29 April 2013 **Embargoed for release at 7.00 am**

EGDON RESOURCES PLC
("Egdon" or "the Company")

Interim Results for the Six Months Ended 31 January 2013

Egdon Resources plc (AIM:EDR), the UK-based exploration and production company primarily focused on the hydrocarbon-producing basins of onshore UK and France, today announces its unaudited interim results for the six months ended 31 January 2013.

Overview and Highlights

Operational and Corporate Highlights

- Production of 37,698 barrels of oil equivalent (H1 2012: 29,624 barrels of oil equivalent)
- Net production of 205 barrels of oil equivalent per day ("boepd") for period (H1 2012: 161 boepd)
- Significant prospective shale gas resources identified in PEDL139/140
- Farm-outs concluded for the Mairy Permit in January, and PEDL201, PEDL253 and PEDL241 during February and March 2013
- 2D seismic programme acquired in PEDL181 during March/April 2013
- Sale of 12.5% interest in PL090 and PEDL237 and earn-in arrangements for 6.25% interest in March 2013
- Award in April 2013 of 26th Round Licence covering blocks 41/18 and 41/19, offshore North Yorkshire

Financial Highlights

- Oil and gas revenues during the period of £1.64 million (H1 2012: £1.55 million)
- Loss for the period of £0.2 million (H1 2012: £0.8 million loss, after write down of £1.0 million in respect of the Kirkleatham asset)
- Cash at bank £2.12 million as at 31 January 2013 (H1 2012: £4.3 million)
- Net current assets as at 31 January 2013 of £1.9 million (H1 2012: £2.9 million)

Commenting on the results, Philip Stephens, Chairman of Egdon said:

"We are pleased to be able to report stable production, since November 2012, from the Ceres gas field where we own a 10% interest. Exploration remains a key growth driver for the business and we are planning at least three exploration wells during 2013. We have continued to manage our licence portfolio and cash flow through farm-outs and deal making. We continue to evaluate our exciting shale-gas opportunity in the Gainsborough Trough and expect an exploration well to be drilled in the course of 2014 to test this play.

The Board expects to meet or exceed our previous production guidance of 125 boepd for the current year. The Company has a portfolio of high quality conventional and unconventional assets, which have the ability to deliver shareholder value both in the near term and into the future."

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Chairman's Statement

I am able to report that good progress has been made during the period in relation to a number of key objectives as set out in our revised strategy late in 2012.

Revenue has seen growth of some 6% on the same period last year. The Ceres gas field was returned to stable production in November 2012 and we expect to see an increasing revenue contribution from Ceres during 2013 along with continued production from our onshore oil fields.

We have made progress on a number of site and planning matters during the period and concluded a number of farm-outs during the first quarter of 2013 to reduce our financial and technical exposure on planned drilling and seismic activity. Planning applications have been submitted for the Burton on the Wolds and Wressle exploration wells and we anticipate commencement of exploration drilling operations during the second half of 2013.

During the period we were able to provide independent confirmation of the significant shale-gas potential in our Gainsborough Trough licences and we continue to look to increase our exposure to these potentially valuable and emerging plays. Encouragingly, we have recently seen positive signals from central government in relation to shale-gas with approval given for the resumption of hydraulic fracturing operations, the formation of the Office for Unconventional Gas and Oil ("OFUGO") and the announcement of a review of tax incentives for shale-gas exploration by HMRC.

During the period Egdon became an active member of the UK Onshore Operators Group ("UKOOG") which has re-launched and is looking to promote best practice in relation to onshore oil and gas operations.

We are also delighted by the award in April 2013 of our long-awaited offshore North Yorkshire licence which contains a potentially substantial gas discovery. We will look to make rapid progress in developing our detailed technical understanding and plans for appraising this accumulation using onshore to offshore drilling techniques.

Financial

The Company recorded a loss after tax of £0.2 million for the six months ended 31 January 2013 (H1 2012: loss of £0.8 million after write down of £1.0 million in respect of the Kirkleatham asset). The loss per share for the period was 0.17p (H1 2012: 0.63p).

Revenue from oil and gas production during the period was up 6 per cent to £1.64 million (H1 2012: £1.55 million) on production of 37,698 barrels of oil equivalent ("boe") (H1 2012: 29,624 boe). This equates to a daily production of 205 boepd (H1 2012: 161 boepd) and includes Ceres production of 25,610 boe.

As at 31 January 2013 the Group had Net Assets of £17.27 million (H1 2012: £19.36 million). This comprises the Group's investments in intangible exploration and appraisal assets of £7.83 million (H1 2012: £7.96 million), Property, Plant and Equipment (our producing assets) of £8.57 million (H1 2012: £9.37 million), net current assets of £1.9 million (H1 2012: £2.9 million), including a debtor of £0.86 million (H1 2012- £nil) in respect of Ceres production revenues and a liability of £1.0 million (H1 2012 - £1.0 million) in relation to the loan from EnCore Oil Limited which falls due for repayment in July 2013 and non-current liabilities of £1.01 million (H1 2012: £0.89 million).

The Group ended the period with £2.12 million of cash and cash equivalents (H1 2012: £4.3 million).

Strategy

The Company advised shareholders in November 2012 of its re-defined strategy focusing on fewer, higher potential assets in three core areas and the near-term objective to monetise non-core assets and farm-out certain opportunities to fund growth.

The core areas are "Northern England", "Southern England" and "France" with the non-conventional opportunities in Northern England defined as a potential growth area for the Company.

Corporate Activity and Portfolio Management

As at 31 January 2013 Egdon held interests in 28 licences in the UK and France and were awaiting the award of two further licences. During the period we relinquished the Nimes Permit in France. In April 2013 we were offered a 100% interest in a licence covering UK Offshore Blocks 41/18 and 41/19 so at the date of this report we hold interests in 29 Licences and are awaiting the award of the Donzacq permit in France.

We have undertaken an active marketing campaign on certain prospects during the period and can report that good progress has been made in concluding a number of farm-outs.

In January 2013 we completed a farm-out to Hess Oil France (effective date January 2012) and restructuring of a royalty interest with Geoex Eastern Limited ("Geoex") in the Mairy Permit in France which reduced our financial and risk exposure to the Huiron-1 well where we retained a 15% interest. The consideration payable to Geoex comprised $100,255 payable in cash and 595,207 new Egdon Ordinary shares.

Since January 2013 we have completed a series of farm-outs to Union Jack Oil plc ("Union Jack"). In PEDL201 Union Jack will pay 10% of the cost of the Burton on the Wolds-1 exploration well to earn a 5% interest from Egdon. In PEDL253 they will earn a 6% interest in return for paying 12% of the cost of the Biscathorpe-2 exploration well, and they will pay 20% of the cost of the North Kelsey-1 well to earn a 10% interest in PEDL241 from Egdon. Egdon and Union Jack have also signed a Letter of Intent which if converted into binding agreements would result in Union Jack farming-in to an additional 5% interest in PEDL241 on the same terms and separately acquiring a 10% participating interest in PEDL005R, limited to the part block that contains the North Somercotes Prospect, in return for paying 20% of the costs of a well on the prospect. The Letter of Intent will expire on 31 July 2013.

During March 2013, Egdon agreed to sell a 12.5% interest in PL090 and PEDL237 to Corfe Energy Limited ("Corfe") for a cash consideration of £500,000. The Waddock Cross field development area in PL090 is excluded from the transaction. Under the terms of an Earn-In Agreement, Egdon will be able to earn back a 6.25% interest in both licences by paying 12.5% of the costs up to a combined maximum of £500,000. The net financial effect of the transaction to Egdon is as if it had benefitted from a "two for one" promote on the relevant proportion of the gross £4 million work programme planned on the Licences.

We continue to engage in discussions on a number of other transactions and hope to be able to update shareholders in the near-future.

Production

Production during the period averaged 205 boepd (H1 2012: 161 boepd) from Keddington, Avington, Dukes Wood/Kirklington and Ceres.

The Keddington oil field continues to produce oil and associated gas from two horizontal wells. We are seeing a decline in production rates as the current well stock depletes. We anticipate the drilling of further sidetrack wells on the field, the first of which is expected later in 2013. We have sanctioned a gas-to-electricity project for the field which will enable up to 1.35 MW of electricity to be generated and exported. Planning consent has recently been received for site modifications and we anticipate first revenues from the scheme during Q4 2013.

The Ceres gas field has been on sustained production since November 2012. During the period ended 31 January 2013 the field produced a total of 2.15 billion cubic feet ("bcf") of gas (Egdon share 0.215 bcf) at an average of c. 24 million cubic feet of gas per day ("mmcfg/d"). Contractually, in order for Ceres and its sister field Eris to access pipeline capacity the production rates at the Mercury and Neptune fields are reduced below their full capability and part of the production from Ceres and Eris is used to compensate the Mercury and Neptune owners for this reduced production level, so called "back-out". The Eris field, which produces through the same infrastructure and is subject to combined contractual agreements with Ceres, has remained offline and is now expected to start production in July, following a planned maintenance shut-down of the facilities (including Ceres) during June. As such Ceres gas alone has been repaying the accumulated deficit of "back-out" gas due to the Mercury and Neptune owners which has built up during the prolonged period of no production at Ceres/Eris. As at 31 January 2013 Egdon had accrued 0.15 bcf of gas due from the Eris Field which will be received from Eris production later in 2013. In due course all "back-out" gas should be recouped from the Mercury and Neptune field owners once they are able to resume unconstrained production.

The Avington oil field has continued on production during the period at levels slightly above expectation and the licence holders continue to review options for additional sidetrack or new wells on the field to increase production.

The Dukes Wood/Kirklington fields have been on production during the period. Both sites have suffered from shut-downs due to frozen surface facilities during the winter's freezing weather. The Dukes Wood-1 well has experienced problems with frequent pump failures and low overall oil rates and as of April 2013 the well has been shut-in whilst a solution to these problems is investigated.

Planning permission for the Waddock Cross field development is expected shortly and we anticipate that production will commence during the third quarter of 2013 at rates of around 30-40 barrels of oil per day ("bopd"). The plan for the first phase of the development is to drill two further horizontal producer wells by 2015.

At Kirkleatham, subject to final confirmation of the sub-surface location, it is anticipated that a sidetrack will be drilled, which will, if successful, enable production to resume prior to the winter gas season in the fourth quarter of 2013.

At Nooks Farm, operations continue to abandon the existing wells and to re-enter and drill a production well on this 1982 gas discovery. Egdon is fully carried for these works with operations expected to be completed around mid-2013. Planning consent has been received for production and electricity generation from the site and first revenues are anticipated during 2014.

Exploration and Appraisal

The best estimate of our contingent and prospective resources in the UK and France is over 350 million barrels of oil equivalent ("mmboe") which highlights the significant potential for growth from our existing exploration portfolio.

We have defined three core areas for conventional exploration; "Northern England", "Southern England" and "France" with shale-gas and shale-oil opportunities in Northern England defined as potential growth areas for the Company.

Northern England comprises our main focus area and spans the East Midlands Petroleum Province and the gas prospective areas of the Cleveland Basin and Southern North Sea Gas Basin.

Drilling activity will be focused in this area during 2013 with exploration wells at Wressle-1 and Burton on the Wolds-1 and potential sidetrack wells at Keddington and Kirkleatham forming the first phase of our planned drilling programme. Subject to obtaining the necessary planning consents, we expect operations to commence during the second half of 2013. The exploration wells will target Net Egdon Best Estimate Prospective Resources of 1.9 million barrels of oil ("mmbo").

Further drilling at Biscathorpe, North Kelsey and Louth will form part of the second phase of the programme, which could commence early in 2014, contingent upon planning and also funding via farm-out and available cash resources. These wells will target a further 11.0 mmbo of Net Egdon Best Estimate Prospective Resources.

Evaluation work continues on all other prospective licences and a 77 kilometre 2D seismic programme in PEDL181 in Lincolnshire was completed during April 2013. This programme was designed to evaluate a number of newly identified prospective structures within the licence.

In April 2013 the Company was offered a 100% interest in a licence covering offshore blocks 41/18 and 41/19 located adjacent to the North Yorkshire coast. The licence contains one of the earliest undeveloped hydrocarbon discoveries in the North Sea made by Total in 1966. The 41/18-1 (A339/1-2) well tested gas at rates of up to 2.5 mmcfg/d from fractured Upper Permian "Hauptdolomit" carbonates following acidisation. Egdon's preliminary evaluation indicates the potential for the structure to contain substantial Prospective Resources in the range of 40 to 272 billion cubic feet of gas ("bcf"), with a mid-case of 150 bcf. Egdon intends to re-evaluate this gas discovery through a work programme which will include the acquisition, reprocessing and interpretation of existing 2D seismic data over the blocks together with detailed analysis of the previous well results and regional geological evaluation. Contingent upon confirmation of the size of the prospect and the potential resource, Egdon intends to seek consent to drill a well from an onshore location to appraise the discovery.

Northern England contains Egdon's main identified shale-gas potential and during the period RPS Energy ("RPS") have reported on the potential shale-gas resources in Gainsborough Trough licences PEDL139 and PEDL140 where the Company holds 13.5% interests. The main prospective target is the Pendleian Shale, the age equivalent of parts of the Bowland Shale which is the principal shale-gas target in the Bowland Basin of North West England. RPS estimates the mean net Egdon total gas in place ("GIIP") to be 1.76 trillion cubic feet ("tcf") within the Licences. A review of the surface and sub-surface access constraints in the area has resulted in an estimated mean net Egdon Accessible GIIP of 1.22 tcf. The net Egdon mean Prospective Resources[1] are estimated to be 190 bcf. RPS estimates the geological chance of success to be 24%. Whilst we recognise that we are still at an early exploration stage in these Licences, we are encouraged by the results of the RPS evaluation which indicate that the geological conditions appear favourable for the development of a potentially material shale-gas resource. We expect an exploration well to be drilled during 2014 and Egdon's costs are carried through drilling and testing.

The Company has also identified further shale-gas and shale-oil potential in our UK portfolio which we continue to evaluate.

In **Southern England** we will focus our near-term exploration activity on the Wessex Basin where the recent sale of an interest to Corfe will enable the acquisition of a 3D seismic survey later in 2013 over the main Sherwood Sandstone prospective areas with a view to firming up a drilling location for 2014. Egdon has mapped a number of leads and prospects at the level of the Sherwood Sandstone, the primary reservoir at the nearby Wytch Farm oilfield. The Combined Net Egdon Best Estimate Prospective Resources for the Sherwood Sandstone Prospects is 29 mmbo.

In respect of the Weald Basin, the PEDL143 licence group now expect the High Court hearing in relation to the Holmwood planning appeal decision to be heard at the end of July.

In **France** our focus will be on the Audignon Prospect, a high potential Triassic play in the St Laurent Permit in Southern France where we have submitted a request for a licence extension to allow for the acquisition of a new 2D seismic programme and the drilling of an exploration well. We will continue to look for a farm-in partner for this high impact prospect. We also await the award of the Donzacq Permit where the Bastennes Gaujacq Prospect is mapped. The St Laurent licence group is also seeking to dispose of the Grenade heavy oil accumulation to a third party with the opportunity being marketed on the Group's behalf by Moyes & Co.

In the Mairy Permit, the Company completed a farm-out and restructuring of a royalty interest during the period. The Huiron–1 well spudded on 21st January 2013 and reached a total depth of 2325 metres on 21st March 2013. The well, which was essentially a stratigraphic test, is being maintained as tight hole and is currently suspended with detailed well results being evaluated.

Elsewhere in France we have entered the second term of the Pontenx Permit where we plan to acquire a 3D seismic survey over and around the Pontenx-3 oil discovery in early 2014.

Outlook

We have identified three key near-term objectives to drive shareholder value; a focus on maximising production rates and revenues from existing producing assets through targeted investment, adding additional reserves/production through an active exploration programme in the UK and France whilst managing risk and financial exposure through an active farm-out and divestment process, and growing the Company's exposure to shale-gas and shale-oil exploration opportunities in the UK.

On the first of these objectives we expect a growing production contribution from Ceres during the year, the commencement of production at Waddock Cross, the drilling of an additional production well and commencement of electricity generation at Keddington, completion of drilling operations and progress towards production at Nooks Farm and the potential resumption of production at Kirkleatham. We expect to meet or exceed our previous production guidance of 125 boepd for the current year.

Exploration remains a key growth driver for the business and we anticipate the drilling of exploration wells at Wressle and Burton on the Wolds commencing in the second half of 2013 with a second phase of drilling in early 2014. We also plan to acquire a 3D seismic survey in the Wessex Basin during late 2013 which could lead to a high impact exploration well in 2014.

We expect UK shale-gas and shale-oil to be an increasing value driver for the business and we continue to undertake technical evaluation of our existing licence areas to define further potential. We are also engaged in discussions regarding further opportunities and have identified areas for possible application in the 14th UK Onshore Licensing Round. We now expect drilling on our key Gainsborough Trough licences to be undertaken during 2014.

We will continue to manage our cash carefully and match our activity with available resources, bolstered where possible through farm-outs and disposals of non-core assets as we look to focus on fewer higher potential projects. We remain confident in the quality of our assets and their ability to deliver shareholder value in the short to medium term.

Philip Stephens
Chairman
29 April 2013

Note[1] Any development would have to take into account permitting, legal issues, environmental issues and availability of project finance, but RPS has not made a risk assessment of these factors. In addition RPS has made the assumption that adequate numbers of rigs and hydraulic fracturing units will be available to drill and complete the large number of horizontal wells which would be required to fully develop the mean Prospective Resources estimated by RPS.

EGDON RESOURCES PLC
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 31 January 2013

	Unaudited Six months ended 31-Jan-13 £'000	Unaudited Six months ended 31-Jan-12 £'000	Audited Year ended 31-Jul-12 £'000
Continuing operations			
Revenue	**1,643**	1,554	2,614
Cost of sales - exploration costs written off and pre-licence costs, including impairment charge	**(44)**	(1,054)	(3,240)
Cost of sales – other	**(1,250)**	(1,034)	(1,908)
Total cost of sales	**(1,294)**	(2,088)	(5,148)
Gross profit/(loss)	**349**	(534)	(2,534)
Administrative expenses	**(559)**	(315)	(763)
Other operating income	**45**	65	126
Exceptional item – negative goodwill arising on acquisition	**-**	-	406
Profit on disposal of property, plant & equipment	**-**	21	-
	(165)	(763)	(2,765)
Finance income	**2**	5	8
Finance costs	**(65)**	(67)	(134)
Loss before taxation	**(228)**	(825)	(2,891)
Taxation	-	-	-
Loss for the period	**(228)**	(825)	(2,891)
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period attributable to equity holders of the parent	**(228)**	(825)	(2,891)
Loss per share – note 2			
Basic loss per share	**(0.17)p**	(0.63)p	(2.21)p
Diluted loss per share	**(0.17)p**	(0.63)p	(2.21)p

EGDON RESOURCES PLC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 January 2013

	Notes	**Unaudited 31-Jan-13 £'000**	Unaudited 31-Jan-12 £'000	Audited 31-Jul-12 £'000
Non-current assets				
Intangible assets		**7,830**	7,957	8,281
Property, plant and equipment		**8,565**	9,366	7,920
Total non-current assets		**16,395**	17,323	16,201
Current assets				
Inventory		**-**	-	33
Trade and other receivables		**1,730**	1,416	860
Available for sale financial assets		**50**	50	50
Cash and cash equivalents	3	**2,119**	4,288	3,331
Total current assets		**3,899**	5,754	4,274
Current liabilities				
Trade and other payables		**(1,021)**	(1,803)	(1,092)
Short term borrowings		**(1,000)**	(1,024)	(1,017)
Total current liabilties		**(2,021)**	(2,827)	(2,109)
Net current assets		**1,878**	2,927	2,165
Total assets less current liabilities		**18,273**	20,250	18,366
Non-current liabilities				
Provisions		**(1,008)**	(890)	(946)
Net assets		**17,265**	19,360	17,420
Equity				
Share capital	4	**13,279**	13,097	13,219
Share premium		**1,379**	1,375	1,375
Share based payment reserve		**110**	109	113
Retained earnings		**2,497**	4,779	2,713
		17,265	19,360	17,420

EGDON RESOURCES PLC
CONSOLIDATED STATEMENT OF CASH FLOWS
For the six months ended 31 January 2013

	Unaudited Six months ended 31-Jan-13 £'000	Unaudited Six months ended 31-Jan-12 £'000	Audited Year ended 31-Jul-12 £'000
Cash flows from operating activities			
Loss before tax	**(228)**	(825)	(2,891)
Adjustments for:			
Depreciation and impairment of fixed assets	**582**	1,341	3,616
Exploration costs written off	**23**	-	34
Gain on disposal of property, plant and equipment	**-**	(21)	(21)
Negative goodwill arising on acquisition	**-**	-	(406)
(Increase)/decrease in trade and other receivables	**(869)**	591	1,148
Decrease/(increase) in inventory	**33**	10	(23)
(Decrease)/increase in trade and other payables	**(76)**	115	(672)
Movement in provisions	**(5)**	(8)	(50)
Finance costs	**65**	67	134
Finance income	**(2)**	(5)	(8)
Share based remuneration charge	**9**	5	9
Cash flow (used in)/generated from operations	**(468)**	1,270	870
Interest paid	**(50)**	(50)	(103)
Net cash flow (used in)/generated from operating activities	**(518)**	1,220	767
Investing activities			
Financial income	**2**	5	8
Purchase of exploration and evaluation assets	**(479)**	(1,246)	(1,755)
Purchase of property, plant and equipment	**(206)**	(71)	(99)
Revenues from oil well testing	**-**	91	123
Proceeds from sale of intangible assets	**-**	100	100
Proceeds from sale of property, plant and equipment	**-**	500	512
Net cash flow used in capital expenditure and financial investment	**(683)**	(621)	(1,111)
Financing activities			
Issue of shares	**-**	11	11
Repayment of borrowings	**(11)**	(13)	(27)
Net cash flow used in financing	**(11)**	(2)	(16)
Net (decrease)/increase in cash and cash equivalents	**(1,212)**	597	(360)
Cash and cash equivalents at the start of the period	**3,331**	3,691	3,691
Cash and cash equivalents at the end of the period	**2,119**	4,288	3,331

EGDON RESOURCES PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the six months ended 31 January 2013

	Share capital	Share premium	Share based payment reserve	Retained earnings	Equity
	£'000	£'000	£'000	£'000	£'000
Balance as at 1 August 2011	13,087	1,374	107	5,601	20,169
Total comprehensive income for the period	-	-	-	(825)	(825)
Issue of ordinary shares (October 2011)	10	1	-	-	11
Transfer of share option charge on exercise	-	-	(3)	3	-
Share option charge	-	-	5	-	5
Balance as at 31 January 2012	**13,097**	**1,375**	**109**	**4,779**	**19,360**
Total comprehensive income for the period	-	-	-	(2,066)	(2,066)
Issue of ordinary shares (July 2012)	122	-	-	-	122
Share option charge	-	-	4	-	4
Balance as at 31 July 2012	**13,219**	**1,375**	**113**	**2,713**	**17,420**
Total comprehensive income for the period	**-**	**-**	**-**	**(228)**	**(228)**
Issue of ordinary shares (January 2013)	**60**	**4**	**-**	**-**	**64**
Transfer of share option charge on lapse	**-**	**-**	**(12)**	**12**	**-**
Share option charge	**-**	**-**	**9**	**-**	**9**
Balance as at 31 January 2013	**13,279**	**1,379**	**110**	**2,497**	**17,265**

1. General information

Egdon Resources plc ('the Company' and ultimate parent of the Group) is a public limited company listed on the AIM market of the London Stock Exchange plc (AIM) and incorporated in England. The registered office is The Wheat House, 98 High Street, Odiham, Hampshire, RG29 1LP.

This interim report was authorised for issue by the Directors on the 26 April 2013.

Basis of preparation

The financial information set out in this interim report has been prepared using accounting policies consistent with International Financial Reporting Standards as adopted for use in the European Union. IFRS is subject to amendment and interpretation by the International Accounting Standards Board (IASB) and the IFRS Interpretations Committee and there is an ongoing process of review and endorsement by the European Union. The financial information has been prepared on the basis of IFRS that the Directors expect to be adopted by the European Union and applicable as at 31 July 2013.

Non-statutory accounts

The financial information set out in this interim report does not constitute the Group's statutory accounts for that period within the meaning of Section 434 of the Companies Act 2006. The statutory accounts for the year ended 31 July 2012 have been delivered to the Registrar of Companies. The auditors reported on those accounts; their report was unqualified, did not contain a statement under either Section 498 (2) or Section 498 (3) of the Companies Act 2006 and did not include references to any matters to which the auditor drew attention by way of emphasis.

The financial information for the 6 months ended 31 January 2013 and 31 January 2012 is unaudited.

Accounting policies

The condensed financial statements have been prepared under the historical cost convention, except for the inclusion of financial instruments at fair value.

The same accounting policies, presentation and methods of computation are followed in these condensed financial statements as were applied in preparation of the Group's financial statements for the year ended 31 July 2012.

The Directors have reviewed the budget, projected cash flows, considered committed expenditure and based on this review are confident that the Group will have adequate financial resources to continue in existence for the foreseeable future. Consequently the Directors consider it appropriate to prepare the financial information on the going concern basis.

2. Loss per share

	Unaudited Six months ended 31-Jan-13 p	Unaudited Six months ended 31-Jan-12 p	Audited Year ended 31-Jul-12 p
Basic	**(0.17)**	(0.63)	(2.21)
Diluted	**(0.17)**	(0.63)	(2.21)

The basic loss per share has been calculated on the loss on ordinary activities after taxation of £0.228m (January 2012: £0.825m; July 2012: £2.891m) divided by the weighted average number of ordinary shares in issue of 132,214,980 (January 2012: 130,935,761, July 2012: 130,965,660).

No diluted loss per share is presented as a loss was incurred and the share options in issue would, therefore, be anti-dilutive.

3. Cash and Cash Equivalents

	Unaudited 31-Jan-13 £'000	Unaudited 31-Jan-12 £'000	Audited 31-Jul-12 £'000
Cash at bank at floating interest rates	**1,520**	3,445	2,906
Restricted cash at bank	**205**	296	205
Other cash at bank	**394**	547	220
	2,119	4,288	3,331

Cash at bank at floating interest rates consisted of money market deposits which earn interest at rates set in advance for periods up to three months by reference to Sterling LIBOR. Restricted cash at bank represents amounts lodged in support of guarantee commitments, earning interest at short term rates based on Sterling LIBOR.

4. Share capital

On 25 January 2013, 595,207 10p Ordinary Shares with a fair value of £62,794 were issued as partial consideration for the reduction of the Overriding Royalty burden in respect of the Mairy Permit from 4.5% of Egdon's pre-farm-out interest of 50% to 4.5% of the post-farmout interest of 15%.

The nominal value of the shares issued is £59,521 and the premium on issue is £3,273.

5. Post balance sheet events

Farm-out of interest in PEDL201

On 19 February 2013, Egdon farmed-out a 5% interest in PEDL201 to Union Jack Oil plc ("Union Jack"). Union Jack will pay 10% of the cost of the Burton on the Wolds-1 exploration well to earn a 5% interest from Egdon.

Farm-out of interest in PEDL253 and PED241 and farm-out options

On 5 March 2013, Egdon farmed-out part of its interest in PEDL253 to Union Jack. Union Jack will earn a 6% interest from Egdon in return for paying 12% of the cost of the planned Biscathorpe-2 exploration well.

As part of the same agreement, Egdon farmed-out 10% of its interest in PEDL241 to Union Jack. Union Jack will pay 20% of the cost of the North Kelsey well to earn a 10% interest in PEDL241 from Egdon. In addition, Egdon and Union Jack have signed a Letter of Intent which if converted into a binding agreement would result in a second farm-in agreement for a further 5% interest in PEDL241 on the same relative terms. The Letter of Intent will expire on 31 July 2013. The Letter of Intent also outlines a farm-out of a 10% participating interest in PEDL005R to Union Jack, limited to the part block that contains the North Somercotes prospect, in return for Union Jack paying 20% of the well costs. The Letter of Intent will expire on 31 July 2013.

Sale of interests in PL090 and PEDL237 and Earn-in arrangements

On 27 March 2013, Egdon agreed the sale of a 12.5% interest in licences PL090 and PEDL237 to Corfe Energy Limited ("Corfe") for a cash consideration of £500,000. The Waddock Cross field development area in PL090 is excluded from the transaction.

In addition, under the terms of an Earn-In Agreement, Egdon will be able to earn back a 6.25% interest in both licences from Corfe by paying 12.5% of the costs up to a combined maximum of £500,000.

Award of licence offshore blocks 41/18 and 41/19

On 3 April 2013, as a result of the 26th Seaward Licensing Round Egdon was awarded a licence covering blocks 41/18 and 41/19 offshore North Yorkshire.

6. Dividend

The Directors do not recommend payment of a dividend.

7. Publication of the Interim Report

This interim report is available on the Company's website www.egdon-resources.com.

Company Background

Egdon Resources plc (LSE: EDR) is an established UK-based exploration and production company primarily focused on onshore exploration and production in the hydrocarbon-producing basins of the UK and Europe.

Egdon currently holds interests in twenty nine licences in the UK and France and has an active programme of exploration, appraisal and development within its balanced portfolio of oil and gas assets. Egdon is an approved operator in both the UK and France.

Egdon was formed in 1997 and listed on AIM in December 2004.

www.egdon-resources.com

In accordance with the AIM Rules - Note for Mining and Oil and Gas Companies, the information contained in this announcement has been reviewed and signed off by the Managing Director of Egdon Resources plc Mark Abbott, a Geoscientist with over 25 years' experience.