

NETOIL CAPITAL LTD
(FORMALLY KNOWN AS J.P KENNY PETROLEUM LTD)
REPORT AND FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 30 JUNE 2021

Contents

	Page
Company Information	2
Chairman’s statement and chief executive officers report	3–4
Strategic report and corporate governance	5–8
Directors’ report	9–10
Statement of comprehensive income	11
Statement of financial position	12
Statement of cash flows	13

Netoil Capital Ltd
Company Information

Directors	Mr John Kenny Mr Marc Jean-Louis D’Hombres (appointed 23 March 2021) Mr Nils Trulsvik Mrs Tahereh Amirzadehardahaei (appointed 23 March 2021) Mr Michel Fayad (appointed 23 March 2021)
Company Number	08494564
Registered Office	20-22 Wenlock Road London N1 7GU
Accountants	Redwood Accountancy Ltd Chartered Management Accountant 4th Floor 18 St Cross Street London EC1N 8UN
Independent auditors	Kingly Brookes LLP Chartered Accountants and Statutory Auditors 415 Linen Hall 162-168 Regent Street London W1B 5TE

Netoil Capital Ltd
Chairman's Statement and Chief Executive Officers Report
For The Half Year Ended 30 June 2021

The chairman presents his statement for the half year of 2021.

Dear Shareholder,

During the reporting period, J P Kenny Petroleum Ltd ("JPK") reached agreement with Netoil Ltd ("Netoil"), whereby the oil and gas assets of Netoil, located in Iraq, were assigned to JPK in return for 30 million shares in JPK.

Subsequent to this agreement, the company name was changed to Netoil Capital Ltd ("NOC"), and I replaced John Kenny as Chairman. Mr. Kenny remains on the board as director.

Whilst work commenced on the re-ratification of the new oil and gas assets with the central government in Baghdad, and their integration into our portfolio, discussions took place with Nordic Petroleum A.S., with a view to NOC acquiring Nordic in a share exchange transaction. This was completed as a post- balance sheet event and is discussed further in the Chief Executives report.

Towards the end of the reporting period, the company was informed that the agreement between JPK and Netoil was under review by the Oslo Børs. On 22 July 2021, subsequent to this reporting period, NOC received written notification from the Oslo Børs that the JPK/Netoil agreement was in breach of rule 3.16.3 of Oslo Rule Book-Part II, and that subject to failure to implement certain changes, the shares were to be suspended as of 2 August 2021. NOC disputed the finding, but was unable in the time available to implement the desired changes, and the shares were duly suspended. Further detail is included in the Chief Executives report.

The company intends to continue to investigate suitable projects in the minerals and hydrocarbon sectors for inclusion in our portfolio. At present, the minerals sector in particular is increasingly attractive in terms of opportunities and market strength.

I would like to assure our shareholders that the board has always and will continue to act in good faith and in the best interests of all the shareholders.



Tahereh Amirzadehardahaei
Chairperson

Date 27th August 2021

The chief executive officer presents his statement for the half year.

Corporate Matters

Two issues raised in the Chairman's Report require further elaboration.

The successful acquisition of Nordic Petroleum A.S. greatly increased the shareholder register of NOC. This will enhance share liquidity and trading once the project portfolio is expanded and consolidated.

I refer to the stock exchange letter, dated 22 July 2021, concerning the agreement between Netoil and JPK.

Effective 2 August 2021, shares in NOC were suspended from trading on Euronext Growth. The issue of 30 million shares to Netoil Ltd. was deemed to be in breach of Rule 3.16. 3, which relates to continued trading following a major change in the issuer, and the shares have been placed in the Recovery Box/Penalty Bench, until the concerns of Oslo Børs are addressed.

NOC has argued that the agreement did not at the time represent a change of more than 75% of the total assets of the company, since the Production Sharing Agreement transferred to NOC in the course of the transaction has yet to be ratified by the central government in Iraq. Oslo Børs does not accept this argument, and requires NOC to submit

Netoil Capital Ltd
Chairman's Statement and Chief Executive Officers Report
For The Half Year Ended 30 June 2021

a new application for continuous listing on Euronext Growth, which in effect, is a full listing process, with all that that entails in terms of time and costs.

It is the intention of your board to comply with the wishes of Oslo Børs, and to submit the new application, in conjunction with the engagement of an acceptable Euronext Growth Advisor, an expanded and more diverse project portfolio, and an upgraded financial and management structure. We believe that this will adequately address the concerns of Oslo Børs.

Financial Review

The company's total operating loss for the period was \$264,061 (2020 – loss \$260,016).

Since taking a majority position during March 2021, Netoil Ltd. Has funded the company's operations. Once projects are secured the company intends to raise additional funding for their development and implementation. Given the liquidity and equity situation, management prioritised external debt, and continued to hold invoices for management services, and made no repayments of shareholder loans. Expenses were held to a minimum and the loss for the period amounted to \$264,061.

Operation and Outlook

During the period, the board focussed on the assessment of acquisition targets in both the hydrocarbon and minerals sectors, and work continues in this direction. Going forward we expect to progress our interests in Iraq when the political situation permits, and a number of mining opportunities currently are under active consideration.



Nils N. Trulsvik
Chief Executive Officer

**Netoil Capital Ltd
Strategic Report**

For The Half Year Ended 30 June 2021

Introduction

Netoil Capital Ltd (formally known as P. Kenny Petroleum Ltd) was established in order to invest in oil & gas opportunities internationally with focus on South America, mainly targeting development/production opportunities with exploration upside. Netoil Capital Ltd. (NOC) has now expanded its strategy to become is an independent resource company, focussed on both oil and gas, and mineral extraction worldwide. NOC is led by an experienced, highly qualified team that brings a breadth of knowledge of the oil and gas and mineral extraction sectors, coupled with strong and durable relationships at a local level in its selected areas of operation.

Business review

During the first half year of 2021, focus has been to negotiate and finalise the deal with Netoil Ltd. Subsequent to the closing of this we initiated an acquisition of Nordic petroleum AS in order to significantly expand our shareholder base. More than 1000 new shareholders are now registered. The deal with Netoil Ltd gave us access to a large license in Iraq that has significant potential for producing oil and gas, and we have therefore been working on ratifying the PSA (Petroleum Sharing Contract) in order to start operations. Due to the pandemic, little or no progress has been made regarding the ratification. However, this is a priority during 2021.

The company intends to also focus on mineral extraction and hence several mining opportunities have been reviewed. We will continue to search for both oil and gas projects and well as mineral projects, world wide.

The company's total loss for the period was \$264,061, reflecting the work done in order to secure the project referred to above. The company continues to work on completing this project and hence restore the deficit. There is still a funding risk related to the company.

Substantial Shareholdings

Shareholder	No.of shares	% shareholding
Netoil Ltd	27,819,272	63.86%
Vision of Energy AS	2,180,728	5.01%
John Patrick Kenny	1,990,000	4.57%
N51 (I) Ltd	1,550,000	3.56%
Heritage Legal Advisors	1,500,000	3.44%
Fortuna Investment Fund	917,667	2.54%
Nils N.Trulsvik	900,000	2.07%
Sidsel O.Trulsvik	890,000	2.04%
Elliot Rogers	500,000	1.15%

Director's Interests

The interest in the Company at the Balance Sheet date of all Directors who held office on the Board of the Company at year end as stated below:

Shareholder	No.of shares	% shareholding
J.P.Kenny	1,990,000	4.57%
Nils N.Trulsvik	900,000	2.07%

**Netoil Capital Ltd
Strategic Report (Continued)**

For The Half Year Ended 30 June 2021

Principal risks and uncertainties

The process of risk acceptance and risk management is addressed through a framework of policies, procedures and internal controls. All policies are subject to Board approval and ongoing review by management. Compliance with regulation, legal and ethical standards is a high priority for the Company and the board and management team take on an important oversight role in this regard.

The Company has developed a framework for identifying the risks that each business sector, and the Company as a whole, is exposed to and their impact on the company's financial position. This process is managed by the Company Finance Department to establish our capital requirements and to ensure we have the financial strength, capital adequacy and liquidity to support the growth of the business.

The principal risks to our business arise from inaccurate job costing, exchange rate fluctuations and the very competitive nature of the industry.

Corporate Governance Policy

Netoil Capital Ltd ("the Company") and its Board of Directors and senior management consider good corporate governance to be central to the effective and efficient operation of the Company.

The Company's Corporate Governance Policy addresses issues that arise as a result of the Company's growth and emerging governance best practices. We are committed to ensuring our professionalism and acceptance of how we manage sustainability throughout our business activities. Our Corporate Governance Policy addresses the aspects which are of utmost importance to us, namely:

- compliance to applicable laws,
- human rights,
- a safe workplace for our employees,
- the protection of the environment,
- the well-being of all business associates and partners, and
- ensuring our operations is for the good of the surrounding communities.

Our aim is for continuous improvement of our performance in all areas and this forms an essential part of how we conduct business. Our Policy includes supporting policies and implementation programs to ensure compliance and we are prepared to meet internationally accepted standards, as they develop, which are applicable to our business.

How will we achieve our Corporate Governance aims?

The Company has established a Committee of not less than two directors of the Company who are independent of management and free from any interest and any business or other relationship which could, or could reasonably be perceived to be, materially interfere with the director's ability to act with a view to the best interests of the Company. The Committee may periodically ask appropriately qualified persons (who may include persons from management of the Company) or retain persons having special expertise to assist the Committee in fulfilling its responsibilities. These responsibilities will include:

- Preparing the Company's response to governance disclosure requirements and explaining to required or appropriate parties any differences between the Company's governance system and policies and those recommended by applicable regulatory bodies;
- Developing and monitoring the Company's general approach to corporate governance issues as they may arise;
- Proposing changes as necessary from time to time to respond to particular governance recommendations or guidelines from regulatory authorities and ensuring that all appropriate or necessary governance systems remain in place and are periodically reviewed for effectiveness.
- Ensuring that all members of the Board of Directors have been informed of and are aware of their duties and responsibilities as a Director of the Company.
- Ensuring that the Company has in effect adequate policies and procedures to allow the Company to meet all of its continuous disclosure requirements.

**Netoil Capital Ltd
Strategic Report (Continued)**

For The Half Year Ended 30 June 2021

- Ensuring that the Company has in effect adequate policies and procedures to identify and manage the principal risks of the Company's business.
- Ensuring the Board of Directors annually reviews organizational structure and succession planning matters including the monitoring of senior management.
- Ensuring the Board of Directors annually review areas of potential personal liability of Directors and ensuring reasonable protective measures are in place.
- Regularly considering the need for special policies of the Company, initiated by the Board of Directors in unique or emerging policy areas for example corporate ethics or environmental practices.

The Committee will regularly report its findings and recommendations to the Board of Directors.

Supporting Policies

Client Commitment

We aim to maintain high standards of service, wherever we operate, honour all business obligations undertaken and develop long term relationships with commercial partners based on trust and integrity.

We will carry out management policies and programmes to ensure our products meet regulatory requirements and provide documentation to allow safe transport, handling and use.

Investor Commitment

With respect to current and future investors, within the broad framework that economic considerations are not to take priority over important environmental, health, safety and community standards, we aim to realise the maximum potential from existing revenue streams, as well as securing new ones on competitive terms. The respective risks we take are managed by strict internal governance, approvals and controls.

Compliance Commitment

As a listed company on the Euronext Growth Market, Oslo Stock Exchange, we will comply with the laws and rules applicable to our operations and products, and the laws and best practice guidelines in the jurisdictions in which we operate. Our employees and contractors are required to act in strict adherence to these principles to ensure the satisfaction of our business practices and the quality and safety of our products.

We will not assist any third party in violating the law in any country, nor pay or receive bribes, nor participate in any other criminal, fraudulent or corrupt practice. We seek to prevent such misconduct through strong leadership, internal policies and procedures.

The Company's employees and contractors are obliged to comply with applicable law and applicable corporate policies. It is the obligation of our managers and supervisors to ensure employees and contractors act accordingly as well as acting to prevent, detect and report any violations of the law or our corporate policies.

Commitment to the Environment

We acknowledge that our global operations, including exploration, production, reclamation, processing, transportation or marketing of natural resources, could have a direct, indirect or cumulative impact on the environment. The impact on the environment is often complex and specific to each product group or production site. This requires our environmental programmes to be tailored to each specific need and to manage and limit the environmental impact of our activities.

To achieve effective short- and long-term management, we develop, implement and monitor management systems and programmes in order to meet international best practice standards and ensure regulatory compliance. We aim to continually improve our performance in this area

**Netoil Capital Ltd
Strategic Report (Continued)**

For The Half Year Ended 30 June 2021

We aim to promote environmental awareness and to partner with our customers, suppliers and service providers to limit the overall impact with respect to our operations.

Commitment to our People

Hiring and retaining skilled and motivated employees is important to our continued success. We are committed to fair remuneration by the provision of competitive wages and benefits. We do not tolerate any kind of harassment or discrimination and support the United Nations' Universal Declaration of Human Rights which prohibits forced, compulsory or child labour. One of our ultimate goals is to ensure the health and safety of our employees and contractors. In order to meet this goal, we develop, implement and maintain health and safety management systems and programmes which meet international standards. These are tailored to the specific needs of our different operations and activities.

Commitment to the Community

Netoil Capital Ltd global presence and economic strength aims to have a positive impact on the communities in which we operate. We provide employment, training and educational opportunities and other benefits contributing directly and indirectly to the prosperity and development in local communities where we operate. We carry out assessments to define appropriate measures to prevent or mitigate possible adverse effects on the communities in which we operate. We are in regular contact with affected parties and have systems in place to ensure that all requests and concerns are brought to the attention of our local representatives.

This report was approved by the board and signed on its behalf.



.....
Nils N. Trulsvik

Director

Date: 27th August 2021

The directors present their report and the financial statements for The Half Year Ended 30 June 2021.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal Activity

The company is reviewing and looking to acquire oil & gas development and/or production assets with exploration upside in Colombia. The company has now expanded its activity to include other areas in worldwide but focussing on development and/or production with exploration upside.

Future Developments

The directors do not consider there to be any other future developments that require specific disclosure.

Dividends

The loss for the period, after taxation amounted to \$264,061 (2020 – loss \$260,016)

The directors do not recommend the payment of a final dividend in respect of The Half Year Ended 30 June 2021 (2020 - \$Nil).

Directors

The directors who held office during the period to 30 June 2021 were as follows:

Mr John Kenny
Mr Marc Jean-Louis D’Hombres (appointed 23 March 2021)
Mr Nils Trulsvik
Mrs Tahereh Amirzadehardahaei (appointed 23 March 2021)
Mr Michel Fayad (appointed 23 March 2021)

Post Balance Sheet Events

There have been significant events affecting the Company since the period ended 30 June 2021.

Auditors

Kingly Brookes LLP, being eligible, has audited the accounts for 2020. Formal approval at Shareholders meeting in September.



.....
Nils N. Trulsvik

Director

Date: 27th August 2021

Netoil Capital Ltd
Statement of Profit or Loss and Other Comprehensive Income

For The Half Year Ended 30 June 2021

	30 June 2021	30 June 2020
	\$	\$
TURNOVER	-	-
GROSS PROFIT	-	-
Administrative expenses	(240,646)	(238,512)
Other operating income	-	-
OPERATING LOSS	(240,646)	(238,512)
Exceptional items	-	-
Finance costs	(23,415)	(21,504)
LOSS FOR THE FINANCIAL YEAR	(264,061)	(260,016)

There were no recognised gains and losses for the half year 2021 other than those included in the statement of profit and loss and other comprehensive income.

Netoil Capital Ltd
Statement of Financial Position

As at 31 June 2021

	30 June 2021	30 June 2020
	\$	\$
FIXED ASSETS		
Intangible Assets	4,155	-
Investments in subsidiaries	144	
CURRENT ASSETS		
Trade and other receivables	6,648	772
Cash and cash equivalents	12	6,331
TOTAL ASSETS	10,959	7,103
EQUITY AND LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	2,418,998	1,941,064
NON-CURRENT LIABILITIES		
Trade and other payables	645,990	562,132
TOTAL LIABILITIES	3,064,988	2,503,196
CAPITAL AND RESERVES		
Called up share capital	6,045	1,746
Share premium account	699,454	699,454
Retained earnings	(3,759,528)	(3,197,282)
TOTAL EQUITY	(3,054,029)	(2,496,093)
TOTAL EQUITY AND LIABILITIES	10,959	7,103

The financial statements were approved and authorised for issue by the board and were sign on its behalf on:

27th August 2021.



Nils N. Trulsvik
Director



Marc d'Hombres
Director

Netoil Capital Ltd
Statement of Cash Flows
For The Half Year Ended 30 June 2021

Cash flows from operating activities	30 June 2021	30 June 2020
	\$	\$
Loss for the financial period	(264,061)	(260,016)
Adjustments for:		
Net foreign exchange (gains)/losses	4,083	(23,060)
Finance costs	23,415	21,504
Interest received	-	-
Decrease/(Increase) in debtors	(3,664)	(4,529)
(Decrease)/Increase in creditors	239,901	195,631
Exceptional operating costs	-	-
Corporation tax (paid)/received	-	-
Net cash provided from operating activities	(326)	(69,981)
Cash flows from investing activities		
Purchase of current asset investments	-	-
Sale of current investments	-	-
Income from investments	-	-
Net cash from investment activities	-	-
Cashflow from financing activities		
Proceeds from issue of financial instruments of the company	-	-
Purchase of debenture loans	-	-
Repayment of debenture loans	-	-
Repayment of borrowings	-	-
Net cash used in financing activities	-	-
Net increase/(decrease) in cash at the end of the period	(326)	(69,981)
Cash and cash equivalents at the beginning of the period	338	76,312
Cash and cash equivalents at the end of the period	12	6,331