

30 June 2014

San Leon Energy Plc ("the Company")

Final Results

San Leon Energy, the AIM listed company focused on oil and gas exploration in Europe and North Africa, today announces its audited final results for the year ended 31 December 2013.

Highlights:

Operational

- Poland remains the company's core focus as the Company continues to make good progress in building a balanced portfolio offering both high impact exploration and near-term production
- Lewino-1G2 frac, Gdansk W Concession in Poland's northern Baltic Basin, produced results which we believe show the well to be the best single shale frac by any company in Europe to date
- Three hydraulic fracture treatments performed on the Rogity-1 well, Braniewo S licence, Poland. Positive results are currently being evaluated with a view to selecting the next well location
- Received 100% interest back from Talisman on several Baltic Basin shale concessions
- Continued deal-making with proposed farm-outs and sales announcements to major partners:
 - Braniewo S in Poland to Wisent
 - Cybinka-Torzym in Poland to Aspect Energy
 - Sale of entire Irish asset base, excluding San Leon's NPI in Barryroe, to Ardilaun Energy
- Award of the 36km² Timahdit oil shale block in Morocco, recent analysis by Enefit Outotec Technology confirmed commercial potential
- Two year licence extension, to 31 July 2015, on the Durresi Block, offshore Albania

Corporate

- At the start of 2013 Aurelian Oil & Gas, the fourth acquisition in four years, was integrated into the Company leveraging its assets, business and established technical team
- Appointment of Joel Price as Chief Operating Officer
- Piotr Rozwadowski, a former Vice Minister of State for the Treasury in Poland and responsible for Energy and Telecoms, appointed Non-Executive Director

Financial

- Loss after income tax and depreciation and for the year of €17.05m mostly due to asset impairment (2012: profit of €0.46m)
- Net assets increased by €74.3m to €284.4m at 31 December 2013
- Successfully raised £31 million in September 2013 in a placing to fund future operations and the Turkey acquisition (subsequently amended after the reporting date)
- Major capital expenditure items included three fracs and well testing / clean up of the Lewino-1G2well, and expenditure in excess of the carry cap on the Foum Draa well (offshore Morocco)

- At year end the group had cash of €11.4m which together with trade receivables of €13.2m which included monies held in escrow for Turkey and vat recoverable combined with existing and future carried exploration costs ensures that the company has adequate funding
- Since the end of the reporting period, 2014 has seen a significant uptick in farm in interest, success in which would be expected to deliver additional cash

Outlook

- Vital read-across in the coming months from BNK and 3Legs/ConocoPhillips multi-fraced horizontal wells results. The Company's Lewino-1G2 horizontal well is in advanced engineering, and will benefit from the results of the other operators' wells
- Final well to be drilled on the Rogity-1 well on the Braniewo S licence, Poland, to complete work programme as part of farm-out agreement with Wisent O&G
- Drilling of Sidi Moussa, offshore Morocco, by Genel Energy scheduled for H2 2014

Oisín Fanning, Executive Chairman of San Leon, said:

“As a whole, 2013 has been a challenging year, not only for San Leon but for many small exploration and production companies. Nevertheless, despite tough market conditions San Leon has made considerable progress – we became the largest shale gas player in Europe by acreage, complemented by a sizeable conventional and tight gas portfolio, and the Company is now poised to move from exploration to production.

Our operational activity in 2013 was dominated by the highly encouraging Lewino-1G2 frac in the Baltic Basin of Poland. Resource play stimulation work in the Main Dolomite and tight Rotliegendes fields was also a priority for the Company, as well as the existing Rogity-1 well on the Braniewo S licence which had three hydraulic fracture treatments performed.

The proposed acquisition of a majority stake in Alpay Enerji (“Alpay”), announced in September 2013, was aimed at cash generation from its assets. Following the completion of due diligence, and as a result of adverse currency shifts and well performance in the interim period, together with the failure to receive Turkish Government approval for the deal by the long stop date, the Board announced in early April 2014 that it had decided not to complete this deal in its proposed form. The material decline in the desirability of the deal, together with the Lols signed on near-term production assets in Poland (a source of cash flow) and the success of the Lewino-1G2 shale frac, meant that the funds originally earmarked for Turkey would be better spent elsewhere. The original commitment to spend \$6.5m by 31st March 2014 on Alpay assets was subject to completion of the deal, and so was not spent. The \$4.5m deposit held in escrow was returned to the Company during April 2014.

The future of shale gas development in Poland is set to attract a lot of attention in 2014, with both BNK and 3Legs/ConocoPhillips announcing the results of their multi-fraced horizontal wells. There also appears to be a broader acceptance of shale gas in the EU, as demonstrated by recent developments in Germany and Spain, and we look forward to being a significant part of the future of Europe's unconventional gas industry.”

Enquiries:

San Leon Energy plc
Oisín Fanning, Executive Chairman

+353 1291 6292

finnCap Ltd Corporate Finance Matt Goode Christopher Raggett Corporate Broking Elizabeth Johnson Joanna Weaving	+44 (0) 20 7220 0500
Fox-Davies Capital Limited Daniel Fox-Davies Oliver Stansfield Jonathan Evans	+44 (0) 20 3463 5000
Macquarie Capital (Europe) Limited Steve Baldwin Nicholas Harland	+44 (0) 20 3037 2000
Westhouse Securities Ltd Nominated Adviser Richard Johnson Antonio Bossi	+44 (0) 20 7601 6100
Vigo Communications Financial Public Relations Patrick d'Ancona Chris McMahan	+44 (0) 20 7016 9573
Plunkett Public Relations Sharon Plunkett	+353 (0) 1 280 7873

Chairman's Review

2013 was an important year for San Leon: the year when we reached critical mass, becoming the largest shale hydrocarbons player in Europe by acreage, the year when we started to harvest our most mature assets, moving from exploration towards production.

It was not an easy year, not for anyone in the European oil and gas industry, not for San Leon - but it was an eventful year.

It was an eventful year, with the Lewino-1G2 frac, near Gdansk in Poland, which we described as "textbook", producing results showing its potential as "the best single shale frac test by any company in Europe so far".

It was an asset-building year, including our receiving 100% interest back from Talisman on three Baltic Basin shale concessions, together with cash and non-cash assets. Following its three-year farm-in agreement signed in 2010, Talisman had drilled three wells, at its cost. Its exit was not driven by technical considerations. Our prudent management of similar assets continues as we aim to monetise them.

It was a year of expansion, with among others the award of the 36 km² Timahdit oil shale block in Morocco, and a two year licence extension on the Durresi Block, our offshore Albanian acreage.

It was a year of build-up and consolidation: since our 2008 AIM float, we have completed four major acquisitions in four years. 2013 was the year when we integrated the largest of these acquisitions, Aurelian Oil & Gas Plc, leveraging its assets, its business and its key human resources to build our portfolio.

It was a year of continued deal-making, with farm-outs and sales to major partners: Braniewo in Poland to Wisent; and proposed sales of Cybinka-Torzym in Poland to Aspect Energy and all our Irish assets, with the exception of the Barryroe oilfield, to Ardilaun Energy Limited.

It was a challenging year, financially, for the whole European Exploration & Production sector. Like many of our European energy peers, our share price performance in 2013 did not reflect our progress, and was disappointing. Investors in smaller exploration companies remain cautious until production potential is confirmed. In this demanding market, we have continued to push towards production.

It was a year of transition, when we reached critical mass in Poland, the spearhead of shale gas in Europe, becoming the leading independent exploration and production company there by acreage - second only to Poland's national oil and gas company.

We are now positioned to start generating cash flow from production in 2014/15, and I look forward to updating shareholders in due course.

Integration of Aurelian

Operationally, the acquisition of Aurelian in January 2013, our largest to date, brought with it cash and a range of assets, together with an established technical team. Those personnel, split between the Warsaw and London offices, have provided a powerful complement to the existing San Leon staff. Of particular note was the arrival of the Company's first petroleum engineers, vital in accessing production.

Where there was overlap, the Company made the difficult but necessary steps to reduce costs.

Poland

There is currently no shale hydrocarbon production in Europe. However, Poland is the hotbed of appraisal of this promising resource and is significantly more advanced in terms of the number of shale wells drilled and fraced than any other European country. That said, the density of wells per square kilometre remains very small compared with typical activity in the United States, meaning that appraisal has been relatively slow - the full potential of shale in Poland is still not known.

San Leon's operated well activity in 2013 was dominated by the Lewino-1G2 frac work in the Baltic Basin, and resource play stimulation work in the Main Dolomite and tight Rotliegendes fields.

In the Baltic Basin, San Leon has around 1.2 million net shale acres, with the 220,000-acre Gdansk W concession being in the centre of current well activity. BNK Petroleum, 3Legs/ConocoPhillips and PGNiG, Poland's national exploration and production company, all have ongoing well work surrounding this acreage, where the Lewino-1G2 well is located.

In May the Company regained the three Baltic Basin shale concessions from Talisman, which had been subject to a farm-in agreement signed in 2010. Talisman exited due to a revised strategy to concentrate on its core areas, rather than due to technical considerations. This provided San Leon both with assets of significant value and with significantly increased equity in the basin, regarded as having the most potential for shale development in Poland. Talisman drilled three wells during the farm-in agreement, at its cost. San Leon was therefore able to carry out its frac campaigns in July and November 2013 on Lewino-1G2 at 100% equity. It performed this in partnership with United Oilfield Services ("UOS"), with whom an agreement was signed in May and which includes a facility for San Leon to pay at least part of fracing costs in Company shares (at San Leon's option).

Following iteration of the frac design, the final frac in November yielded significant gas flows and data, resulting in plans for drilling a horizontal multi-fraced well from the same location to try to prove commerciality of the play. The Company regards the November frac as the most successful of any single vertical shale well in Europe so far.

The next well is expected to have a horizontal section of up to 2000 metres and planning is now well advanced. Both BNK and 3Legs/ConocoPhillips are expected to announce the results of their multi fraced horizontal wells in the coming months. This will provide vital input to our well and frac design, in addition to the future of shale development in Poland. We look forward to being a significant part of that future.

Also in Poland, the existing Rogity-1 well on Braniewo S licence had three hydraulic fracture treatments performed by Wisent Oil & Gas, under a farm-out agreement. The positive results are being evaluated with a view to selecting the next well location to complete the farm-in work programme and to harness the potential of this concession.

Morocco

In Morocco, San Leon holds c.4.2 million net acres (c.17,000 km²) of licences in one of the last remaining under-explored regions of North Africa. The mix of conventional and unconventional plays, the excellent fiscal terms and the high potential upside all contribute to make Morocco one of the last exploration frontiers. Here in 2013 we consolidated our geological interpretation of the Tarfaya play, identified the Casa Mar prospect and enlarged our portfolio at a time when major international players showed a definite uptick in their interest in the area.

The award of the 36 km² (c.7,000 net acres) Timahdit oil shale block onshore Morocco was another significant step in San Leon's efforts to develop resources in that country.

The existing tie-in with Enefit for their shale oil process (see Long-Term projects), the early 2014 MOU with Chevron Lummus Global for upgrading the shale oil product and the oil shale sampling and analysis performed over the year, all point to an active future for a play which may prove capable of producing 11,000 barrels per day for 30 years.

The Cairn Energy-operated Foug Draa well (offshore Morocco), which San Leon had previously farmed out with a significant carry to protect its costs, found no commercial hydrocarbons - although evidence of an active hydrocarbon system was found. We continue to evaluate prospect on this concession. We look forward to the second offshore Morocco well, due to be spud in 2014 by Genel, which has a similar farm-out arrangement.

Albania

2013 saw the completion of a significant reinterpretation of the 3D seismic on our offshore Albanian asset. With an existing discovery well helping to de-risk the prospect and a two-year licence extension secured, we have received renewed interest in farming in from a number of parties. Seismic NovaSeis, our 3D-capable seismic company, performed acquisition work on five of our assets during 2013, providing a significant cost and availability advantage. In 2014 third party acquisition work is additionally being actively sought both within and outside Europe. Throughout the period our NovaSeis seismic processing function has been very active, on both internal and external work.

Financial Review

In September the Company successfully raised £31 million at 4.75 pence per share in an oversubscribed placing, to fund future operations. This was carried out in a particularly difficult funding environment for smaller E&P companies.

We appreciate the confidence of our existing and new shareholders during this process.

At the time of the placing, an announcement was made of a proposed transaction to acquire a 75% stake in Alpay Enerji in Turkey. This was intended to provide ongoing cash flow.

However a number of factors including technical due diligence, Turkish currency depreciation, and non-receipt of General Directorate of Petroleum Affairs approval within the required timeframe, contributed to the Board's decision not to proceed with the transaction in March 2014.

The Group recorded a loss from operating activities of €11.4 million for the year ended 31 December 2013 compared to a loss from operating activities of €0.5 million for the year ended 31 December 2012. This increased loss is augmented by the write off of exploration costs of €7.0 million for the year ended 31 December 2013 (2012: Nil).

Group operating expenses for the year were €10.9 million compared to €6.0 million for 2012. The loss from discontinued operations for the year was €3.4 million (2012: Profit €398,000).

Discontinued operations relate to the proposed sale of our Irish assets, with the exception of Barryroe, to Ardilaun Energy Limited. Net finance income for the year was €164,000 (2012: €620,000). The resulting loss per share was 0.75 cent in 2013 compared to earnings per share of 0.04 cent in 2012.

Total equity increased by €76.6 million to €286.8 million at 31 December 2013 (2012: €210.2 million). The completion of the Aurelian acquisition in January 2013 accounted for €62.1 million of the increase in total equity.

Corporate

Joel Price was appointed as Chief Operating Officer in November, having joined the Company through the merger with Aurelian. Joel's technical and commercial background in geology, operations, petroleum engineering, business development and asset management, will be fully utilised in exploiting our assets – particularly as more focus is brought on appraisal and development.

Piotr Rozwadowski was appointed as a Non-Executive Director. Piotr has over 25 years' experience working in the energy sector in Poland and he was also a former Vice Minister of State for the Treasury in Poland where he was responsible for Energy and Telecoms.

John Buggenhagen left San Leon in his Exploration Director and Board roles in May after four years of building the Company's portfolio. The Company is indebted to him for his vision and technical expertise.

The Company recorded no Lost Time Incidents (LTIs) in 2013, which is testament to the HSEQ commitment of all staff and contractors. We shall continue to prioritise this in all that we do.

OUTLOOK

Getting closer to harvesting from floating on AIM in 2008, San Leon has become the leading shale hydrocarbons company in Europe by acreage, complemented by a sizeable conventional and tight gas portfolio. We are now poised to start moving from exploration to production - with significant partnerships in Poland.

San Leon has always prided itself in its ability to source high quality E&P assets at an opportune point in their life cycle. It then applies technical expertise to add value by maturing the assets (typically through a combination of field work, seismic activity, desktop evaluation, and well operations) before monetising. 2013 has seen a high level of activity in terms of technical evaluation and well operations, together with significant strides towards monetisation – we are working increasingly towards the “P” side of E&P.

2013 was a demanding year, but a year of progress on many different fronts. In 2014, we shall continue to pursue multiple routes to deliver value to our shareholders.

I would like to thank our shareholders and employees for their support as we strive for progress in all areas of our operations.

LONG-TERM PROJECTS

Morocco

Oil shale technology development. The newly awarded 36 km² Timahdit oil shale block onshore Morocco opened a new avenue of technological development: San Leon signed a MoU with Chevron Lummus Global LLC to exclusively cooperate in oil shale upgrading technology to produce high

quality synthetic crude oil from the shale oil. This will be done using Enefit oil shale process, a process currently used in Estonia, that can process 280 tonnes of oil shale per hour.

France

Shale gas licences. In France, San Leon holds over 2.4 million acres (c.9,000 km²) of licences under application. These are pending because of the current frac ban in France. San Leon would have first-mover advantage in the event of the removal of the ban.

Exploration Assets

Albania offshore

San Leon obtained a two-year licence extension, to 31st July 2015, on the Durrresi Block, its offshore Albanian acreage. Together with a revised dataroom containing seismic re-interpretation and new prospects, we believe this asset is now of a quality to attract a significant partner to spud a well during the extension period.

Spain

SHALE AND CONVENTIONAL

San Leon obtained two more onshore licences in Spain in 2013, further enhancing our shale acreage position in Europe and complementing that already held in Spain and France. We now hold over 1.5 million net acres (c.6000 km²) in Spain, a country currently under-explored, with fewer than 500 exploration wells drilled.

Morocco

MOROCCO OFFSHORE (Sidi Moussa, Fom Draa)

Summer 2014 will see the spud of the Genel well on Sidi Moussa (San Leon net 8.5% interest) targeting the Noor prospect in excess of 250 million barrels total recoverable.

Cairn Energy, the Operator of the offshore Morocco Fom Draa block, in which San Leon holds a 14.33% equity interest, announced in December that the well had not found commercial hydrocarbons. We continue to evaluate the data collated from this well. San Leon's cost exposure on that well was limited by its significant carry by Cairn.

MOROCCO ONSHORE (Zag, Tarfaya)

In 2014 the Zag Licence is likely to have further de-risking technical work performed prior to drilling or farm-out. We sense an appetite for Moroccan activity to move onshore with similar plays to those currently being targeted offshore.

We have seen a genuine market appetite for financing projects such as oil shale and look forward to progressing feasibility studies further.

Romania

In the Romanian Carpathians we continued our seismic effort, acquiring 3D to de-risk and optimise the location for the Putna conventional oil play prospect, as well as identifying other prospects. Our licence extends over c.350,000 gross acres (c.1400 km²). The best analogue of this working hydrocarbon system is the Lopushna field, 35 km to the north in Ukraine, with 47 million barrels recoverable.

APPRAISAL & READY TO DEVELOP

Poland – Baltic basin

LEWINO-1G2 FRAC SUCCESS

Lewino-1G2 has approximately 49 metres of Ordovician shale thickness, forming the target reservoir. Utilising the extensive core, electric logs and offset data, in-depth studies have been performed on the well since its drilling. In July 2013 San Leon took that knowledge and applied it to the first frac on the well, in technical partnership with United Oilfield Services (UOS). The results of this first frac were very useful in learning how best to frac in the well - it is normal in shale fracking for there to be a number of iterations before a good frac design is found, since there are many moving parts in the engineering. A re-frac of the original July zone was performed at the end of 2013 with improvements in fluid chemistry and frac pump rate. Finally, on a new frac in the top of the shale interval we achieved what can be described as a “textbook frac”, a suitable description for a job going very smoothly and with pump curves which look almost theoretical.

The proof of a frac job is in the results and Lewino-1G2 delivered. After approximately 6 weeks of flow, in January 2014 we reported a gas rate of 45,000 – 60,000 scf/day from the well, plus around 20 bbl of condensate per mmscf.

Sigma, our frac consultancy in Denver, estimated a rate of 200,000 – 400,000 scf/day after clean up – probably only from the poorer part of the shale interval, as the interval with the higher porosity and gas saturation is the one fraced in July. A horizontal multi-fraced well is planned and is being engineered. Such a well should be physically and logistically easier to clean up than what was, in effect, a single frac in Lewino-1G2.

BRANIEWO S CONCESSION

Wisent Oil & Gas signed a farm-in agreement for the Braniewo S Concession, which had recently been re-established back to 100% San Leon equity after Talisman’s exit. Under the first stages of its work obligations, Wisent performed fracs and testing in the existing Rogity-1 well. The lowermost frac targeted the tight Cambrian sandstone, while the upper two fracs were in the Ordovician and Silurian shales. Oil was recovered from both the sandstone and the shale, despite the sandstone being a secondary target of the original well design and therefore some distance from the structural crest in that reservoir formation. These positive results are being evaluated with a view to selecting the next well location to complete the farm-in work programme and to harness the potential of this concession.

Poland Carboniferous and Permian Basin

CZASŁAW SL-1 WELL STIMULATION

The Czaśław SL-1 well was stimulated and flowed back to test. The data obtained, including small amounts of oil and gas, have been used to model the potential for a large-scale stimulation treatment. This is one of a number of San Leon Main Dolomite wells in Poland. Others include Jany-C1, which we took over from a copper mining company, and Lelechow SL-1.

CYBINKA AND TORZYM CONCESSIONS

A Letter of Intent (“LoI”) was signed with Aspect Energy on the Cybinka and Torzym Concessions in Western Poland and subsequently extended in 2014 to include a frac treatment on the nearby existing Sosna-1 well. The intention is for Aspect to acquire a 22.5% equity stake (half of the Company’s share) in the concessions in exchange for carrying the Company’s costs for the drilling of two exploration wells.

Poland – Biesszczady area

The partners on the existing Niebieszczany-1 well, in which we are a 25% non-operated equity holder, are discussing the next steps to try to harness the 2.4 million barrels of oil and 27 bcf of gas (2C contingent resources) on this licence.

NEAR-TERM INCOME

Ireland

Net Profit Interest

San Leon's 4.5% Net Profit Interest (NPI) on the Barryroe oil field provides access to future revenue streams with no additional capital required. Our Barryroe NPI could also in the right circumstances be sold and provide near-term cash.

Poland

Mature assets in the Carboniferous and Permian Basin

In early 2014, after the reporting period, some of our assets in Poland's Carboniferous and Permian Basins, including Rawicz and Siekierki, attracted partnering interest as they have the potential for near-term production.

Consolidated income statement for the year ended 31 December 2013

	2013	2012
	€	€
Continuing operations		
Revenue	3,013	333,146
Cost of sales	(453)	(179,482)
Gross profit	2,560	153,664
Other income	4,229,277	5,339,031
Administrative expenses	(10,899,228)	(6,011,443)
Impairment of exploration and evaluation assets	(7,036,679)	–
(Loss) from operating activities	(13,704,070)	(518,748)
Finance expense	(1,587,240)	(2,549,620)
Finance income	1,751,393	3,170,110
Share of loss of equity-accounted investments	(141,745)	(29,403)
(Loss)/profit before income tax	(13,681,662)	72,339
Income tax expense	(19,778)	(10,197)
(Loss)/profit for the year after tax from continuing operations	(13,701,440)	62,142
Discontinued operations		
(Loss)/profit from discontinued operations (net of income tax)	(3,350,138)	398,525
(Loss)/profit for the year attributable to equity holders of the Group	(17,051,578)	460,667

The comparative income statement has been re-presented as if the operations discontinued during the current year had been discontinued from the start of the comparative year.

	2013 €	2012 €
(Loss)/earnings per share (cent) – continuing operations		
Basic (loss)/earnings per share	(0.70) cent	0.01 cent
Diluted (loss)/earnings per share	(0.70) cent	0.01 cent
(Loss)/earnings per share (cent) – discontinued operations		
Basic (loss)/earnings per share	(0.17) cent	0.03 cent
Diluted (loss)/earnings per share	(0.17) cent	0.03 cent
(Loss)/earnings per share (cent) – total		
Basic (loss)/earnings per share	(0.87) cent	0.04 cent
Diluted (loss)/earnings per share	(0.87) cent	0.04 cent

Consolidated statement of other comprehensive income for the year ended 31 December 2013

	2013 €	2012 €
(Loss)/profit for the year	(17,051,578)	460,667
Items that may be reclassified subsequently to the income statement		
Foreign currency translation differences – foreign operations	(5,282,870)	2,596,068
Fair value movements in available-for-sale financial assets	(2,658,522)	(436,721)
Total comprehensive (loss)/income for the year	(24,992,970)	2,620,014

**Consolidated Statement of Changes in Equity to
for the year ended 31 December 2013**

Currency	Share based	Attributable							
	Share Capital	Share Premium	Translation Reserve	Payment Reserve	Fair Value Reserve	Retained Earnings	Equity Holders of Group	Non-Controlling Interest	Total
	€	€	€	€	€	€	€	€	€
Balance at 1 January 2013	61,471,639	131,511,450	3,894,117	7,974,447	(436,721)	4,295,235	208,710,167	1,440,050	210,150,217
Total comprehensive income for year									
Loss for the year						(14,707,488)	(14,707,488)		(14,707,488)
Other comprehensive income									
Foreign currency translation differences - foreign operations			(5,282,870)						
Fair value movements in available-for-sale financial assets					(2,358,522)		(2,358,522)		(2,358,522)
Total comprehensive income for year			(5,282,870)		(2,358,522)	(14,707,488)	(17,066,010)		(17,066,010)

Transactions with owners recognized directly in equity

Contributions by and distributions to owners

Issue of shares related to business combinations	32,126,484	29,002,133				61,128,617		61,128,617	
Issue of shares for cash	32,631,579	3,138,175				35,769,754		35,769,754	
Share based payment (note 27)				3,821,953		3,821,953		3,821,953	
Effect of share warrants cancelled				(29,948)	29,948				
Effect of share options cancelled				(1,552,955)	122,070	(1,430,885)		(1,430,885)	
Shares issued to Realm Shareholders on conversion of exchangeable shares				331,245,580,954			912,199	(912,199)	
Total transactions with owners	65,089,308	32,721,262		2,239,050	152,018	100,201,638	(912,199)	99,289,439	
Balance at 31 December 2013	126,560,947	164,232,712	(1,388,753)	10,213,497	(2,795,243)	(10,260,235)	291,845,795	527,851	292,373,646

Company Statement of Changes in Equity*for the year ended 31 December 2013*

	Share Capital	Share Premium	Shares to be Issues	Share based Payment Reserve	Fair value reserve	Retained earnings	Total Equity
	€	€	€	€	€	€	€
2012							
Balance at 1 January 2012	56,658,591	122,891,220	2,523,181	5,461,488		(20,205,610)	167,328,870
Total comprehensive income Loss for the year						(2,447,046)	(2,447,046)
Fair value movements in available for sale financial assets							
Total comprehensive income for the year						(2,447,046)	(2,447,046)
Transactions with owners recognised directly in equity							
Contributions by and distributions							

to owners						
Issue of shares on acquisition of equity accounted investments (Note 11)	4,271,283	7,610,716				11,881,999
Share warrants exercised (Note 25)	148,500	319,648				468,148
Share based payment (Note 27)				3,436,353		3,436,353
Effect of share options cancelled				(944,519)	748,787	(195,732)
Effect of warrants issued on loan note (Note 23)				21,125		21,125
Shares issued to Realm shareholders on conversion of exchangeable shares	393,265	689,866	(1,083,131)			
Total transactions with owners	4,813,048	8,620,230	(1,083,131)	2,512,959	748,787	15,611,893
Balance at 31 December 2012	61,471,639	131,511,450	1,440,050	7,974,447	(21,903,869)	180,493,717

Consolidated statement of financial position as at 31 December 2013

Assets	2013 €	2012 €
Non-current assets		
Intangible assets	186,052,006	165,390,968
Equity accounted investments	23,728,594	17,178,666
Property, plant and equipment	10,514,451	9,859,676
Other non-current assets	3,407,821	2,291,660
Financial assets	37,432,083	38,761,256
	261,134,955	233,482,226
Current assets		
Inventory	229,978	590,211
Trade and other receivables	13,216,437	6,293,870
Other financial assets	6,274,202	928,452
Cash and cash equivalents	11,420,968	1,824,799
Assets classified as held for sale	15,705,353	–
	46,846,938	9,637,332
Total assets	307,981,893	243,119,558
Equity and liabilities		
Equity		
Called up share capital	126,560,947	61,471,639
Share premium account	164,232,712	131,511,450
Share based payments reserve	10,213,497	7,974,447
Currency translation reserve	(1,388,753)	3,894,117
Fair value reserve	(3,095,243)	(436,721)
Retained earnings	(12,604,325)	4,295,235
Attributable to equity holders of the Group	283,918,835	208,710,167
Non-controlling interest	527,851	1,440,050
Total equity	284,446,686	210,150,217
Non-current liabilities		
Derivative	208,434	1,884,251
Provisions	–	5,345,211
Deferred tax liabilities	9,329,447	9,329,447
	9,537,881	16,558,909
Current liabilities		
Trade and other payables	6,228,211	7,732,906
Loans and borrowings	–	7,117,293
Provisions	1,397,094	1,560,233
Liabilities classified as held for sale	6,372,021	–
	13,997,326	16,410,432
Total liabilities	23,535,207	32,969,341
Total equity and liabilities	307,981,893	243,119,558

Company statement of financial position as at 31 December 2013

	2013	2012
	€	€
Assets		
Non-current assets		
Property, Plant and Equipment	6,924,528	6,515,475
Financial assets – investment in subsidiaries	184,807,997	121,661,518
Financial assets – other	348,767	–
	192,081,292	128,176,993
Current assets		
Trade and other receivables	96,048,604	67,833,615
Other financial assets	4,751,470	–
Cash and cash equivalents	7,789,260	1,648,896
	108,589,334	69,482,511
Total assets	300,670,626	197,659,504
Equity and liabilities		
Equity		
Called up share capital	126,560,947	61,471,639
Share premium account	164,232,712	131,511,450
Shares to be issued	527,850	1,440,050
Share based payments reserve	10,213,497	7,974,447
Fair value reserve	(980,581)	–
Retained loss	(29,651,636)	(21,903,869)
Attributable to equity shareholders	270,902,789	180,493,717
Non-current liabilities		
Derivative	208,434	1,884,251
	208,434	1,884,251
Current liabilities		
Trade and other payables	29,559,403	8,104,973
Loans and borrowings	–	7,176,563
	29,559,403	15,281,536
Total liabilities	29,767,837	17,165,787
Total equity and liabilities	300,670,626	197,659,504

Consolidated statement of cash flows for the year ended 31 December 2013

	2013 €	2012 €
Cash flows from operating activities		
(Loss)/profit before tax – Continuing operations	(13,681,662)	72,339
(Loss)/profit before tax – Discontinued operations	(3,350,138)	398,525
Adjustments for:		
Depletion and depreciation	118,006	135,930
Finance expense	1,587,240	2,549,620
Finance income	(1,751,393)	(3,170,110)
Share based payments charge	639,954	765,909
Foreign exchange	(1,172,367)	1,431,437
Gain on Talisman acquisition	(4,229,277)	–
Impairment of exploration and evaluation assets – continuing operations	7,036,679	–
Impairment of exploration and evaluation assets – discontinued operations	3,579,880	–
Gain on disposal of Amstel Royalty Interest	–	(5,336,923)
Increase in other non-current assets	(1,116,161)	(1,478,683)
Decrease in stocks	360,233	167,458
(Increase)/Decrease in trade and other receivables	(2,746,657)	2,275,073
(Decrease) in trade and other payables	(2,766,513)	(2,209,583)
Share of loss of equity-accounted investments	141,745	29,403
Tax (paid)/repaid	(31,122)	31,970
Net cash (used) in operating activities	(17,381,553)	(4,337,635)
Cash flows from investing activities		
Expenditure on exploration and evaluation assets	(31,250,052)	(26,459,867)
Joint venture partner share of exploration costs	4,045,909	719,951
Purchase of property, plant and equipment	(1,854,578)	(1,086,639)
Interest received	36,699	128,868
(Increase) in restricted cash	(5,517,332)	(533,956)
Acquisition of equity accounted investments	–	(1,872,778)
Advances to equity accounted investments	(1,631,488)	(571,507)
Proceeds of Amstel Royalty disposal	–	9,898,125
Proceeds of Offshore Morocco farm-out	1,210,217	–
Net cash acquired with subsidiary	31,897,712	–
Cash acquired with asset acquisition	3,949,107	–
Payment to acquire financial assets	(1,329,349)	–
Net cash (used) in investing activities	(443,155)	(19,777,803)
Cash flows from financing activities		
Proceeds of issue of share capital, net of costs	35,769,754	279,688
Proceeds from drawdown of other loans	2,612,315	3,186,024
Repayment of other loans	(9,258,223)	(3,918,569)
Movement on Director loan	(859,373)	613,630
Interest paid	(881,298)	(572,113)
Net cash generated/(used) in financing activities	27,383,175	(411,340)
Net increase/(decrease) in cash and cash equivalents	9,558,467	(24,526,778)
Effect of foreign exchange fluctuation on cash and cash equivalents	37,702	153,614
Cash and cash equivalents at start of year	1,824,799	26,197,963
Cash and cash equivalents at end of year	11,420,968	1,824,799

Notes to the Financial Statements

General

San Leon Energy plc ("the Company") is a company incorporated in Ireland. The Group financial statements consolidate those of the Company with those of its subsidiaries (together referred to as "the Group").

The financial information presented in this report has been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as adopted by the European Union and as set out in the Group's annual financial statements in respect of the year ended 31 December 2013. The financial information herein does not include all the information and disclosures required in the annual financial statements, however the full financial statements are included within the Annual Report which are being distributed to shareholders and which are available on the Company's website www.sanleonenergy.com. It will also be filed with the Company's Annual Return in the Companies Registration Office.

The financial information herein for the prior year ended 31 December 2012 represents an abbreviated version of the Group's statutory financial statements and the financial statements for the year ended 31 December 2012 have been filed with the Companies Registration Office.

Annual Report and Accounts

Copies of the Annual Report and Accounts, together with a notice of the annual general meeting, are being posted to shareholders today and are available within the Investor Relations section of the Company's website www.sanleonenergy.com.