value gain arising on the financial instrument. This gain was eliminated when the CLNs were converted or repaid subsequent to the period end, and as such will not occur in the 2018 full year results.

Supplementary Petroleum Tax ("SPT") and Property Tax

The Group incurred SPT of USD 3.7 million in H1 2018 (H1 2017: nil), on account of the realised oil price exceeding USD 50.0/bbl throughout the six month period. The 2016 and 2017 property taxes which had been accrued in the 2017 financial results were reversed in H1 2018 following the assent to the Property Tax Amendment Act 2018 by the Government of Trinidad and Tobago on 8th June 2018, resulting in a USD 0.9 million reduction in the accrual for other taxes in the period.

Net Finance Cost

Finance costs for the period totalled USD (1.3) million (H1 2017: USD (1.2) million), made up of:

- Unwinding of the discount rate on the decommissioning provision of USD (0.8) million (H1 2017: USD (0.8) million)
- Accrued interest on CLN USD (0.4) million (H1 2017: USD (0.3) million)
- Interest on loan - nil (H1 2017: USD (0.1) million)
- Interest unwind on the liabilities at fair value USD (0.1) million (H1 2017: USD (0.0) million)

Taxation

Taxation credit for the period was USD 5.7 million (H1 2017: USD (2.5) million charge) which is mainly made up of:

- Recognition of deferred tax assets of USD 5.8 million (H1 2017: de-recognition USD (2.8) million)
- Decrease in deferred tax liability of USD (0.0) million (H1 2017: USD 0.4 million)
- Unemployment Levy of USD (0.1) million (H1 2017: USD (0.1) million)

As at 30th June 2018, the Group had unrecognised tax losses of USD 213.0 million which have no expiry date.

Total Comprehensive Income
Total Comprehensive Income for the period was USD 15.9 million (H1 2017: 23.8 million)

Cash Flow Analysis

Opening Cash Balance
Trinity began the year with an initial cash balance of USD 11.8 million (2017: USD 7.6 million).

Summary of Statement of Cash Flows

	H1 2018 *USD'000*	H1 2017 *USD'000*	FY 2017 *USD'000*
Opening cash balance	11,792	7,615	7,615
Cash movement			
Net cash inflow from operating activities	4,996	1,704	9,554
Net cash outflow from Unsecured and T&T State Creditor payments	(3,254)	(7,162)	(12,632)
Net cash outflow from investing activities	(4,403)	(650)	(3,118)
Net cash inflow from financing activities	-	10,025	10,373
(Decrease)/ increase in cash and cash equivalents	(2,661)	3,917	4,177
Closing cash balance	**9,131**	**11,532**	**11,792**

Net cash inflow from operating activities
Cash inflow from operating activities was USD 5.0 million (H1 2017: USD 1.7 million). H1 2018 included:
- Operating activities resulting in an adjusted profit before tax of USD 5.7 million (H1 2017: USD 4.2 million)
- Changes in working capital comprising of a net decrease of USD (0.7) million (H1 2017: USD (2.5) million) excluding changes in working capital relating to the Restructuring of USD (3.3) million (H1 2017: USD (7.2) million)
- Taxation paid USD (0.1) million (H1 2017: nil)

Cash outflow; change in working capital relating to the Restructuring
Working capital cash outflows relating to the Restructuring amounted to USD (3.3) million (H1 2017: USD (7.2) million) comprising:
- USD (3.3) million (H1 2017: USD (3.3) million) in quarterly payments to T&T State Creditors
- No payments to Unsecured Creditors were incurred in H1 2018 (H1 2017: USD (3.9) million)

Cash outflow from investing activities
Trinity incurred capital expenditures mainly on production related capex on its onshore assets and infrastructure capex on its East Coast assets totaling USD (4.4) million in aggregate (H1 2017: USD (0.7) million)

Net cash inflow from financing activities
No financing activities occurred in H1 2018 (H1 2017: USD 10.0 million)

Closing Cash Balance
Trinity's cash balance at 30th June 2018 was USD 9.1 million (H1 2017: USD 11.5 million)

Post Funding Pro Forma Balance Sheet Extract

Incorporating the post period end net proceeds from the Fundraising and subsequent debt repayments the like-for-like pro forma would be a net cash position of USD 19.0 million (2017: USD 1.2 million net debt position) based on Management's view. The turnaround from the net debt position on a year-on-year basis to a net cash position was a result of the July 2018 USD 20.0 million Fundraising and settlement of all remaining debts owed to T&T State Creditors and CLN holders which strengthened the Group's Statement of Financial Position as follows:

i. Increase in cash and cash equivalents from USD 9.1 million to USD 18.0 million. This took into consideration the following cash movements post the period end:
   - USD 13.6 million cash proceeds from issue of new ordinary shares
   - USD (2.6) million repayment to T&T State Creditors
   - USD (1.2) million cost of raising equity
   - USD (0.9) million paid to CLN holders
ii. Expunged the Derivative Financial Asset of USD 11.6 million. Following redemption of the CLN the early call option was extinguished and so the Derivative Financial Asset has been expunged from the Pro Forma Balance Sheet.
iii. CLN redemption and repayment - USD 6.4 million of the principal and interest were converted into new ordinary shares (this USD 6.4 million is the non-cash component of the USD 20.0 million Fundraising). The remaining USD 0.9 million of CLNs were redeemed via a cash payment in August 2018.
iv. Full and final repayment to T&T State Creditors of USD 2.6 million which occurred in July 2018.

Balance Sheet Extract *All amounts in USD million*		**H1 2018 Unaudited Pro forma[1]**	**H1 2018 Unaudited Mgmt. View[2]**	**H1 2017 Unaudited Mgmt. View[2]**	**FY 2017 Unaudited Mgmt. View[2]**
A: Current assets					
Cash and cash equivalents	i	18.0	9.1	11.5	11.8
Trade and other receivables		6.3	6.3	3.7	5.2
Inventories		3.9	3.9	3.7	3.8
Derivative financial asset	ii	-	11.6	0.2	-
Total current assets		**28.2**	**30.9**	**19.1**	**20.8**
B: Liabilities					
Non-current liabilities					
Trade and other payables		-	-	1.8	1.0
Taxation payable		-	-	3.6	-
Convertible loan note	iii	-	7.3	6.8	7.0
Total non-current liabilities[3]		**-**	**7.3**	**12.2**	**8.0**
Current liabilities					
Trade and other payables	iv	7.3	9.9	4.3	10.2
Taxation payable		0.2	0.2	3.8	1.7
Derivative financial instrument		1.7	1.7	-	0.8
Total current liabilities[4]		9.2	11.8	8.1	12.7
Total liabilities		**9.2**	**19.1**	**20.3**	**20.7**
(A-B): Net cash/(debt) position		**19.0**	**11.8**	**(1.2)**	**0.1**

Notes:

1. *Shows half year pro forma balance sheet position post Fundraise and debt repayment*
2. *States the Face Value of the CLN and MEEI liabilities as opposed to amortised cost stated in the Financials*
3. *Non-Current Liabilities excludes Deferred Tax Liability & Provision for other liabilities*
4. *Current Liabilities excludes Provision for other liabilities*

APPENDIX 1: TRADING SUMMARY

A summary of realised price, production, operating break-evens, Opex and G&A expenditure metrics is set out below:

Trading Summary Table

Details	**H1 2018**	**H1 2017**	**% Change**
Realised price (USD/bbl)	60.0	46.3	30
Production (bopd)			
Onshore	1,530	1,278	20
West Coast	195	210	(7)
East Coast	1,046	909	15
Group	2,771	2,397	16
Operating break-even (USD/bbl)			
Onshore	15.7	16.1	(3)
West Coast	24.4	29.0	(16)
East Coast	27.8	23.2	20
Group	28.5	28.2	1
Metrics (USD/bbl)			
Opex/bbl – Onshore	11.4	10.8	6
Opex/bbl - West Coast	20.3	24.0	(15)
Opex/bbl - East Coast	21.5	17.6	22
G&A/bbl	5.0	3.8	32

Independent review report to Trinity Exploration & Production Plc

Report on the Condensed Consolidated Interim Financial Statements

Our conclusion

We have reviewed Trinity Exploration & Production Plc's Condensed Consolidated Interim Financial Statements (the "interim financial statements") in the interim results of Trinity Exploration & Production Plc for the 6 month period ended 30th June 2018. Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the AIM Rules for Companies.

What we have reviewed

The interim financial statements comprise:

- the Condensed Consolidated Statement of Financial Position as at 30th June 2018;
- the Condensed Consolidated Statement of Comprehensive Income for the period then ended;
- the Condensed Consolidated Cashflow Statement for the period then ended;
- the Condensed Consolidated Statement of Changes in Equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the interim results have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the AIM Rules for Companies.

As disclosed in note 1 to the interim financial statements, the financial reporting framework that has been applied in the preparation of the full annual financial statements of the Group is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The interim results, including the interim financial statements, is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the interim results in accordance with the AIM Rules for Companies which require that the financial information must be presented and prepared in a form consistent with that which will be adopted in the company's annual financial statements.

Our responsibility is to express a conclusion on the interim financial statements in the interim results based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the AIM Rules for Companies and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What a review of interim financial statements involves

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information 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 International Standards on Auditing (UK) 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.

We have read the other information contained in the interim results and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

PricewaterhouseCoopers LLP

Chartered Accountants
Aberdeen
24 September 2018

STATEMENT OF DIRECTORS' RESPONSIBILITY

The Directors confirm that this condensed consolidated interim financial information has been prepared in accordance with International Accounting Standards ("IAS") 34 as adopted by the European Union and that the interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- an indication of important events that have occurred during the first six months and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- the management report, which is incorporated into the directors' report, includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- material related party transactions in the first six months and any material changes in the related-party transactions described in the last annual report.

A list of the current Directors is maintained on the Trinity Exploration & Production plc website www.trinityexploration.com.

By order of the Board

Bruce A. I. Dingwall, CBE
Executive Chairman

Trinity Exploration & Production plc

Condensed Consolidated Statement of Comprehensive Income
for the period ended 30th June 2018
(Expressed in United States Dollars)

	Notes	6 months to 30th June 2018	6 months to 30th June 2017	Year ended December 2017
		$'000 (unaudited)	$'000 (unaudited)	$'000 (audited)
Operating Revenues				
Crude oil sales		30,085	20,120	44,957
Other income		13	60	210
		30,098	20,180	45,167
Operating Expenses				
Royalties		(10,013)	(5,906)	(13,755)
Production costs		(8,259)	(6,759)	(14,737)
Depreciation, depletion and amortisation	8	(4,746)	(3,551)	(7,055)
General and administrative expenses		(2,883)	(1,630)	(4,326)
Other operating expenses	2	(1,586)	(400)	(1,362)
		(27,487)	(18,246)	(41,235)
Operating Profit before Supplemental Petroleum Taxes and Other Taxes		**2,611**	**1,934**	**3,932**
Supplemental petroleum taxes		(3,650)	--	(1,533)
Other taxes	5	884	--	(497)
Operating (Loss)/Profit Before Exceptional Items		**(155)**	**1,934**	**1,902**
Exceptional items	4	11,616	25,123	25,718
Finance cost	7	(1,279)	(1,177)	(2,300)
Profit Before Taxation		**10,182**	**25,880**	**25,320**
Taxation credit/(charge)	6	5,726	(2,452)	28
Profit for the period		**15,908**	**23,428**	**25,348**
Other Comprehensive (Expense)/Income				
Currency translation		(19)	352	76
Total Comprehensive Income for the Period		**15,889**	**23,780**	**25,424**

Earnings per share (expressed in dollars per share)

	Notes	6 months to 30th June 2018	6 months to 30th June 2017	Year ended December 2017
Basic	19	0.06	0.09	0.09
Diluted	19	0.04	0.07	0.06

Trinity Exploration & Production plc

Condensed Consolidated Statement of Financial Position
for the period ended 30th June 2018

(Expressed in United States Dollars)

ASSETS	Notes	As at 30th June 2018 $'000 (unaudited)	As at 30th June 2017 $'000 (unaudited)	As at 31st December 2017 $'000 (audited)
Non-current Assets				
Property, plant and equipment	8	52,552	48,202	52,450
Intangible assets	9	25,708	25,362	25,591
Abandonment fund		2,185	1,135	1,650
Performance bond		253	253	253
Deferred tax asset	13	9,948	2,665	4,179
		90,646	**77,617**	**84,123**
Current Assets				
Inventories		3,940	3,730	3,766
Trade and other receivables	10	6,254	3,658	5,155
Derivative financial assets	11	11,616	200	--
Cash and cash equivalents		9,131	11,532	11,792
		30,941	19,120	20,713
Assets held-for-sale		--	7,696	--
		30,941	**26,816**	**20,713**
Total Assets		**121,587**	**104,433**	**104,836**
EQUITY				
Capital and Reserves Attributable to Equity Holders				
Share capital	12	96,676	96,676	96,676
Share premium	12	125,362	125,362	125,362
Share warrants		--	71	--
Other equity	14	590	590	590
Share based payment reserve		12,922	12,247	12,553
Reverse acquisition reserve		(89,268)	(89,268)	(89,268)
Merger reserves		75,467	75,467	75,467
Translation reserve		(1,532)	(1,645)	(1,678)
Accumulated deficit		(155,204)	(172,429)	(171,112)
Total Equity		**65,013**	**47,071**	**48,590**
Non-current Liabilities				
Trade and other payables	16	--	2,544	881
Taxation payable	6	--	2,730	--
Convertible loan note	14	3,378	2,729	3,019
Deferred tax liability	13	2,508	2,503	2,538
Provision for other liabilities	15	38,772	26,348	37,151
		44,658	**36,854**	**43,589**
Current Liabilities				
Trade and other payables	16	9,862	7,918	10,092
Taxation payable	6	198	86	1,688
Derivative financial liabilities	17	1,703	--	762
Provision for other liabilities	15	153	106	115
		11,916	8,110	12,657
Liabilities held-for-sale		--	12,398	--
		11,916	**20,508**	**12,657**
Total Liabilities		**56,574**	**57,362**	**56,246**
Total Shareholders' Equity and Liabilities		**121,587**	**104,433**	**104,836**

Trinity Exploration & Production plc

Condensed Consolidated Statement of Changes in Equity
for the period ended 30th June 2018
(Expressed in United States Dollars)

	Share Capital $'000	Share Premium $'000	Share Warrant $'000	Other Equity $'000	Share Based Payment Reserve $'000	Reverse Acquisition Reserve $'000	Merger Reserve $'000	Translation Reserve $'000	Accumulated Deficit $'000	Total $'000
Balance at 1st January 2017	94,800	116,395	71	--	12,244	(89,268)	75,467	(1,997)	(195,857)	11,855
Share based payment charge	--	--	--	--	3	--	--	--	--	3
Other equity net of transaction cost	--	--	--	590	--	--	--	--	--	590
Issue of ordinary shares	1,876	8,967	--	--	--	--	--	--	--	10,843
Total comprehensive income for the period	--	--	--	--	--	--	--	352	23,428	23,780
Balance at 30th June 2017 (unaudited)	**96,676**	**125,362**	**71**	**590**	**12,247**	**(89,268)**	**75,467**	**(1,645)**	**(172,429)**	**47,071**
Balance at 1st January 2018	96,676	125,362	--	590	12,553	(89,268)	75,467	(1,678)	(171,112)	48,590
Share based payment charge	--	--	--	--	369	--	--	--	--	369
Translation difference	--	--	--	--	--	--	--	146	--	146
Total comprehensive income for the period	--	--	--	--	--	--	--	--	15,908	15,908
Balance at 30th June 2018 (unaudited)	**96,676**	**125,362**	**--**	**590**	**12,922**	**(89,268)**	**75,467**	**(1,532)**	**(155,204)**	**65,013**

Trinity Exploration & Production plc

Condensed Consolidated Cashflow Statement
for the period ended 30th June 2018

(Expressed in United States Dollars)

	Notes	6 months to 30th June 2018 $'000 (unaudited)	6 months to 30th June 2017 $'000 (unaudited)	Year ended 31st December 2017 $'000 (audited)
Operating Activities				
Profit before taxation		10,182	25,880	25,320
Adjustments for:				
Translation difference		(675)	(735)	(663)
Finance Income		31	--	--
Finance cost	7	359	348	579
Share option expense		368	3	235
Finance cost – decommissioning provision	7	778	829	1,643
Depreciation, depletion and amortisation	8	4,746	3,551	7,055
Loss on disposal of assets	8	(6)	--	--
Impairment of property, plant and equipment	8	--	732	--
Impairment of inventory		--	--	264
Impairment of receivables		--	348	348
Gain on extinguishment of financial liabilities		--	(210)	(210)
Gain recognised on embedded derivative		(11,616)	--	--
Fair value zero cost collar	17	1,586	--	762
Compromised creditor balances		(18)	(26,568)	(26,672)
		5,735	4,178	8,661
Changes In Working Capital				
(Increase)/Decrease in Inventory		(163)	57	(243)
(Increase)/Decrease in Trade and other receivables		(843)	451	(887)
Increase/(Decrease) in Trade and other payables		395	(2,982)	2,023
		5,124	1,704	9,554
Taxation paid		(128)	--	--
Net Cash Inflow From Operating Activities		4,996	1,704	
Restructuring related payments				
Unsecured creditors		--	(3,850)	(3,857)
T&T State creditors		(3,254)	(3,312)	(8,775)
		(3,254)	(7,162)	(12,632)
Investing Activities				
Purchase of computer software		--	--	(250)
Evaluation and exploration assets	9	(46)	--	--
Purchase of property, plant & equipment	8	(4,357)	(650)	(2,868)
Net Cash Outflow From Investing Activities		(4,403)	(650)	
Financing Activities				
Finance cost		--	(348)	--
Issue of shares (net of costs)		--	10,843	10,843
Issue of convertible notes (net of costs)		--	3,030	3,030
Repayments of borrowings		--	(3,500)	(3,500)
		--	10,025	10,373
(Decrease)/Increase in Cash and Cash Equivalents		(2,661)	3,917	4,177
Cash And Cash Equivalents				
At beginning of period		11,792	7,615	7,615
(Decrease)/Increase		(2,661)	3,917	4,177
At end of period		9,131	11,532	11,792

Trinity Exploration & Production plc

Notes to the Condensed Consolidated Financial Statements for the period ended 30th June 2018

1 Background and Accounting Policies

Background

Trinity Exploration & Production plc ("Trinity") is incorporated and registered in England and trades on the Alternative Investment Market ("AIM"), a market operated by London Stock Exchange plc. Trinity ("the Company") and its subsidiaries (together "the Group") are involved in the exploration, development and production of oil reserves in Trinidad.

Basis of Preparation

These condensed interim financial statements for the six months ended 30th June 2018 have been prepared in accordance with IAS 34, 'Interim financial reporting', as adopted by the European Union ("EU"), on a going concern basis. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31st December 2017, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU.

The results for the six months ended 30th June 2018, and as at 30th June 2017 are unaudited and do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31st December 2017 were approved by the Board of Directors and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified.

Going Concern

In making their going concern assessment, the Board of Directors have considered the Group's budget and cash flow forecasts taken together with the announcement on 25th June 2018, whereby the Group announced its intention to raise $20.0 million to accelerate growth and fully repay all outstanding debt to the T&T State Creditors and the CLNs.

Subsequent to the period end, the Fundraising completed and the proceeds were used to repay in full the outstanding debt to the Board of Inland Revenue of Trinidad and Tobago ("BIR") and the Ministry of Energy and Energy Industries of Trinidad & Tobago ("MEEI"), as well as all outstanding amounts under the CLNs. The proceeds will also enable the Group to rapidly accelerate its onshore drilling programme and production, with a planned 8-10 wells per year and to allow revision of the Trintes drilling plan and the TGAL Field Development Plan with the Company's East Coast Assets offering a significant opportunity to deliver a step-change in production levels in the medium term.

Following completion of the fundraising in July, the Group repaid the remaining outstanding debt to the BIR and the MEEI amounting to $2.6 million in aggregate. In addition on 15th August 2018, payment was made to settle the remaining debt to holders of the CLNs, amounting to $0.9 million. The holders of CLNs with a value (including accrued interest) of approximately $6.4 million had agreed to convert the value of their CLNs into new ordinary shares pursuant to the Subscription. The Group has thereby completed the full repayment of all outstanding debt and has sufficient capital resources to progress its accelerated drilling programme. For these reasons, the Board of Directors have a reasonable expectation that the Group has adequate resources to continue operational existence for the foreseeable future and the Group therefore continues to adopt the going concern basis of preparing the financial statements.

Accounting policies

The accounting policies adopted are consistent with those of the previous financial year, as set out in the consolidated financial statements for the year ended 31st December 2017, except for income taxes in the interim periods which are accrued using the tax rate that would be applicable to the expected total annual profit and loss and the other policies outlined below. The business is not affected by seasonality.

There are no IFRS or IFRS Interpretations Committee ("IFRIC") interpretations that are effective for the first time for the financial year beginning on or after 1st January 2018 that would be expected to have a material impact on the Group. The Company has adopted IFRS 15 Revenue from Contracts with Customers and IFRS 9 Financial Instruments effective 1st January 2018. Adoption of these standards has not materially affected the way the Group accounts for its revenues or financial instruments. However, the Company will be including the new disclosures required by IFRS 15 from the 2018 year end onwards.

Estimates

The preparation of interim financial statements 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 expenses. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, 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 Condensed Consolidated Financial Statements for the year ended 31st December 2017.

Non-current assets (or disposal Groups) held for sale

Non-current assets (or disposal Groups) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets and disposal Groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continued use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal Group) is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Compound Financial Instruments

Compound financial instruments issued by the Group comprise CLNs that can be converted to share capital at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value. Under the terms of the CLNs each holder could after the second anniversary of the issue date serve a Conversion Notice whereby the principal amount plus the outstanding interest could be converted into new fully paid ordinary shares at a Conversion Price of $0.08125. However, the Company had the option to redeem the CLNs in certain circumstances within two years of their issue ("the Two Year Call Option") as described in note 14.

Trinity engaged a specialist valuation team to value the derivative relating to the CLN. The embedded derivative was described as the difference between:

- The actual bond issued
- A hypothetical bond without the Group having the option to call the bond early.

The main driver of the valuation compares the redemption value of the bond to the projected conversion value in January 2019. The calculation anticipates that without the early call option Trinity would call the bond on the earliest date, which would in turn trigger investors to convert the bond at this date.

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts. Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest rate method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

Derivative financial Instruments and hedging activities

The Company has not applied hedge accounting and all derivatives are measured at fair value through profit and loss.

Financial assets at fair value through profit or loss financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current.

In June 2018 a third party was engaged to conduct a valuation of the derivative financial instruments held namely the embedded derivative relating to the Two Year Call Option within the CLN and the Zero cost collar oil derivative. The valuation methodology used were as follows:

Embedded derivative: In order to estimate the value of the Two Year Call Option at the valuation date, the settlement price of the Note (cash and equity settlement combined) was compared with the value of the CLN with the original terms (i.e. if the two year restriction until January 2019 existed for the whole Note). In estimating the value of the CLNs, an income approach framework and a binomial lattice model was utilised. This model is an implementation by MATLAB of the Tsiveriotis and Fernandes convertible bond model.

Zero cost collar: The oil derivative was modelled as a combination of a Call leg and a Put leg. The Put leg was based on a long position on a strip of oil put options while the Call leg was a short position on a strip of oil call options, all expiring on each month end until the termination date of the instrument. Market data included futures prices and implied volatilities from Bloomberg and interest rates from S&P Capital IQ. The two legs of Asian options utilised a modified Black-76 formula with Turnbull and Wakeman approximation (1991).

2 Financial risk management

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program seeks to minimise potential adverse effects on the Group's financial performance The condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Group's annual financial statements for 2017, which can be found at www.trinityexploration.com.

Zero Collar oil derivative:

On 6th November 2017 a Zero Cost Collar was entered into effective 1st January 2018. The derivative is a combination of a long position on a strip of oil put options and a short position on a strip of oil call options (from Management's perspective). The key terms are summarized below:

- Trade Date – 6th November 2017
- Effective Date – 1st January 2018
- Notional quantity – 25,000 US barrels per month
- Option Type and Style – Monthly Asian Put (Arithmetic average of all settlement prices in a month)
- Strike Price per unit – $45 per US barrel for the put options and $59.8 per US barrel for the call options
- Commodity–OIL WTI
- Exercise Dates – End of each month until 31st December 2018

The introduction of the collar is one of management's tool used to mitigate risks. There is no other change in the risk management department or in any risk management policies since the year end.

Liquidity risk
Compared to year end, there were changes in the contractual undiscounted cash out flows for certain financial liabilities as follows:

- Zero cost collar put in place - Effective January 2018 the zero cost collar oil derivative was effective. The strike price per unit was $45.0 per US barrel for the put options and $59.8 per US barrel for the call options.

Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method.
The different levels have been defined as follows:
- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table presents the Group's financial assets and liabilities that are measured at fair value at 30th June 2018.

	Level 1	**Level 2**	**Level 3**	**Total**
	$'000	**$'000**	**$'000**	**$'000**
Liabilities				
Zero cost collar	--	1,703	--	1,703
Total liabilities	--	1,703	--	1,703

Fair value measurements using observable inputs (Level 2)

For measuring the zero cost collar at fair value through the profit or loss, an assessment of oil price movement and volatility at 30th June 2018 was performed valuing the instrument at $1.7 million which was determined as follows:

	Zero cost collar
	$'000
1st January 2018	(762)
Payments	645
Losses recognised	(1,586)
30th June 2018	**(1,703)**

Group's valuation processes

The Group's finance department includes a team that performs the valuations of financial assets required for financial reporting purposes, including Level 3 fair values. This team reports directly to the Chief Financial Officer ("CFO") who in turn reports to the Audit Committee ("AC"). Discussions of valuation processes and results are held between the CFO, AC and the valuation team at least twice per year, in line with the Group's interim reporting dates. The Group has engaged an external valuation specialist in conducting the valuations on the embedded derivative and zero cost collar.

3 Operating segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the steering committee that makes strategic decisions. Management have considered the requirements of IFRS 8, in regard to the determination of operating segments, and concluded that the Group has only one significant operating segment being the production, development and exploration and extraction of hydrocarbons in Trinidad.

All revenue is generated from sales to one customer in Trinidad & Tobago: The Petroleum Company of Trinidad & Tobago ("Petrotrin"). All non-current assets of the Group are located in Trinidad & Tobago.

4 Exceptional Items

Items that are material either because of their size, their nature, or that are non-recurring are considered as exceptional items and are presented within the line items to which they best relate. During the current period, exceptional items as detailed below have been included in the Condensed Consolidated Statement of Comprehensive Income. An analysis of the amounts presented as exceptional items in these financial statements are highlighted below.

	30th June 2018 $'000	**30th June 2017 $'000**	**31st December 2017 $'000**
Impairment of property, plant & equipment – FZ 2	--	732	--
Secured creditor compromise	--	(6,450)	(6,472)
Interest on tax compromise	--	(5,249)	(5,247)
Unsecured creditors' compromise	--	(15,532)	(15,639)
Foreign exchange loss on compromised balance	--	663	687
Impairment of receivable	--	348	234
Impairment on inventory	--	--	264
Restructuring	--	577	532
Gain on extinguishment of financial liabilities	--	(210)	(210)
Gain on fair value of financial instrument	11,616	--	--
Impairment on recompletions	--	--	135
Translation difference	--	(2)	(2)
	11,616	**(25,123)**	**(25,718)**

Exceptional items during the current year:

Fair Value Gain on the valuation of the early call option associated with the CLN – ($11.6 million): In June 2018 a valuation of the embedded Two Year Call Option associated with the CLN was completed. The valuation resulted in a gain of $11.6 million for the Two Year Call Option as at the valuation date of 30th June 2018. See additional details in note 11.

5 Other Taxes

	30th June 2018 $'000	**30th June 2017 $'000**	**31st December 2017 $'000**
Property tax charges	(216)	--	(497)
Property tax reversal 2016 and 2017	1,100	--	--
	884	**--**	**(497)**

The Property Tax Amendment Act 2018 was assented to on 8th June 2018 by the Government of Trinidad and Tobago. The Act effectively waived the obligation to pay Property Tax ("PT") up to December 2017. PT accrued for the years 2016 and 2017 of $1.1 million, has been reversed at the end of June 2018.

6 Taxation Charge/ (Credit)

a. Taxation Charge

	30th June 2018 $'000	30th June 2017 $'000	31st December 2017 $'000
Current tax			
- Current period			
Petroleum Profits Tax	--	44	(926)
Corporation Tax ("CT")	--	--	--
Unemployment Levy	(62)	--	(26)
Deferred tax			
- Current period			
Movement in asset due to tax losses	5,750	2,822	1,317
Movement in liability due to accelerated tax depreciation	5	(392)	(389)
Unwinding deferred tax on fair value uplift	33	(27)	--
Translation differences	--	5	(4)
Tax charge/(credit)	**5,726**	**2,452**	**(28)**

The Group has a deferred tax asset of $9.9 million on its Condensed Consolidated Statement of Financial Position which it expects to recover in more than 12 months based on the expected taxable profits generated by Group companies.

	30th June 2018 $'000	30th June 2017 $'000	31st December 2017 $'000
b. Taxation payable current			
Petroleum Profits Tax ("PPT")/Unemployment Levy ("UL")	--	86	66
Due to BIR (PPT,CT and UL)	198	--	1,622
Taxation payable	**198**	**86**	**1,688**
c. Taxation payable non-current			
Petroleum Profits Tax/ Unemployment Levy	--	2,222	--
Corporation Tax	--	508	--
Taxation payable	**--**	**2,730**	**--**

The Taxation payable has been split between current and non-current and represents the principal balance owed to the BIR.

7 Finance Cost

	30th June 2018 $'000	30th June 2017 $'000	31st December 2017 $'000
Decommissioning	778	829	1,643
Interest accrued on Citibank loan	--	84	44
Interest unwind on liabilities	142	16	34
Interest on Convertible loan note	359	248	579
	1,279	**1,177**	**2,300**

8 Property, Plant and Equipment

	Plant & Equipment $'000	Land & Buildings $'000	Oil & Gas Property $'000	Other $'000	Total $'000
Opening net book amount at 1st January 2018	3,767	1,726	46,957	--	52,450
Additions	205	2	4,434	--	4,641
Disposal	--	(6)	--	--	(6)
Reclassification of assets between categories	(2,470)	--	2,470		--
Depreciation, depletion and amortisation charge for period	(784)	(70)	(3,892)	--	(4,746)
Transferred to disposal group held for sale					
Translation difference	--	(1)	214	--	213
Closing net book amount 30th June 2018	**718**	**1,651**	**50,183**	**--**	**52,552**
Period ended 30th June 2018					
Cost	10,643	3,111	279,353	336	293,443
Accumulated depreciation, depletion, amortisation and impairment	(9,925)	(1,459)	(229,384)	(336)	(241,104)
Translation difference		(1)	214		213
Closing net book amount 30th June 2018	**718**	**1,651**	**50,183**	**--**	**52,552**

	Plant & Equipment $'000	Land & Buildings $'000	Oil & Gas Property $'000	Other $'000	Total $'000
Opening net book amount at 1st January 2017	4,201	1,890	53,541	--	59,632
Additions	27	1	622	--	650
Disposal	--	(9)	--	--	(9)
Impairment	--	--	(732)	--	(732)
Depreciation, depletion and amortisation charge for period	(305)	(76)	(3,170)	--	(3,551)
Transferred to disposal group held for sale	(187)	(108)	(7,401)	--	(7,696)
Translation difference	(7)	(1)	(84)	--	(92)
Closing net book amount 30th June 2017	**3,729**	**1,697**	**42,776**	**--**	**48,202**
Period ended 30th June 2017					
Cost	12,884	3,125	273,230	336	289,575
Accumulated depreciation, depletion, amortisation and impairment	(9,148)	(1,427)	(230,370)	(336)	(241,281)
Translation difference	(7)	(1)	(84)	--	(92)
Closing net book amount 30th June 2017	**3,729**	**1,697**	**42,776**	**--**	**48,202**

	Plant & Equipment $'000	Land & Buildings $'000	Oil & Gas Assets $'000	Other $'000	Total $'000
Year ended 31st December 2017					
Opening net book amount at 1st January 2017	4,201	1,890	53,541	--	59,632
Additions	42	2	2,824	--	2,868
Disposal	--	(9)	--	--	(9)
Adjustment to decommissioning estimate	--	--	(2,868)	--	(2,868)
Depreciation, depletion and amortisation charge for year	(483)	(147)	(6,425)	--	(7,055)
Translation difference	7	(10)	(115)	--	(118)
Closing net book amount 31st December 2017	**3,767**	**1,726**	**46,957**	**--**	**52,450**
At 31st December 2017					
Cost	12,901	3,126	272,565	336	288,928
Accumulated depreciation, depletion, amortisation and impairment	(9,141)	(1,390)	(225,493)	(336)	(236,360)
Translation difference	7	(10)	(115)	--	(118)
Closing net book amount	**3,767**	**1,726**	**46,957**	**--**	**52,450**

9 Intangible Assets

	Computer Software	Exploration and evaluation assets	Total
	$'000	$'000	$'000
At 1st January 2018	250	25,341	25,591
Additions	--	46	46
Translation difference	--	71	71
At 30th June 2018	**250**	**25,458**	**25,708**
At 1st January 2017	--	25,406	25,406
Translation difference	--	(44)	(44)
At 30th June 2017	**--**	**25,362**	**25,362**
At 1st January 2017	--	25,406	25,406
Computer software	250	--	250
Translation difference	--	(65)	(65)
At 31st December 2017	**250**	**25,341**	**25,591**

Computer Software: New accounting software purchased in 2017.
Exploration and evaluation assets: Costs related to the TGAL exploration well and field development plan.

10 Trade and Other Receivables

	30th June 2018	30th June 2017	31st December 2017
Due within one year	**$'000**	**$'000**	**$'000**
Trade receivables	3,264	1,967	3,272
Prepayments	1,217	1,001	631
VAT recoverable	1,372	506	807
Other receivables	401	184	445
	6,254	**3,658**	**5,155**

The fair value of trade and other receivables approximate their carrying amounts.

11 Derivative financial assets

	30th June 2018	30th June 2017	31st December 2017
	$'000	$'000	$'000
	Assets	Assets	Assets
Put Option-commodity price hedge	--	200	--
Embedded derivative (Two Year Call Option)	11,616	--	--
	11,616	**200**	**--**

A valuation of the embedded derivative associated with the Two Year Call option within the CLN was undertaken as at 30th June 2018. The embedded derivative was fair valued and the gain attributed to:

- The high probability of the Company exercising the Two Year Call option
- Reduction in the Company's estimated cost of borrowing
- Increase in market price of the Company's shares over the CLN's exercise price

Following the redemption of the CLN post 30th June 2018, the gain on the Two Year Call option will be extinguished.

In 2017 a put option was implemented effective 1st April 2017 which hedged a portion of the Group's monthly production against downside movements in crude oil price below $40.0/barrel until 31st March 2018.

12 Share capital

	Number of shares	Ordinary shares $'000	Share premium $'000	Total $'000
As at 1st January 2018	282,399,986	96,676	125,362	222,038
As at 30th June 2018	**282,399,986**	**96,676**	**125,362**	**222,038**

13 Deferred Income Taxation

The analysis of deferred tax assets is as follows:

	30th June 2018 $'000	30th June 2017 $'000	31st December 2017 $'000
Deferred tax assets:			
-Deferred tax assets to be recovered in more than 12 months	(9,948)	(2,665)	(4,179)
Deferred tax liabilities:			
-Deferred tax liabilities to be settled in more than 12 months	2,508	2,503	2,538
Net deferred tax (assets)/liability	**(7,440)**	**(162)**	**(1,641)**

The movement on the deferred income tax is as follows:

	30th June 2018 $'000	30th June 2017 $'000	31st December 2017 $'000
At beginning of year	(1,641)	(2,569)	(2,569)
Movement for the year	(5,799)	2,407	928
Translation difference	--	--	--
Net deferred tax (asset)/liability	**(7,440)**	**(162)**	**(1,641)**

Deferred tax assets and liabilities are only offset where there is a legally enforceable right of offset and there is an intention to settle the balances net. The deferred tax balances are analyzed below:

	1st January 2017 $'000	Movement $'000	30th June 2017 $'000	Movement $'000	31st December 2017 $'000	Movement $'000	30th June 2018 $'000
Deferred tax assets							
Acquisition	(33,436)	--	(33,436)	--	(33,436)	--	(33,436)
Tax losses recognised	(34,293)	--	(34,293)	--	(34,293)	(5,760)	(40,053)
Tax losses derecognised	62,233	2,831	65,064	(1,514)	63,550	(9)	63,541
	(5,496)	**2,831**	**(2,665)**	**(1,514)**	**(4,179)**	**(5,769)**	**(9,948)**

Deferred tax liabilities	1st January 2017	Movement	30th June 2017	Movement	31st December 2017	Movement	30th June 2018
Accelerated tax depreciation	14,374	(395)	13,979	64	14,043	--	14,043
Non-current asset impairment	(33,214)		(33,214)	--	(33,214)	--	(33,214)
Acquisitions	19,580	--	19,580	--	19,580		19,580
Fair value uplift	2,187	(29)	2,158	(29)	2,129	(30)	2,099
	2,927	**(424)**	**2,503**	**35**	**2,538**	**(30)**	**2,508**

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. Deferred tax assets of $5.8 million have been recognised (2017: $1.3 million was derecognised) as recoverability is now considered probable. Deferred tax liabilities have reduced by $0.03 million (2017: $0.4 million) as the carrying values of property, plant and equipment and intangible assets which gave rise to the temporary differences have been written down to their recoverable amount. The Group has unrecognised tax losses amounting to $213.0 million which have no expiry date (2017: $218.5 million).

14 Convertible Loan Note ("CLN")

On 11th January 2017 the Company issued at a 50% discount 6,550,000 one dollar, unsecured CLNs. The notes mature 7 years from the issue date at their nominal value of $6.55 million plus quarterly accrued, aggregated and compounded interest. Repayments or conversion prior to the maturity date can be made in certain circumstances:

- *Early Redemption*
  Subject to the settlement of the debts owed to the BIR and the MEEI the Company can before the second anniversary of the CLN's issue date, redeem all or a portion of the CLN giving 5 business days' written notice to the Noteholder. The Noteholders do not have the option to convert under this arrangement.

- *Redemption*
  The Company can, after satisfying the debts owed to the BIR and the MEEI or after two years from the issue dates (whichever is the latter), elect to redeem all the CLN before the maturity date. The redemption date in this scenario must not be less than 20 days from the Early Redemption Notice. The Noteholders can serve a Conversion Notice.

- *Conversion*
  Each Noteholder can after the second anniversary of the issue date serve a Conversion Notice. The principal amount plus the outstanding interest shall be converted into new fully paid ordinary shares at a Conversion Price of $0.08125.

The fair values of the CLN's liability and equity component were determined at the issuance of the note. The CLN recognised in the Statement of Financial Position was calculated as follows:

	Total $'000
6 months ended 30th June 2018	
Opening amount as at 1st January 2018	3,019
Nominal value of CLN issued	--
Interest accrued[2]	359
Closing balance as at 30th June 2018	**3,378**

6 months ended 30th June 2017	
Opening amount as at 1st January 2017	--
Nominal value of CLN issued[1]	6,550
Issued at a 50% discount	(3,275)
Fair value of CLN	3,275
Expenses incurred	(245)
Fair value of CLN (net of costs)	3,030
Equity component	(590)
Liability component at initial recognition	2,440
Interest accrued[2]	289
Closing balance at 30th June 2017	**2,729**

Year ended 31st December 2017	
Opening amount as at 1st January 2017	--
Nominal value of CLN issued[1]	6,550
Issued at a 50% discount	(3,275)
Fair value of CLN	3,275
Expenses incurred	(245)
Fair value of CLN (net of costs)	3,030
Equity component	(590)
Liability component at initial recognition	2,440
Effective interest	105
Interest accrued[2]	474
Closing balance at 31st December 2017	**3,019**

Notes:
[1]The amount repayable on the CLN is the nominal value of $6.6 million plus accrued interest.
[2] Interest is calculated by applying the effective interest rate of 23.7 % to the liability component.

The CLN was initially recognised and measured at its fair value of $3.3 million. The fair value of the liability component was determined using a market interest rate of 22.4% for an equivalent non-convertible bond at the issue date. The liability is subsequently recognised on an amortised cost basis until extinguished on conversion or maturity of the notes. The remainder of the proceeds is allocated to the conversion option and recognised in shareholders' equity net of transaction cost, and not subsequently re-measured. See note 21 for post period update on the CLN.

15 Provisions and Other Liabilities

Non-Current:	**Decommissioning cost**	**Employee Retirement Benefit**	**Total**
	$'000	**$'000**	**$'000**
6 months ended 30th June 2018			
Opening amount as at 1st January 2018	37,151	--	37,151
Unwinding of discount	778	--	778
Decommissioning provision	739	--	739
Translation differences	104	--	104
Closing balance as at 30th June 2018	**38,772**	**--**	**38,772**
6 months ended 30th June 2017			
Opening amount as at 1st January 2017	37,970	348	38,318
Unwinding of discount	829	--	829
Transferred to disposal groups held for sale	(12,398)	--	(12,398)
Unwind of employee retirement provision	--	(348)	(348)

Translation differences	(53)	--	(53)
Closing balance as at 30th June 2017	**26,348**	**--**	**26,348**
Year ended 31st December 2017			
Opening amount as at 1st January 2017	37,970	348	38,318
Restructuring provision settled	--	(348)	(348)
Unwinding of discount	1,643	--	1,643
Revision to estimates	(2,868)	--	(2,868)
Decommissioning provision	497	--	497
Translation differences	(91)	--	(91)
Closing balance at 31st December 2017	**37,151**		**37,151**

Current:

	Litigation claims $'000	Other Provisions $'000	Total $'000
6 months ended 30th June 2018			
Opening amount as at 1st January 2018	115	--	115
Provision for litigation claims	6	--	6
Litigation claims settled	(38)	--	(38)
Provision for drill pit closure	--	70	70
Closing balance as at 30th June 2018	**83**	**70**	**153**
6 months ended 30th June 2017			
Opening amount as at 1st January 2017	470	--	470
Litigation claims compromised	(364)	--	(364)
Closing balance as at 30th June 2017	**106**	**--**	**106**
Year ended 31st December 2017			
Opening amount as at 1st January 2017	470	--	470
Litigation claims compromised	(355)	--	(355)
Closing balance at 31st December 2017	**115**	**--**	**115**

16 Trade and Other Payables

	30th June 2018 $'000	30th June 2017 $'000	31st December 2017 $'000
Non-current:			
Due to BIR Interest on taxes	--	970	417
Due to MEEI	--	670	231
Other Payables	--	904	233
	--	**2,544**	**881**
Current:			
Trade payables	1,085	419	555
Accruals	3,009	1,503	2,547
VAT payable	170	129	272
Other payables	783	903	701
Supplemental Petroleum Tax and Property Tax	2,436	3,708	2,626
Due to BIR Interest on taxes	1,749	775	2,865
Due to MEEI	630	481	526
	9,862	**7,918**	**10,092**

17 Derivative financial Liabilities

Derivatives are classified as held for trading and accounted for at fair value through profit or loss unless they are designated as hedges. They are presented as current assets or liabilities if they are expected to be settled within 12 months after the end of the reporting period. (See note 2)

Zero Cost Collar	**Total $'000**
6 months ended 30th June 2018	
Opening balance	762
Loss on Fair value of derivative instrument	1,586
Payment	(645)
Closing balance as at 30th June 2018	**1,703**

18 Adjusted EBITDA

Adjusted EBITDA is a non-IFRS measure used by the Group to measure business performance. It is calculated as Operating Profit before Supplemental Petroleum Taxes and Other Taxes for the period, adjusted for depreciation, depletion and amortisation, share option expenses and other expenses (including the impact of derivative hedge instruments).

The Group presents adjusted EBITDA as it is used in assessing the Group's growth and operational efficiencies as it illustrates the underlying performance of the Group's business by excluding items not considered by management to reflect the underlying performance of the Group.

Adjusted EBITDA is calculated as follows:

	6 months to 30th June 2018 $'000	**6 months to 30th June 2017 $'000**	**Year ended December 2017 $'000**
Operating Profit Before Supplemental Petroleum Taxes and Other Taxes	2,611	1,934	3,932
Depreciation, depletion and amortisation	4,746	3,551	7,055
Share option expenses	368	3	239
Loss on oil derivative hedge instruments	1,586	400	1,362
Adjusted EBITDA	9,311	5,888	12,588
	$'000	**$'000**	**$'000**
Weighted average ordinary shares outstanding - basic	282,400	270,936	276,746
Weighted average ordinary shares outstanding - diluted	400,708	363,828	395,054
	$	**$**	**$**
Adjusted EBITDA per share - basic	0.03	0.02	0.05
Adjusted EBITDA per share - diluted	0.02	0.02	0.03

19 Earnings per Share

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is calculated using the weighted average number of ordinary shares adjusted to assume the conversion of all dilutive potential ordinary shares.

	Earnings – Total Comprehensive Income/(Loss) For The Period $'000	Weighted Average Number Of Shares '000	Earnings Per Share $
Period ended 30th June 2018			
Basic	15,889	282,400	0.06
Diluted	15,889	400,708	0.04
Period ended 30th June 2017			
Basic	23,780	270,936	0.09
Diluted	23,780	363,828	0.07
Year ended 31st December 2017			
Basic	25,424	276,746	0.09
Diluted	25,424	395,054	0.06

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has two categories of dilutive potential ordinary shares: CLNs and share options. The CLNs are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share. This is calculated as the CLN nominal value $6.55 million plus accrued interest to the second anniversary of $1.0 million divided by the conversion price of $0.08125. Long term incentives of 25,415,998 are also considered potential ordinary shares and have been included in the determination of the diluted earnings per share. Share options of 1,975,084 are considered potential ordinary shares but have not been included as the exercise hurdle would not have been met.

20 Contingent Liabilities

- The farm-out agreement for the Tabaquite Block (held by Coastline International Inc.) has expired. There may be additional liabilities arising when a new agreement is finalised, but these cannot be presently quantified until a new agreement is available.
- A Letter of Guarantee has been established over the PGB Block where a subsidiary of Trinity is obliged to carry out a Minimum Work Programme to the value of $8.4 million. The guarantee shall be reduced at the end of each twelve month period upon presentation of all technical data and results of the Minimum Work Programme performed.
- The Group is party to various claims and actions. Management have considered the matters and where appropriate has obtained external legal advice. No material additional liabilities are expected to arise in connection with these matters, other than those already provided for in these financial statements.

21 Events after the Reporting Period

i) On 12th July 2018 the Company completed the Fundraising, raising gross proceeds of $20.0 million through the following:
   - Firm Placing to existing and new institutional investors which raised approximately $11.1 million;
   - Subscription which raised approximately $6.9 million, comprising:

- $ 0.5 million of subscriptions by Trinity Directors and Executive Management; and
- $ 6.4 million in relation to the holders of CLNs who opted to convert the value of their CLNs inclusive of accrued interest at the Issue Price; and

- Offer to Qualifying Participants which raised approximately $2.0 million.

The Fundraising allowed the Group to repay all outstanding debt to its T&T State Creditors which amounted to $2.6 million in aggregate. Following this final repayment, on 15th August 2018 Trinity settled the remaining outstanding debt to holders of the CLNs who did not elect to convert their CLNs pursuant to the Subscription which amounted to $0.9 million.

ii) On 28th August 2018 Petrotrin announced it is to discontinue refining operations and undergo a companywide restructuring in order to focus on its upstream exploration and production activities. The Company expects that this decision will have no impact on the ongoing Sales Agreements with Petrotrin for Trinity's crude oil production and that the crude oil will be consolidated and exported as it has been previously.