14 September 2017

Ophir Energy plc

Half Year Results for the six months ended 30 June 2017

Commenting on the first half results, Nick Cooper, Chief Executive of Ophir Energy said:

"A comprehensive Board review in 1H 2017 identified that in a 'lower for longer' commodity cycle, Ophir's competitive advantages were its material discovered resources and its healthy balance sheet. The careful use of this balance sheet to monetise our four resource plays offer a differentiated proposition of lower risk and quicker returns to Ophir's shareholders.

The Board has prioritised this monetisation of our resource plays and since May we have streamlined the organisation, further reduced our overhead costs and concentrated our exploration activities on to a smaller number of high quality plays that can be paced in a way that matches our financial capacity.

"Our priorities in 2017 are achieving the Fortuna FLNG Project FID and realising incremental value across our operated production base. Fortuna has made significant progress in the first half of 2017 and now has one primary milestone outstanding: namely the project financing. Once this is achieved, we will seek shareholder approval and the formal decree from the President of Equatorial Guinea."

2017 Half-year Results Summary

- **Strategic actions**
  - Established clear priority of unlocking value from Ophir's 1 Bnboe discovered resource base
  - Implemented additional G&A cost reductions that will deliver further savings of $10-12 million per annum
  - Rationalised our exploration portfolio to a reduced number of quality options in proven, world class producing basins. These include Block 5 in Mexico, which was signed during the period
- **Fortuna FLNG Project progressing to FID**
  - Signed Umbrella Agreement with the government of Equatorial Guinea
  - Announced Gunvor as the nominated buyer for the LNG (post period end)
- **Resource monetisation across our operated production base**
  - Approved Bualuang Phase IV investment to monetise a further 9.2 MMbo of the field
  - Commenced a 3D seismic programme at Kerendan to enable expansion of the gas field

- **Healthy financial position**

    - Revenue of $88 million, post-tax loss of $85 million (including exploration write offs of $77 million partially offset by an impairment write back of $24million), post-tax operating cash flow of $47 million

    - Gross cash on balance sheet at period end of $237 million, net cash of $130 million

    - Refinanced our Reserve Based Lending Facility at $250 million. This is presently undrawn at $178 million but contributes to a total liquidity (cash and undrawn debt facility) of $415 million

A presentation for analysts will be held at 9.30am this morning. This will be webcast live through the link on the Company website: www.ophir-energy.com/investors.

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DELIVERING VALUE FROM OPHIR'S RESOURCE PLAYS

Our capital is allocated to projects that offer the best risk weighted return on capital. Therefore, whilst the low commodity prices continue, Ophir will be focused on monetising its net 1 Bnboe of discovered resources. The Board is confident that following this path for the next 2-3 years can deliver material returns to shareholders in the current environment. We are concentrating our exploration efforts on a smaller number of high quality opportunities that can be paced in a way that matches our financial capacity and strategic priorities.

Ophir has sizeable resource plays in four core countries: Equatorial Guinea, Tanzania, Thailand and Indonesia. Three of these are Ophir-operated and, with low unit development and production costs, are capable of delivering attractive returns without requiring higher commodity prices.

Fortuna FLNG Project, Equatorial Guinea

Significant steps were accomplished in the first half of 2017 towards the FID of the Fortuna FLNG Project. Given that the remaining milestones are dependent on multiple stakeholders, it has proven difficult to precisely forecast FID timing. However, with the strong progress seen in the first half of 2017 and the current intensive effort from all parties, we presently still expect FID of the Fortuna Project to be achieved in 4Q 2017.

During the first half of 2017 the project partners signed an Umbrella Agreement that established the full legal and fiscal framework for the Fortuna FLNG project. Subsequent to the period end it was announced that the partners have nominated Gunvor Group as their preferred LNG buyer for the offtake from the Fortuna project. A final Sale and Purchase Agreement for the offtake is expected to be signed ahead of the Final Investment Decision. The midstream EPC construction contract was awarded to Keppel and Black & Veatch in May.

The key milestone outstanding prior to FID is the completion of the project funding. This is expected to be concluded ahead of an FID decision during 4Q 2017. Once the project funding has been finalised, the Board of Ophir will be in the position to take the FID, which will also be subject to approval by Ophir's shareholders after which the approval of the President of Equatorial Guinea will be sought.

The Hilli Espiseyo FLNG vessel, which is Golar's first FLNG conversion and the sister ship to the Gandria, is expected to leave the yard around the end of 3Q/early 4Q 2017 and be in the field in Cameroon ready to commence operations in November. This is an important event in the de-risking of the Fortuna midstream FLNG solution.

Bualuang, Thailand

In May 2017, the Company took the investment decision to commence the fourth development phase of the Bualuang oil field. The capital cost of Phase IV is expected to be $145 million. The investment will convert approximately 9.2 MMbo of contingent resource into proved and probable reserves and will deliver rapid payback.

Kerendan, Indonesia

At the Kerendan gas field the focus is on monetising further gas from the asset beyond the first contracted amount of 120 Bcf. An onshore 3D seismic survey in the Bangkanai and West Bangkanai PSCs commenced early in 2017 and is expected to complete during 4Q 2017. These new seismic data, in combination with the data from the West Kerendan-1 ("WK-1") well and the WK-1 drill stem test, will provide assurance to SKK Migas (the State regulator) for approval of the next tranche of gas sales from the 457 Bcf of discovered, but uncontracted, 2C gross resource associated with the Kerendan field.

BUSINESS REVIEW

Sources and Uses of Funds Summary

	Units	1H 2017	1H 2016	FY 2016
Net Sources of Funds:				
Revenue	$'millions	88.3	52.1	107.2
Accrued Kerendan Take-or-Pay Revenue	$'millions	2.0 (1)	8.2	16.5
Cost of production (2)	$'millions	(36.0)	(20.4)	(42.7)
Investment Income	$'millions	2.6	2.8	4.4
Income Tax Charge	$'millions	(17.0)	(9.7)	(23.6)
Total net sources of funds from production	$ 'millions	39.9	33.0	61.8
Net Uses of Funds:				
Capital Expenditure (including pre-licence expenditure) (3)	$'millions	45.4	86.6	155.6
Net administration cost	$'millions	5.8	9.3	13.4
Net interest cost	$'millions	7.0	7.5	14.3
Total net uses of funds	$'millions	58.2	103.4	183.3
Financing:				
Closing net cash	$'millions	129.9	206.8	160.1
Closing debt	$'millions	106.6	200.4	200.3
Closing cash and cash equivalents	$'millions	236.5	407.2	360.4

1. Additional accrued Take-or-Pay revenue in 1H2017, payable in 1H2018
2. Includes operating expenses, royalty payments and movement in inventories of oil.
3. Adjusted to eliminate non-cash movements for decommissioning for 1H17 of $0.5m (FY16: -$19.2m. 1H16: $1.2m) and capitalised interest for 1H17 of $nil (FY16: $8.7m. 1H16: $8.7m).

Production

Production during the first half of 2017 averaged 11.3 Mboepd. This was 1.6 Mboepd below budget due to lower than expected production from our two gas assets. The Kerendan gas field started production in the second half of 2016 but took longer than forecast to ramp up to the full contracted volumes in 2017. Kerendan averaged 12.3 MMscfd in the period and is now producing at the full daily contract quantity of 19.2 MMscfd.

Production at the Bualuang oil field averaged 8.1 Mbopd in the period. An infill-drilling programme on the field commenced in May and will deliver increased production in the second half of 2017. With the new wells now coming online, the field is presently producing 8.9 Mbopd.

The Sinphuhorm gas field produced at 95.4 MMscfd for the first half, versus budget of 126.6 MMscfd. Common with gas fields in Thailand, the cause of under-performance appears to be spot LNG purchases replacing domestic sources of gas supply. Full year production from this field is now expected to average 98 MMscfd.

Forecast production for the full year 2017 remains as previously guided at approximately 12 Mboepd.

Net Sources of Funds

Oil and gas revenues in first half 2017 totalled $88 million, up $36 million or 69% on the same period in 2016.

The first half of 2017 reflected, for the first time, a significant contribution from the Kerendan field. Kerendan generated revenue of $8 million at an average gas realisation price of $5.23 per Mscf. An additional amount of $2 million arose in relation to the take-or-pay gas received from the offtaker. Overall the Kerendan field delivered underlying cash flow[1] of $4 million or $13 per boe.

Revenues from Bualuang averaged $50 per bbl for the period compared to $34 per bbl for the same period last year. The increased average realised oil price arose from both a higher Dubai price, and a reduction in the contracted Dubai discount from $3.50 per bbl to $1.65 per bbl. The Company further secured a lower Dubai discount in 2H 2017 of $1.23 per bbl with the signing of a new one-year term contract. The Bualuang field generated underlying cash flow[1] in the period of $39 million or $26 per bbl.

Operating cash flow from production for the full year 2017 remains as previously guided at approximately $85 million or $20 per boe.

Net Uses of Funds

The Group continued to reduce capital expenditure which totalled $45 million in the first half, down by 48% on the same period in 2016. The primary investments during 1H 2017 comprised:

- Resource monetisation ($27 million)
  - Fortuna: $8 million
  - Bualuang infill drilling: $19 million

- Exploration ($18 million)
  - CDI: $13 million
  - New business, pre-licence and other: $5 million

1 The definition of underlying cash flow is consistent with the definition of net sources of funds from production as defined in the table on page 4 of this report

Write-off of exploration expenditure totalled $77 million in the period, and was predominantly in Cote d'Ivoire ($33 million) and Gabon ($31 million), with smaller amounts related to new business and pre-licence expenditure.

As a consequence of the comprehensive Board review earlier in 2017, further cost reductions were implemented in 1H 2017. With the management prioritising the monetisation of existing discovered resource, and shifting the focus of exploration to a more concentrated portfolio, reductions were made to headcount. These reductions were principally in corporate headquarter costs in London and in expatriate positions. These actions will achieve savings of between $10 and $12 million per year and once affected, will form part of an overall administration cost saving of 60% over a three-year period.

Full year 2017 capital expenditure forecast remains as previously guided at approximately $160 million.

Going forward capital will be allocated to existing opportunities in Indonesia and Thailand that increase short-term cash flow. Beyond that, the monetisation of contingent resource in Equatorial Guinea and Thailand is priority for the Company with funds allocated to deliver those projects. Remaining capital will be allocated either to exploration (if the opportunities offer sufficiently attractive risk weighted IRR's) or to capital returns.

Financing

During the first half, the Company signed a new $250 million Reserve Based Lending Facility ("RBL") with seven banks, secured against the Company's producing assets in South East Asia. In addition to the committed $250 million, a further $100 million is available on an uncommitted "accordion" basis. The RBL has a seven-year term and matures on 30 June 2024. The RBL replaced the existing RBL facility that would have matured in December 2019. The new RBL facility was undrawn at the end of the period with an amount available of $178 million.

Net Interest charges in the period of $7 million arose on the Groups RBL and the outstanding Norwegian Bond. With the new RBL currently undrawn, net interest charges are expected to be $3 million less than originally forecast for the second half of the year.

The Group ended the period with a cash balance of $237 million after fully repaying down existing RBL facility amount of $94 million. With the undrawn RBL facility, total liquidity available to the Company at 30 June 2017 totalled $415 million (1H 2016: $407 million).

Forecast net cash at year-end 2017 remains as previously guided at approximately $85 million and total liquidity (cash and undrawn debt facility) at approximately $390 million.

EXPLORATION

Ophir has previously run a portfolio of four core operating countries and up to eight exploration countries. This exploration portfolio has now been reduced to concentrate our efforts and better drive value. Accordingly, during the first half of 2017 Ophir exited, or decided to exit, licences in Gabon, Malaysia and Indonesia. We are concentrating on our exploration options in our four core operating countries (Thailand, Indonesia, Equatorial Guinea and Tanzania) and for the present we will limit our 'exploration only' footprints to three additional countries which include Myanmar and

Mexico. Preferably we will build a balanced portfolio across these countries in deepwater, shallow water and onshore acreage can deliver compelling risked IRRs at commodity prices of below $50 per bbl.

To this end, during the period we added new acreage in both Equatorial Guinea and Mexico. We formally signed the PSC for Block 5 in Mexico, which was awarded in 2016. This block is located c. 30 km north of, and in the same basin as, Block 7 where the Zama oil discovery occurred in July 2017. We are interpreting the 3D data on this block ahead of expected drilling in 2019. Separately, we also agreed terms for Block EG-24 in Equatorial Guinea and expect to sign this licence in 2017.

During the first half of 2017 Ophir drilled the Ayame-1X exploration well in Cote d'Ivoire. Oil shows were recorded but no moveable hydrocarbons were encountered and therefore the well was plugged and abandoned as a dry hole at an estimated gross cost of $19 million.

OUTLOOK

The Fortuna project continues to make progress towards an expected FID in 4Q 2017. Management's current expectation is that investment in Fortuna will deliver an IRR of 25-35%. Similarly, the next phase of investment in the Bualuang field will deliver an expected IRR of approximately 40%. Beyond these actions we have plans to further monetise our contingent resources in Indonesia, Equatorial Guinea and Tanzania.

Ophir's exploration activities are concentrated in emerging, world class basins. Our recently acquired Mexico and Myanmar acreage positions are promising and offer attractive drilling options for 2018 and 2019.

RISK MANAGEMENT

The Group's Executive Directors constantly monitor the group's risk exposures and report to the Audit, Corporate Responsibility and Technical Advisory Committees on a six monthly basis. Risks that have the potential to have a high impact on the Company are each reviewed, together with the controls the Company has put in place, with the Board on at least an annual cycle. The Audit Committee provides oversight on risk whilst ultimate authority for risk management remains with the Group's Board. The Corporate Responsibility Committee provides oversight on surface risk, particularly in the areas of Health, Safety and the Environment. The Technical Advisory Committee provides oversight on subsurface risk and uncertainty for exploration and development activities.

The principal risks for the Group remain as previously detailed on pages 14 to 19 of the 2016 Annual Report and Accounts. The principal risks can be summarised as follows:

- External Risks: Low commodity price and adverse market sentiment towards the E&P sector, global economic volatility, capital constraints, legal compliance regulatory or litigation risk, stakeholder sentiment, political risk.
- Strategic Risks: Investment decisions, inadequate resource and reliance on key personnel.
- Operational Risks: HSE and security incident, drilling operations risk, discovery risk and success rate, IT risk.
- Financial Risks: Inability to fund exploration work programmes, counterparty credit risk, cost and capital spending, interest rate and foreign exchange risk.

RESPONSIBILITY STATEMENT

The Directors confirm that to the best of their knowledge:

a) the condensed set of financial statements has been prepared in accordance with IAS 34 "Interim Financial Reporting";

b) the half year report includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year);

c) the half year report includes a fair review of the information required by DTR 4.2.8R (disclosure of related parties' transactions and changes therein).

The Directors of Ophir Energy plc are as listed in the Company Information section at the back of this report.

By order of the Board

Nick Cooper
Chief Executive Officer
13 September 2017

Independent Review Report to Ophir Energy plc

Introduction

We have been engaged by Ophir Energy plc ('the Group') to review the condensed consolidated financial statements in the half-yearly financial report for the six months ended 30 June 2017 which comprises the condensed consolidated income statement and statement of comprehensive income, the condensed consolidated statement of financial position, the condensed consolidated statement of changes in equity, the condensed consolidated statement of cash flows and the related explanatory notes that have been reviewed. We have read the other information contained in the half yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed consolidated financial statements.

This report is made solely to the Group in accordance with guidance contained in International Standard on Review Engagements 2410 (UK and Ireland) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group, for our work, for this report, or for the conclusions we have formed.

Directors' Responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 2, the annual financial statements of the group are prepared in accordance with IFRSs as adopted by the European Union. The condensed consolidated financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as adopted by the European Union.

Our Responsibility

Our responsibility is to express to the Group a conclusion on the condensed consolidated financial statements in the half-yearly financial report based on our review.

Scope of Review

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 Ireland) 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements in the half-yearly financial report for the six months ended 30 June 2017 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Ernst & Young LLP
London
13 September 2017

CONDENSED CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME
SIX MONTHS ENDED 30 JUNE 2017

	NOTES	6 MONTHS ENDED 30 JUNE 2017 (UNAUDITED) $'000	6 MONTHS ENDED 30 JUNE 2016 (UNAUDITED) $'000	YEAR ENDED 31 DECEMBER 2016 $'000
Consolidated income statement				
Continuing operations				
Revenue	4	88,293	52,097	107,178
Cost of sales	5a	(69,386)	(54,676)	(95,443)
Gross profit/(loss)		**18,907**	**(2,579)**	**11,735**
Share of profit of investments accounted for using the equity method	18	2,560	2,818	4,417
Impairment reversal of oil and gas properties		23,681	-	84,100
Exploration expenses	5b	(77,126)	(68,731)	(135,252)
General & administration expenses	5c	(5,839)	(9,332)	(13,428)
Other operating (expenses)/income	5d	(1,361)	8,580	19,945
Operating loss		**(39,178)**	**(69,244)**	**(28,483)**
Net finance expense	6	(6,463)	(380)	(21,595)
Loss from continuing operations before taxation		**(45,641)**	**(69,624)**	**(50,078)**
Taxation (expense)/benefit	7	(38,977)	21,177	(27,368)
Loss from continuing operations for the period attributable to:		**(84,618)**	**(48,447)**	**(77,446)**
Equity holders of the Company		(84,618)	(48,447)	**(77,446)**
Non-controlling interest		-	-	-
		(84,618)	**(48,447)**	**(77,446)**
Earnings per share				
Basic – Loss for the period attributable to equity holders of the Company		(12.0) cents	(6.9) cents	(11.0) cents
Diluted – Loss for the period attributable to equity holders of the Company		(12.0) cents	(6.9) cents	(11.0) cents

	NOTES	6 MONTHS ENDED 30 JUNE 2017 (UNAUDITED) $'000	6 MONTHS ENDED 30 JUNE 2016 (UNAUDITED) $'000	YEAR ENDED 31 DECEMBER 2016 $'000
Consolidated statement of comprehensive income				
Loss from continuing operations for the period		**(84,618)**	**(48,447)**	**(77,446)**
Other comprehensive (loss)/income				
Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods:				
Exchange differences on retranslation of foreign operations net of tax		-	31	31
Other comprehensive income/(loss) for the period, net of tax		**-**	**31**	**31**
Total comprehensive loss for the period, net of tax attributable to:				
Equity holders of the Company		**(84,618)**	**(48,416)**	(77,415)
Non-controlling interest		**-**	-	-
		(84,618)	**(48,416)**	**(77,415)**

Condensed consolidated statement of financial position
As at 30 June 2017

	Notes	As at 30 June 2017 (unaudited) $'000	As at 30 June 2016 (unaudited) $'000	As at 31 December 2016 $'000
Non-current assets				
Exploration and evaluation assets	9	240,462	892,261	310,229
Oil and gas properties	10	719,350	643,307	699,000
Other property, plant and equipment		2,811	4,724	3,706
Financial assets		22,541	25,970	21,103
Investments accounted for using the equity method	18	130,388	133,786	130,736
		1,115,552	**1,700,048**	**1,164,774**
Current assets				
Assets classified as held for sale	8	596,999	-	588,770
Inventory	11	40,718	58,158	46,738
Trade and other receivables		39,821	44,024	32,319
Taxation receivable		9,124	22,322	15,178
Cash and cash equivalents	12	236,523	407,226	360,424
		923,185	**531,730**	**1,043,429**
Total assets		**2,038,737**	**2,231,778**	**2,208,203**
Current liabilities				
Trade and other payables	13	(73,304)	(100,149)	(93,398)
Interest-bearing bank borrowings due within one year	14	-	(5,389)	(9,741)
Taxation payable		(19,016)	(11,779)	(13,226)
Provisions	16	(10,017)	(36,350)	(15,833)
		(102,337)	**(153,667)**	**(132,198)**
Non-current liabilities				
Other Payables	13	(15,866)	-	(10,285)
Interest-bearing bank borrowings	14	-	(88,267)	(83,915)
Bonds payable	15	(106,651)	(106,650)	(106,651)
Deferred tax liability	7d	(271,575)	(214,874)	(249,527)
Provisions	16	(51,725)	(68,594)	(50,550)
		(445,817)	**(478,385)**	**(500,928)**
Total liabilities		**(548,154)**	**(632,052)**	**(633,126)**
Net assets		**1,490,583**	**1,599,726**	**1,575,077**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017 (CONTINUED)

	NOTES	AS AT 30 JUNE 2017 (UNAUDITED) $'000	AS AT 30 JUNE 2016 (UNAUDITED) $'000	AS AT 31 DECEMBER 2016 $'000
Capital and reserves				
Called up share capital	17	3,061	3,061	3,061
Reserves	19	1,487,802	1,596,945	1,572,296
Equity attributable to equity shareholders of the Company		1,490,863	1,600,006	1,575,357
Non-controlling interest		(280)	(280)	(280)
Total equity		**1,490,583**	**1,599,726**	**1,575,077**

Approved by the Board on 13th September 2017

Nick Cooper
Chief Executive Officer

Tony Rouse
Chief Financial Officer

Condensed consolidated statement of changes in equity
Six months ended 30 June 2017

	Called up share capital $'000	Treasury shares $'000	Other reserves [1] $'000	Non-controlling interest $'000	Total equity $'000
As at 1 January 2016	**3,061**	**(155)**	**1,646,878**	**(280)**	**1,649,504**
Loss for the period, net of tax	-	-	(48,447)	-	(48,447)
Other comprehensive income, net of tax	-	-	31	-	31
Total comprehensive loss, net of tax	-	-	(48,416)	-	(48,416)
Exercise of options	-	2	-	-	2
Share-based payment	-	-	(1,364)	-	(1,364)
As at 30 June 2016 (Unaudited)	**3,061**	**(153)**	**1,597,098**	**(280)**	**1,599,726**
Loss for the period, net of tax	-	-	(28,999)	-	**(28,999)**
Other comprehensive income, net of tax	-	-	-	-	**-**
Total comprehensive loss, net of tax	-	-	(28,999)	-	**(28,999)**
Exercise of options	-	-	-	-	**-**
Share-based payment	-	-	4,350	-	**4,350**
As at 1 January 2017	**3,061**	**(153)**	**1,572,449**	**(280)**	**1,575,077**
Loss for the period, net of tax	-	-	(84,618)	-	(84,618)
Other comprehensive income, net of tax	-	-	-	-	-
Total comprehensive loss, net of tax	-	-	(84,618)	-	(84,618)
Exercise of options	-	-	-	-	-
Share-based payment	-	-	124	-	124
As at 30 June 2017 (Unaudited)	**3,061**	**(153)**	**1,487,955**	**(280)**	**1,490,583**

[1] Refer to note 20 – Other reserves

Condensed consolidated statement of cash flows
Six months ended 30 June 2017

	Notes	6 Months Ended 30 June 2017 (unaudited) $'000	6 Months ended 30 June 2016 (unaudited) $'000	Year ended 31 December 2016 $'000
Operating activities				
Loss before taxation		(45,641)	(69,624)	(50,078)
Adjustments to reconcile loss before taxation to net cash provided by operating activities				
Exploration expenses	5b	77,126	60,069	135,252
Depreciation and amortisation		34,508	35,578	55,238
Impairment on oil and gas assets and loss/(gain) on disposal of fixed assets		(23,607)	14	(84,100)
Share of profits from joint ventures	18	(2,560)	(2,818)	(4,417)
Net charge for interest	6	7,649	7,486	8,172
Net foreign currency losses/(gains)	6	(1,062)	1,513	13,424
Share-based payment (release)/expense	5c	124	(1,364)	2,986
(Decrease)/increase in provisions		4,590	-	(19,322)
Cash flow from operation before working capital adjustments		51,127	30,854	57,155
(Decrease)/increase in inventories		4,331	(7,943)	(9,584)
(Decrease)/increase in other current and non-current payables		3,241	(3,477)	(2,212)
(Increase)/decrease in other current and non-current assets		(7,177)	(10,665)	5,502
Interest received		983	1,044	1,959
Income taxes paid		(5,147)	(35,972)	(41,360)
Net cash (used in)/generated by operating activities		47,358	(26,159)	11,460
Investing activities				
Additions to Exploration and Evaluation assets		(52,347)	(97,084)	(175,453)
Additions to property, plant and equipment		(20,250)	(15,365)	(18,585)
Dividends received from joint ventures		3,126	408	5,164
Funding provided to joint ventures		(218)	(1,176)	(1,283)
Net cash used in investing activities		(69,689)	(113,217)	(190,157)
Financing activities				
Interest paid		(7,908)	(8,530)	(16,275)
Repayment of debt		(93,656)	(59,352)	(59,352)
Net issue/(repurchase) of shares		-	2	2
Net cash used in financing activities		(101,564)	(67,880)	(75,625)
Currency translation differences relating to cash and cash equivalents		(6)	(87)	177
Decrease in cash and cash equivalents		(123,901)	(207,343)	(254,145)
Cash and cash equivalents at beginning of period		360,424	614,569	614,569
Cash and cash equivalents at end of period		236,523	407,226	360,424

1 Corporate information

Ophir Energy plc (the 'Company' and ultimate parent of the Group) is a public limited company domiciled and incorporated in England and Wales. The Company's registered offices are located at 123 Victoria Street, London SW1E 6DE.

The principal activity of the Group is the development of offshore and deepwater oil and gas exploration assets. The Company has an extensive and diverse portfolio of exploration interests across Africa and Southeast Asia.

The Income Statement and Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and associated Notes to the Financial Statements for the financial year ended 31 December 2016 included in the 30 June 2017 half yearly financial report do not constitute the Group's statutory accounts, as defined under section 435 of the Companies Act 2006. The Group's statutory financial statements for the financial year ended 31 December 2016 have been audited by the Group's external auditor and lodged with the United Kingdom Companies House. The auditor's opinion on these accounts was unqualified and did not contain a statement under either Section 498(2) or 498(3) of the Companies Act 2006.

The Group's condensed consolidated interim financial statements are unaudited but have been reviewed by the auditors and their report to the Company is included on page [x]. These condensed consolidated interim financial statements of the Group for the six months ended 30 June 2017 were approved and authorised for issue by the Board of the Directors on 13th September 2017.

2 Basis of preparation and significant accounting policies

2.1 Basis of preparation

The unaudited condensed consolidated interim financial statements for the six months ended 30 June 2017 included in this interim report has been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting', as adopted by the European Union, and have been prepared on the basis of the accounting policies set out in the Group's Annual Report for year ended 31 December 2016.

The unaudited condensed consolidated interim financial statements are prepared on a going concern basis as the Directors, having considered available relevant information, have a reasonable expectation that the Group has adequate resources to continue to operate for the foreseeable future.

The consolidated financial statements have been prepared on a historical cost basis and are presented in US Dollars rounded to the nearest thousand dollars ($'000) except as otherwise indicated.

Comparative figures for the period to 31 December 2016 are for the year ended on that date.

The interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the consolidated financial statements in the Ophir Energy plc Annual Report and Accounts for the year ended 31 December 2016. The accounting policies adopted in the preparation of the interim financial statements, the significant judgements made by management in applying these policies, and key sources of estimation uncertainty are consistent with those followed in the preparation of the Group's financial statements for the year ended 31 December 2016, except for the adoption of the following standards and amendments:

New and amended accounting standards and interpretations

The following amendments to existing standards with an effective date of 1 January 2017 are still subject to EU endorsement and are therefore not applied in the interim accounts for the period ended 30 June 2017:

- Amendment to IAS 7: Disclosure Initiative
- Amendment to IAS 12: Recognition of Deferred Tax Assets for Unrealised Losses

Basis of preparation and significant accounting policies (continued)

- Annual Improvements to IFRSs 2014–2016 Cycle

These new and amended standards and interpretations are not expected to have a material effect on the Group's financial statements once adopted.

Standards and interpretations issued, but not yet effective

The following standards and interpretations, relevant to the Group, have been issued by the IASB, but are not effective for the financial year beginning 1 January 2017 and have not been early adopted by the Group:

	Effective date for periods beginning on or after
IFRS 16 'Leases'[1]	1 January 2019
IFRS 9 'Financial Instruments'[1]	1 January 2018
IFRS 15 'Revenue from Contracts'[1]	1 January 2018
IFRIC 22 'Foreign currency transactions and advanced considertaions'[1]	1 January 2018
Clarifications to IFRS 15: 'Revenue from contracts with customers'[1]	1 January 2018
Amendment to IFRS 2: 'Classification and measurement of share based payment transactions'[1]	1 January 2018

1These standards amendments and improvements have not yet been endorsed by the European Union.

The Group does not currently expect any of these changes to have a material impact on the results, except as outlined below.

- IFRS 9 'Financial Instruments' will supersede IAS 39 'Financial Instruments: Recognition and Measurement' and is effective for annual periods beginning on or after 1 January 2018. IFRS 9 covers classification and measurement of financial assets and financial liabilities, impairment of financial assets and hedge accounting.

- IFRS 15 'Revenue from Contracts with Customers' provides a single model for accounting for revenue arising from contracts with customers, focusing on the identification and satisfaction of performance obligations, and is effective for annual periods beginning on or after 1 January 2018. IFRS 15 will supersede IAS 18 'Revenue'.

- Ophir expects to adopt IFRS 9 and IFRS 15 on 1 January 2018. The group's evaluation of the effect of adoption of these standards is ongoing but it is not currently anticipated that either IFRS 9 or IFRS 15 will have a material effect on the financial statements.

- IFRS 16 'Leases' provides a new model for lessee accounting in which all leases, other than short-term and small-ticket-item leases, will be accounted for by the recognition on the balance sheet of a right-to-use asset and a lease liability, and the subsequent amortization of the right-to-use asset over the lease term. IFRS 16 will be effective for annual periods beginning on or after 1 January 2019.

- Ophir expects to adopt IFRS 16 on 1 January 2019 using the modified retrospective approach to transition permitted by the standard in which the cumulative effect of initially applying the standard is recognized in opening retained earnings at the date of initial application. The group's evaluation of the effect of adoption of the standard is ongoing but it is expected that it will have a material effect on the group's financial statements, significantly increasing the group's recognized assets and liabilities. It is expected that the presentation and timing of recognition of charges in the income statement will also change as the operating lease expense currently reported under IAS 17, typically on a straight-line basis, will be replaced by depreciation of the right-to-use asset and interest on the lease liability.

3 Segmental analysis

The Group's reportable and geographical segments are Africa, Asia and Other. Other relate substantially to activities in the UK.

Segment revenues and results

The following is an analysis of the Group's revenue and assets by reportable segment:

	Six months ended 30 June 2017			
	Africa $'000	Asia $'000	Other $'000	Total $'000
Revenue (external)	-	88,293	-	88,293
Operating profit/(loss)	(58,071)	35,848	(16,955)	(39,178)
Net finance (expense)/income	120	(302)	(6,281)	(6,463)
Profit/(loss) before tax	(57,951)	35,546	(23,236)	(45,641)
Taxation	4,891	(43,865)	(3)	(38,977)
Profit/(loss) after tax	(53,060)	(8,319)	(23,239)	(84,618)
Total assets	725,279	1,128,047	185,411	2,038,737

	Six months ended 30 June 2016			
	Africa $'000	Asia $'000	Other $'000	Total $'000
Revenue (external)	-	52,097	-	52,097
Operating profit/(loss)	9,054	(60,141)	(18,157)	(69,244)
Net finance (expense)/income	(257)	(470)	347	(380)
Profit/(loss) before tax	8,797	(60,611)	(17,810)	(69,624)
Taxation	(2,614)	23,791	-	21,177
Profit/(loss) after tax	6,183	(36,820)	(17,810)	(48,447)
Total assets	766,227	1,135,867	329,684	2,231,778

	Year ended 31 December 2016			
	Africa $'000	Asia $'000	Other $'000	Total $'000
Revenue (external)	-	107,178	-	107,178
Operating profit/(loss)	12,404	(5,864)	(35,023)	(28,483)
Net finance (expense)/income	(462)	(21,960)	827	(21,595)
Profit/(loss) before tax	11,942	(27,824)	(34,196)	(50,078)
Taxation	(9,944)	(17,384)	(40)	(27,368)
Profit/(loss) after tax	1,998	(45,208)	(34,236)	(77,446)
Total assets	778,065	1,148,674	281,464	2,208,203

		6 MONTHS ENDED 30 JUNE 2017 (UNAUDITED) $'000	6 MONTHS ENDED 30 JUNE 2016 (UNAUDITED) $'000	YEAR ENDED 31 DECEMBER 2016 $'000
4	**Revenue**			
	Sales of crude oil	80,753	52,097	105,731
	Sales of gas	7,540	-	1,447
		88,293	52,097	107,178
5	**Operating profit/(loss) before taxation**			
	The Group operating profit/(loss) from continuing operations before taxation is stated after charging/(crediting):			
	(a) Cost of sales:			
	- Operating costs	24,418	23,241	43,188
	- Royalty payable	7,189	4,087	9,135
	- Depreciation and amortisation of oil and gas properties	33,445	34,235	52,703
	- Movement in inventories of oil	4,334	(6,887)	(9,583)
		69,386	54,676	95,443
	(b) Exploration expenses:			
	- Pre licence exploration costs	7,909	8,662	20,476
	- Exploration expenditure written off (note 9)	69,217	60,069	100,140
	- Exploration inventory written off	-	-	14,636
		77,126	68,731	135,252
	(c) General & administration expenses include:			
	- Operating lease payments – minimum lease payments	1,602	1,504	3,069
	- Share-based payment/(release)	124	(1,364)	2,986
		1,726	140	6,055
	(d) Other operating (income)/expenses:			
	- (Gain)/loss on disposal of assets	74	14	-
	- Depreciation of other property plant and equipment	167	1,343	434
	- (Release)/provision for exiting contract[1]	-	(10,000)	(10,000)
	- Release of litigation provisions	-	-	(10,516)
	- Other	(4)	63	137
	-Restructuring Costs	1,124	-	-
		1,361	(8,580)	(19,945)

[1] The release of the provision relates to the reduction in the settlement costs, from $20m to $10m, agreed for the exit from the PSC in Kenya.

	6 MONTHS ENDED 30 JUNE 2017 (UNAUDITED) $'000	6 MONTHS ENDED 30 JUNE 2016 (UNAUDITED) $'000	YEAR ENDED 31 DECEMBER 2016 $'000
6 Net finance (expense)/income			
Interest income on short-term bank deposits	1,107	1,044	1,959
Interest expense on long-term borrowings	(7,909)	(8,530)	(16,275)
Unwinding of discount (note 16)	(723)	(92)	(2,568)
Less: Interest capitalised	-	8,711	8,711
Net foreign currency exchange (losses)/gains	1,062	(1,513)	(13,422)
	(6,463)	(380)	(21,595)

	AS AT 30 JUNE 2017 (UNAUDITED) $'000	AS AT 30 JUNE 2016 (UNAUDITED) $'000	YEAR ENDED 31 DECEMBER 2016 $'000
7 Taxation			
(a) Taxation charge			
Current income tax:			
Foreign tax:			
Special remuneratory benefit	5,855	3,305	1,861
Other foreign tax	6,138	2,048	8,952
Special remuneratory benefit – adjustment in respect of prior periods	-	-	1,180
Foreign tax – adjustment in respect of prior periods	4,997	4,342	11,681
Total current income tax charge	16,990	9,695	23,674
Deferred tax:			
Special remuneratory benefit	31,094	(4,724)	9,693
Other foreign tax	(9,107)	(26,148)	(5,999)
Total deferred tax (credit)/charge	21,987	(30,872)	3,694
Total tax (credit)/charge in the income statement	38,977	(21,177)	27,368

Special Remuneratory Benefit (SRB) is a tax that arises on one of the Group's assets, Bualuang in Thailand at rates that vary from zero to 75% of annual petroleum profit depending on the level of annual revenue per cumulative metre drilled. The current rate for SRB for 2017 was 16% (30 June 2016: 10%, 31 December 2016: 4%). Petroleum profit for the purpose of SRB is calculated as revenue less a number of deductions including operating costs, royalty, capital expenditures, special reduction (an uplift of certain capital expenditures) and losses brought forward.

	AS AT 30 JUNE 2017 (UNAUDITED) $'000	AS AT 30 JUNE 2016 (UNAUDITED) $'000	YEAR ENDED 31 DECEMBER 2016 $'000

Taxation (continued)

(b) Reconciliation of the total tax charge

The tax (credit)/charge recognised in the income statement is reconciled to the Group's weighted average tax rate of 49% (30 June 2016: 39%, 31 December 2016: 25%). The differences are reconciled below:

Loss from operations before taxation	(45,641)	(69,624)	(50,078)
Loss from operations before taxation multiplied by the Group's applicable weighted average tax rate of 49%[1] (30 June 2016: 39%, 31 December 2016: 25%)	(22,140)	(26,876)	(12,502)
Tax effect of SRB	18,475	(710)	6,367
Tax effect of share of profit of investments accounted for using the equity method	(1,280)	(1,409)	(2,208)
Non-deductible (income)/expenditure	20,498	(1,667)	25,662
Effect of different tax rates on loss making jurisdictions	20,868	-	-
Unrecognised deferred tax assets	1,964	821	(3,115)
Prior year adjustments	(5,581)	5,522	12,860
Other adjustments	6,173	3,142	304
Total tax (credit)/charge in the income statement	38,977	(21,177)	27,368

[1] Loss making jurisdictions have been disregarded in the calculation of weighted average tax rate

The taxation charge for SRB for the year can be reconciled to the loss from operations before tax per the consolidated income statement and statement of comprehensive income as follows:

(c) Reconciliation of special remuneratory benefit charge to loss from operations before taxation

The taxation charge for special remuneratory benefit for the year can be reconciled to the loss from operations before tax per the Income Statement as follows:

Loss from operations before taxation	(45,641)	(69,624)	(50,078)
Add back losses from operations before taxation for activities outside of Thailand	93,686	13,039	91,687
(Loss)/ profit from operations before taxation for activities in Thailand	48,045	(56,585)	41,609
Deduct share of profit from investments accounted for using the equity method	(2,560)	(2,818)	(4,417)
Profit before taxation for activities in Thailand	45,485	(59,403)	37,192
Applicable rate of special remuneratory benefit	16%	10%	4%
Tax at the applicable rate of special remuneratory benefit	7,277	(5,940)	1,488
Change in special remuneratory benefit average deferred tax rate	19,136	(1,710)	15,397
Change in special remuneratory benefit rate compared to current special remuneratory benefit rate	886	3,585	(3,207)
Prior year adjustment	7,190	1,180	1,179
Other non – deductible costs	2,460	1,466	(2,124)
Total current special remuneratory benefit charge/(credit)	36,949	(1,419)	12,733

	As at 30 June 2017 (Unaudited) $'000	As at 30 June 2016 (Unaudited) $'000	Year ended 31 December 2016 $'000
Taxation (continued)			
(d) Deferred income tax			
Deferred tax balances relate to the following:			
Corporate tax on fixed asset timing differences	(241,684)	(207,741)	(235,183)
SRB tax on fixed asset timing differences	(29,891)	(7,133)	(14,344)
	(271,575)	(214,874)	(249,527)

	As at 30-Jun-17 (Unaudited) $'000	As at 30-Jun-16 (Unaudited) $'000	Year ended 31-Dec 2016 $'000
8 Non-current assets held for sale			
Assets			
Exploration and evaluation assets	596,999	-	588,770
Assets classified as held for sale	596,999	-	588,770

On 10 November 2016 Ophir and OneLNG, a joint venture between subsidiaries of Golar LNG Limited and Schlumberger, announced that they had signed a binding Shareholders' Agreement to establish a Joint Venture ("JV") to develop the Fortuna project, in Block R, offshore Equatorial Guinea utilising Golar's FLNG technology. OneLNG and Ophir will have 66.2% and 33.8% ownership of the JV respectively. The JV will facilitate the financing, construction, development and operation of the integrated Fortuna project and, from FID, will own Ophir's share of the Block R licence. Management has classified the Fortuna asset as held for sale as the asset is available for immediate sale in its present condition and the sale is highly probable. The appropriate levels of management have approved the plan, a buyer has been found and the sale is expected within 12 months.

	As at 30 June 2017 (Unaudited) $'000	As at 30 June 2016 (Unaudited) $'000	Year ended 31 December 2016 $'000
9 Exploration and evaluation assets			
Cost			
Balance at the beginning of the period	310,229	879,914	879,914
Additions [1]	18,286	72,416	119,225
Transfers to PPE	(10,608)		
Reclassified as assets held for sale	(8,229)	-	(588,770)
Expenditure written-off [2]	(69,216)	(60,069)	(100,140)
Balance at the end of the period	240,462	892,261	310,229

[1] Additions for the 6 months ended 30 June 2017 include exploration activities in: Equatorial Guinea – Block R ($8.2 million subsequently reclassified as asset held for sale), Bangkanai ($1.4 million), Myanmar ($1.7 million) and West Papua IV ($1.8 million). Additions for the year ended 31 December 2016 include exploration activities in: Equatorial Guinea – Block R ($41.5 million), Côte d'Ivoire – 513 ($19.6 million), Tanzania – Blocks 1 & 4 ($22.7 million), Myanmar – Block AD03 ($8.7 million) and Malaysia –Block 2A ($7.7 million).

Exploration and evaluation assets (continued)

[2] Expenditure write off for the period ended 30 June 2017 was $69 million mainly attributable to Cote d'Ivoire ($32 million) and Gabon ($31 million).

Expenditure write off for the year ended 31 December 2016 was $100 million (30 June 2016: $60.1 million). The most significant write off was in respect of Thailand – G4/50: loss of $57.6 million. The cash generating unit ('CGU') applied for the purpose of the impairment assessment is the Block. The recoverable amount for the Block was nil. This was based on management's estimate of value in use. The trigger for expenditure write off was management's assessment that no further expenditure on exploration and evaluation of hydrocarbons in the Blocks was budgeted or planned within the current licences terms.

The Group generally estimates value in use using a discounted cash flow model. Future cash flows are discounted to their present values using a pre-tax discount rate of 15% (2016:15%). Adjustments to cash flows are made to reflect the risks specific to the CGU.

		As at 30 June 2017 (Unaudited) $'000	As at 30 June 2016 (Unaudited) $'000	Year ended 31 December 2016 $'000
10	**Oil and gas properties**			
	Cost			
	Balance at the beginning of the period	875,278	869,852	869,852
	Acquisition of subsidiary	-	-	-
	Additions[1]	19,506	15,365	5,426
	Transfer from E&E	10,608	-	-
	Balance at the end of the period	905,392	885,217	875,278
	Depreciation and amortisation			
	Balance at the beginning of the period	(176,278)	(207,675)	(207,675)
	Charge for the period	(33,445)	(34,235)	(52,703)
	Reversal of impairment[2]	23,681	-	84,100
	Balance at the end of the period	(186,042)	(241,910)	(176,278)
	Net book value			
	Balance at the beginning of the period	699,000	662,177	662,177
	Balance at the end of the period	719,350	643,307	699,000

[1]Additions for the year ended 31 December 2016 are stated net of a $19.5 million decommissioning remeasurement.

[2]The 2017 Impairment reversal was due to increased reserves related to the Bualuang oil field in Thailand which had a recoverable amount of $456m based on management's estimate of value in use. The discount rate used was 15% (pre-tax).

The 2016 Impairment reversal was due to increased reserves related to the Bualuang oil field in Thailand which had a recoverable amount of $410.7m based on management's estimate of value in use. The discount rate used was 15% (pre-tax).

		As at 30 June 2017 (Unaudited) $'000	As at 30 June 2016 (Unaudited) $'000	Year ended 31 December 2016 $'000
11	**Inventory**			
	Oil and condensates	6,780	8,414	11,111
	Materials and consumables	33,938	49,744	35,627
		40,718	58,158	46,738

The inventory valuation is stated net of a provision of $14.6 million (31 December 2016: 14.6 million) to write inventories down to their net realisable value

		As at 30 June 2017 (Unaudited) $'000	As at 30 June 2016 (Unaudited) $'000	Year ended 31 December 2016 $'000
12	**Cash and cash equivalents**			
	Cash	82,398	116,114	130,677
	Cash equivalents	154,125	291,112	229,747
		236,523	407,226	360,424

Cash and cash equivalents comprise cash in hand, deposits and other short-term money market deposit accounts that are readily convertible into known amounts of cash. The fair value of cash and cash equivalents is $236.6 million (30 June 2016: $407.2 million and 31 December 2016: $360.4 million).

		As at 30 June 2017 (Unaudited) $'000	As at 30 June 2016 (Unaudited) $'000	Year ended 31 December 2016 $'000
13	**Trade and other payables - Current**			
	Trade and other payables	13,161	17,589	7,658
	Accruals and deferred income	53,556	72,863	71,196
	Payables owed to joint operation partners	6,587	9,697	14,544
		73,304	100,149	93,398
	Trade and other payables - Non-current			
	Accruals and deferred income	15,866	-	10,285
		15,866	-	10,285

	As at 30 June 2017 (Unaudited) $'000	As at 30 June 2016 (Unaudited) $'000	Year ended 31 December 2016 $'000
14 Interest-bearing bank borrowings			
Long term balance at the beginning of the period	83,915	115,949	115,949
Short term balance at the beginning of the period	9,741	37,059	37,059
Acquisition of subsidiary	-	-	-
Less: amounts repaid during the period	(93,656)	(59,352)	(59,352)
Less: amounts due within one year	-	(5,389)	(9,741)
Total borrowings due after 1 year	-	88,267	83,915

During the period, Ophir repaid it's outstanding debt on the 2012 reserves based lending (RBL) facility. Ophir has replaced this facility with a new $250 million RBL facility secured against the group's producing assets in Southeast Asia. The RBL has a seven year term and matures on 30 June 2024. In addition to the committed $250 million, a further $100 million is available on an uncommitted "accordion" basis. Interest will accrue at a rate of between 4% and 4.5% plus LIBOR depending on the maturity of the facility. The new RBL facility is currently undrawn, with an available facility as at 30/06/2017 of $178 million. Transaction costs of $4.8 million in relation to the new facility have been deferred as a prepayment within 'trade and other receivables' on the balance sheet and will be amortised over the term of the facility.

	As at 30 June 2017 (Unaudited) $'000	As at 30 June 2016 (Unaudited) $'000	Year ended 31 December 2016 $'000
15 Bonds payable			
Balance at the beginning of the period	106,651	106,651	106,651
Coupon interest charged	5,109	5,109	10,218
Interest paid	(5,109)	(5,110)	(10,218)
	106,651	106,650	106,651

The unsecured callable bonds were issued by Salamander Energy plc in December 2013 at an issue price of $150 million. The bonds have a term of six years and one month and will be repaid in full at maturity. The bonds carry a coupon of 9.75% and were issued at par.

	DECOMMISSIONING AND RESTORATION OF OIL AND GAS ASSETS $'000	LITIGATION AND OTHER CLAIMS $'000	OTHER PROVISIONS $'000	TOTAL $'000
16 Provisions				
As at 30 June 2016 (Unaudited)	68,594	26,350	10,000	104,944
Utilised/paid	(1,312)	-	(10,000)	(11,312)
Unwinding of discount (note 6)	2,476	-	-	2,476
Amounts released	-	(10,517)	-	(10,517)
Remeasurement	(19,208)	-	-	(19,208)
As at 1 January 2017	50,550	15,833	-	66,383
Arising during the period	-	-	5,342	5,342
Utilised/paid	-	(9,683)	-	(9,683)
Unwinding of discount (note 6)	723	-	-	723
Amounts released	-	(1,475)	-	(1,475)
Additions	452	-	-	452
As at 30 June 2017 (Unaudited)	51,725	4,675	5,342	61,742
As at 30 June 2017 (Unaudited)				
Current	-	4,675	5,342	10,017
Non-current	51,725	-	-	51,725
	51,725	4,675	5,342	61,742

Decommissioning and restoration of oil and gas assets
The provision outstanding at 30 June 2017 is expected to fall due from 2035 onwards.

Litigation and Other Claims
Litigation and other claims consist of claims arising from trading activities, which have been settled by July 2017.

Other provisions
Amounts provided at 30 June 2017 comprise $5.3 million provision representing the organisational changes as part of the Ophir Board's strategy to reduce the company's underlying cost base in recognition of limited signs of an oil price recovery, and of lower exploration activity.

	As at 30 June 2017 (Unaudited) $'000	As at 30 June 2016 (Unaudited) $'000	Year ended 31 December 2016 $'000
17 Share capital			
(a) Authorised			
2,000,000,000 ordinary shares of 0.25p each	7,963	7,963	7,963
(b) Called up, allotted and fully paid			
746,019,407 ordinary shares of 0.25p in issue at the beginning of the period (30 June and 31 December 2016: 746,019,407)	3,061	3,061	3,061
Nil ordinary shares issued 0.25p each during the period (30 June and 31 December 2016: Nil)	-	-	-
746,019,407 ordinary shares of 0.25p each (30 June and 31 December 2016: 746,019,407)	3,061	3,061	3,061

The balances classified as called up; allotted and fully paid share capital represents the nominal value of the total number of issued shares of the Company of 0.25p each.

Fully paid shares carry one vote per share and carry the right to dividends.

Of the 746,019,407, 39,778,765 relates to treasury shares (31 December 2016: 39,918,385, 30 June 2016: 39,926,190).

	As at 30 June 2017 (Unaudited) Percentage Holding	As at 30 June 2016 (Unaudited) Percentage Holding	As at 31 December 2017 (Unaudited) Percentage Holding
18 Investments accounted for using the equity method			
Company			
APICO LLC	27.18%	27.18%	27.18%
APICO (Khorat) Holdings LLC	27.18%	27.18%	27.18%
APICO (Khorat) Limited	27.18%	27.18%	27.18%

The investments in the jointly controlled entities have been classified as joint ventures under IFRS 11 and therefore the equity method of accounting has been used in the consolidated financial statements.

The table below shows the movement in investments in the jointly controlled entities:

	As at 30 June 2017 (Unaudited) $'000	As at 30 June 2016 (Unaudited) $'000	Year ended 31 December 2016 $'000
Balance at the beginning of the period	130,736	130,200	130,200
Share of profit of investments	2,560	2,818	4,417
Dividends received	(3,126)	(408)	(5,164)
Additions	218	1,176	1,283
	130,388	133,786	130,736

	As at 30 June 2017 (Unaudited) $'000	As at 30 June 2016 (Unaudited) $'000	Year ended 31 December 2016 $'000
19 Reserves			
Treasury shares	(153)	(153)	(153)
Other reserves (note 20)	1,487,955	1,597,098	1,572,449
	1,487,802	1,596,945	1,572,296
Non-controlling interest [1]	(280)	(280)	(280)
	1,487,522	1,596,665	1,572,016

[1] The non-controlling interest relates to Dominion Uganda Limited, where the Group acquired a 95% shareholding during 2012.

20 Other reserves

	Share premium [1] $'000	Capital redemption [2] reserve $'000	Options premium [3] reserve $'000	Consolidation [4] reserve $'000	Merger [5] reserve $'000	Equity [6] component on convertible bond $'000	Foreign [7] currency translation reserve $'000	Accumulated profits / (losses) $'000	Total other reserves $'000
As at 1 January 2016	**807,427**	**160**	**54,808**	**(500)**	**667,337**	**669**	**5,538**	**111,439**	**1,646,878**
Loss for the period, net of tax	-	-	-	-	-	-	-	(48,447)	**(48,447)**
Other comprehensive loss, net of tax	-	-	-	-	-	-	31	-	**31**
Total comprehensive loss, net of tax	-	-	-	-	-	-	31	(48,447)	**(48,416)**
Share-based payments	-	-	(1,364)	-	-	-	-	-	**(1,364)**
As at 30 June 2016 (Unaudited)	**807,427**	**160**	**53,444**	**(500)**	**667,337**	**669**	**5,569**	**62,992**	**1,597,098**
Loss for the period, net of tax	-	-	-	-	-	-	-	(28,999)	**(28,999)**
Total comprehensive loss, net of tax	-	-	-	-	-	-	-	-	**(28,999)**
Share-based payments	-	-	4,350	-	-	-	-	-	**4,350**
As at 1 January 2017	**807,427**	**160**	**57,794**	**(500)**	**667,337**	**669**	**5,569**	**33,993**	**1,572,449**
Loss for the period, net of tax	-	-	-	-	-	-	-	(84,618)	**(84,618)**
Total comprehensive loss, net of tax	-	-	-	-	-	-	-	-	**(84,618)**
Share-based payments	-	-	124	-	-	-	-	-	**124**
As at 30 June 2017 (Unaudited)	**807,427**	**160**	**57,918**	**(500)**	**667,337**	**669**	**5,569**	**(50,625)**	**1,487,955**

Other reserves (continued)

[1] The share premium account represents the total net proceeds on issue of the Company's shares in excess of their nominal value of 0.25p per share less amounts transferred to any other reserves.

[2] The capital redemption reserve represents the nominal value of shares transferred following the Company's purchase of them.

[3] The option premium reserve represents the cost of share-based payments to Directors, employees and third parties.

[4] The consolidation reserve represents a premium on acquisition of a minority interest in a controlled entity.

[5] In the current year the provisions of the Companies Act 2006 relating to Merger Relief (s612 and s613) were applied to the Salamander Energy plc acquisition. The non-statutory premium arising on shares issued by Ophir as consideration has been recognised in the Merger reserve, by virtue of Ophir acquiring in excess of 90% of all classes of the acquiree's issued share capital.

In the prior year the provisions of the Companies Act 2006 relating to Merger Relief (s612 and s613) were applied to the March 2013 share placement and rights issue raising performed through a cash box structure. The 'cash box' method of affecting an issue of shares for cash is commonplace and enabled the Company to issue shares without giving rise to a share premium. The premium on shares issued, net of applicable transaction costs of $34.5 million, as part of the 'cash box' arrangement is instead recognised in the Merger Reserve. Following on from the completion of the Group's farm out of 20% of its interest in Tanzania Blocks 1, 3 & 4 in March 2014 Ophir Ventures (Jersey) Limited and Ophir Ventures (Jersey) No.2 Limited, which are wholly owned subsidiaries of the Company, redeemed the preference shares that had been acquired by the Company as part of the 'cash box' arrangement. This has allowed the Company to realise $876.4 million of the Merger Reserve to accumulated profits / (losses) as the redemption of the preference shares was considered to be performed with qualifying consideration in the form of free cash and a readily recoverable receivable from Ophir Holdings Limited, a 100% owned subsidiary of the Company and beneficial holder of the Group's interest in Tanzania Blocks 1, 3 & 4.

[6] This balance represents the equity component of the convertible bond, net of costs and tax as a result of the separation of the instrument into its debt and equity components. The bond was converted into 21,661,476 ordinary shares of 0.25p each on 21 May 2008.

[7] The foreign currency translation reserve is used to record unrealised exchange differences arising from the translation of the financial statements of entities within the Group that have a functional currency other than US Dollars.

21 Capital commitments

In acquiring its oil and gas interests, the Group has pledged that various work programmes will be undertaken on each permit/interest. The exploration commitments in the following table are an estimate of the net cost to the Group of performing these work programmes:

	AS AT 30 JUNE 2017 (UNAUDITED) $'000	AS AT 30 JUNE 2016 (UNAUDITED) $'000	YEAR ENDED 31 DECEMBER 2016 (UNAUDITED) $'000
Due within one (1) year	37,502	45,128	46,870
Due later than one (1) year but within two (2) years	31,340	26,180	31,805
Due later than two (2) years but within five (5) years	545	21,480	1,240
	69,387	92,788	79,915

22 Contingent liabilities

An individual has commenced claims against the Group relating to the evaluation and subsequent disposal of an interest that was held in exploration blocks within the portfolio. Preliminary court hearings for applications relating to the claims have been held, and, to date, no material rulings have been made. The Group is awaiting the schedule for the full trials and it is not practicable to state whether any payment obligation may arise. The Group has taken the view that the actions are without merit and accordingly has estimated that no liability will arise as a result of proceedings and therefore no provision for any liability has been made in these financial statements.

23 Events after the reporting period

There are no events after the reporting period.

COMPANY INFORMATION

Directors

Chairman (Non-Executive)

William (Bill) Schrader

Executive Directors

Dr Nicholas (Nick) Cooper – Chief Executive Officer
Dr William (Bill) Higgs – Chief Operating Officer (resigned 7 August 2017)
Anthony (Tony) Rouse – Chief Financial Officer

Independent Non-Executive Directors

Ronald Blakely (resigned 31 March 2017)
Dr Carol Bell
Alan Booth
Vivien Gibney
David Davies (Appointed 23 August 2016)
Dr Carl Trowell (Appointed 23 August 2016)

Company Secretary

Philip Laing

Registered Office and Head Office

Fourth Floor
123 Victoria Street
London SW1E 6DE
Telephone: +44 (0)20 7811 2400

Website: www.ophir-energy.com

Registrars

The Company has appointed Equiniti Limited to maintain its register of members. Shareholders should contact Equiniti using the details below in relation to all general enquiries concerning their shareholding:

Equiniti Limited*
Aspect House
Spencer Road
Lancing, West Sussex BN99 6DA
Telephone: 0871 384 2030**
International dialling: +44 121 415 7047

* Equiniti Limited and Equiniti Financial Services Limited are part of the Equiniti group of companies. Company share registration, employee scheme and pension administration services are provided through Equiniti Limited, which is registered in England & Wales with No. 6226088. Investment and general insurance services are provided through Equiniti Financial Services Limited, which is registered in England & Wales with No. 6208699 and is authorised and regulated by the UK Financial Conduct Authority.

** Lines are open Monday – Friday from 9.00am – 5.30pm (UK time), excluding UK bank holidays.

Company Information (Continued)

Auditors: Ernst & Young LLP One More London Place London SE1 2AF United Kingdom	**Solicitors:** Linklaters One Silk Street London EC2Y 8HQ United Kingdom
Bankers: HSBC Bank plc 70 Pall Mall London SW1 5EY United Kingdom	**Corporate Brokers:** Bank of America Merrill Lynch 2 King Edward Street London EC1A 1HQ United Kingdom
Financial PR Advisors: Brunswick Group LLP 16 Lincoln's Inn Fields London WC2A 3ED United Kingdom	Morgan Stanley 20 Bank Street Canary Wharf London E14 4AD United Kingdom