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TO ALL SHAREHOLDERS

Your ref:	
Our ref:	4001169/MVL088/RGT/NFR/J
Please Contact:	Niamh Fraser
Telephone Number:	0330 055 5456
Email Address:	Niamh.Fraser@frpadvisory.com
Date:	07 August 2026

Dear Shareholder,

SCIROCCO ENERGY LIMITED (IN LIQUIDATION) ("THE COMPANY")
COMPANY NO.: 05542880

LIQUIDATORS' PROGRESS REPORT PURSUANT TO SECTION 92A OF THE INSOLVENCY ACT 1986 AND RULE 18.3 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016

Further to my appointment as Joint Liquidator on 10 July 2024 I report on the progress of the liquidation for the period 10 July 2025 to 9 July 2026 ("the Period").

Please find attached:

- Appendix A – Statutory information about the Company and the liquidation
- Appendix B – Receipts and payments account for the Period and cumulative

1. Progress of the Liquidation

Ruvuma Consideration

The Company is entitled to consideration due from ARA Petroleum Tanzania Limited **("ARA")** in respect of a previous sale of a 25% working interest in the Ruvuma Production Sharing Agreement **("Ruvuma Sale")**. This consideration was deferred and split as follows:

- **US$3m Final Investment Decision ("FID") Consideration –** this is due 20 business days following the date on which the Operating Committee provides final approval of a Development Plan under the Operating Agreement.

- **US$8m Revenue Share** – The Company is entitled to a 25% share of all net revenue received by ARA, to a maximum realisation of US$8m. This will become payable by ARA to the Company within 10 business days of receipt of net revenue.

- **US$2m Upside Payment** – Once gross production of the Ruvuma Asset reaches a level equal to or greater than 50 billion cubic feet, a further upside payment will be due within 20 business days.

The Joint Liquidators have monitored progress on Ruvuma and were in regular contact with ARA until January 2026. During a meeting in December 2025 ARA advised FID approval was expected around April 2026 with commencement of production then expected around August 2026. Since April several requests for updates were ignored by ARA.

A meeting was held with Aminex (another Ruvuma JV partner) where we sought further information following their recent RNS release. The Joint Liquidators were advised that ARA have proposed delays and changes to the Ruvuma project, including amending the already approved work programme. There was misalignment between the JV partners.

The Joint Liquidators then had a response from ARA and held a meeting. ARA have acknowledged and apologised for the lack communication, citing a change in management and a focus on a now aborted sales process earlier this year as the reasons for the delays. ARA's new management, whom we met, reaffirmed their commitment to the Ruvuma project but stated that they wished to drill a further appraisal well and delay the drilling of a commitment well on the license. They continue to discuss these topics with the JV partners but believed progress had been made towards reaching a consensus.

The Joint Liquidators have sought clarification over whether the FID approval has been received and how the potential well changes impact upon the payment milestones. ARA advised that formal FID approval has not been received and the changes sought would likely mean a further delay of approximately 12 months.

The Joint Liquidators have requested a detailed written assessment and documentation to support the assertions made at the meeting. The Joint Liquidators position is fully reserved until this has been received and considered.

We have reviewed possible legal remedies for disputes under the Ruvuma Sale. The governing law is Tanzanian and we consider that legal remedies will be complex and potentially costly. We reserve our position but up to now have favoured a consensual approach to the collection of the deferred consideration.

Kiliwani North

The Company has a contingent liability, relating mostly to decommissioning costs, in respect of its 8.3918% share of the Kiliwani North joint venture. The Company had agreed a settlement, in principle, with the joint venture partner, Ndovu Resources Limited **("Ndovu")**, a subsidiary of Animex Plc. This would involve a transfer of the Company's interest in Kiliwani North to Ndovu, with the Company making a payment to Ndovu to be released from all further obligations on the license.

The settlement/transfer agreement had not been executed at the time of the Company's liquidation and following the Company's liquidation we were informed that they were not willing to proceed with the settlement given potential additional tax liabilities in the JV.

Discussions with Ndovu are continuing but the Joint Liquidators have been advised that costs remain uncertain, and Ndovu is unwilling to agree settlement at this stage. Ndovu are liaising with Tanzania Petroleum Development Company to try to reduce the costs, but this is taking time to finalise.

Any ultimate settlement/transfer will require tax clearance from the Tanzanian authorities. During the period the Company's pre-liquidation accounts were brought up to date and tax returns were submitted. The Joint Liquidators have liaised with HMRC, and it is understood there are no outstanding liabilities or returns still to be submitted. PWC Tanzania are engaged to assist with compliance relating to the Company's Tanzanian branch and ensuring tax clearance is obtained.

The funding for a potential settlement and transfer of the Company's interest will need to come from realisations from Ruvuma. Consequently, although we are endeavouring to agree a transaction, our ability to settle is directly linked to the timetable on Ruvuma.

Further Assets

The sum of £22,500 has been received in contractual agreement relating to the sale of Energy Acquisitions Group Limited. No further sums are expected to be recoverable.

2. Dividends to Creditors

Preferential Creditors

There are no preferential creditors in this matter.

Unsecured creditors

Notice for creditors to submit their claims in the liquidation was advertised in the London Gazette and expired on 8 August 2024. No claims were received and there are therefore no creditors of this class, save for the Kiliwani North contingent liability discussed above.

3. Distribution to Shareholders

Shareholders were previously advised that a distribution in the region of 1.1p per share was estimated. However, this is subject to receipt of the deferred consideration where, as noted above, the FID payment has been delayed. The timing of the additional milestone payments is also highly uncertain and would extend over a number of years.

Once the FID payment has been received, timing of the first distribution to shareholders will be assessed. However, it may not be possible to distribute until there is greater certainty over the ability to settle the Kiliwani North contingent liability since liabilities should be settled prior to distributions to shareholders.

4. Liquidators' Remuneration, Disbursements and Expenses

Costs have been incurred in respect of;

- The Joint Liquidators appointment and ongoing work
- Maintenance of IT systems
- Legal fees relating to review of contingent liabilities and asset realisations
- Tax advice to bring accounts and returns up to date
- Tanzanian branch compliance and advice in obtaining tax clearance
- Maintaining the share register and ongoing corporate compliance.

The costs are outlined in the receipts and payments account attached at Appendix B. Please note it is currently uncertain whether VAT on payments can be recovered. In certain circumstances following a liquidation appointment, VAT can be reclaimed by the Liquidator following deregistration. Confirmation from HMRC is being sought.

At the general meeting held on 10 July 2024, the shareholders resolved that the Liquidators were entitled to receive remuneration for time spent. The following time costs have been incurred:

Period	Hours	Incurred	Drawn (£)
Pre-appointment to 09/07/24	40.90	£18,208.50	£18,208.50
10/07/24 to 09/07/25	145.35	£63,745.00	£63,745.00
10/07/25 to 09/07/26	89.20	£36,835.00	£31,639.50

The Joint Liquidators' time costs are based on computerised records of all time spent on the administration of this case. Matters dealt with during the assignment are dealt with by different members of staff depending on the level of complexity and experience required. Time is charged to the case in maximum of 6 minute units. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters. Charge out rates are reviewed at least annually, details of FRP Advisory Trading

Limited charge out rates are attached together with a breakdown of our time costs and disbursements incurred during the Period, in accordance with Statement of Insolvency Practice 9.

The Joint Liquidators disbursements are a recharge of actual costs incurred by the Joint Liquidators in dealing with this matter. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP Advisory Trading Limited at the HMRC approved mileage rate prevailing at the time the mileage was incurred. There have been no disbursements incurred in the period.

When instructing third parties to provide specialist advice and services, or having the specialist services provided by the firm, the Joint Liquidators are obligated to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work being undertaken. This is reviewed by the Joint Liquidators periodically throughout the duration of the assignment. The specialists chosen may regularly be used by the Joint Liquidators and usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment.

Shareholders have a right to request further information from the Joint Liquidators and further have a right to challenge the Liquidators' remuneration and other expenses, which are first disclosed in this report, under the Insolvency (England and Wales) Rules. For ease of reference these are the expenses incurred in the reporting period as set out in **Appendix D** only. Further details of these rights can be found in the Creditors' Guide to Fees which you can access using the following link https://www.frpadvisory.com/legal-and-regulatory-notices/information-creditors-insolvency-proceedings/ and select the one for liquidation. Alternatively, a hard copy of the relevant guide will be sent to you on request. Please note there is a time limit for requesting information being 21 days following the receipt of this progress report. There is a time limit of 8 weeks following the receipt of this report for a Court application that the remuneration or expenses are excessive.

Next steps

As noted above, we will continue to liaise with the new ARA management team on the FID payment. We will also endeavour to progress a conditional settlement and transfer of the Company's interest in Kiliwani North.

Shareholder Queries

Trading of shares in the Company is no longer possible. However, the services of the share registrar have been retained. Should you require to make any changes in respect of their shareholdings please contact Share Registrars on enquiries@shareregistrars.uk.com.

Should you have any questions in respect of the liquidation please contact us on sciroccoenergy@frpadvisory.com.

All shareholder updates are being uploaded to the website: https://www.sciroccoenergy.com/

If you have any queries about this report or the progress of this matter, please do not hesitate to contact my office.

Yours faithfully

Chad Griffin
Joint Liquidator
Licensed in the United Kingdom by the Institute of Chartered Accountants in England & Wales and bound by the Insolvency Code of Ethics

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Appendix A - Statutory information about the Company and the liquidation

COMPANY INFORMATION:

Other trading names:	N/A
Date of incorporation:	22/08/2005
Company number:	05542880
Registered office:	c/o FRP Advisory Trading Limited (Edinburgh office) 110 Cannon Street London EC4N 6EU
Previous registered office:	1 Park Row Leeds LS1 5AB
Business address:	As above

LIQUIDATION DETAILS:

Liquidator(s):	Chad Griffin & Callum Angus Carmichael
Address of Liquidator(s): Contact Details:	FRP Advisory Trading Limited Apex 3 95 Haymarket Terrace Edinburgh EH12 5HD cp.edinburgh@frpadvisory.com
Date of appointment of Liquidator(s):	10/07/2024
Court in which Liquidation proceedings were brought:	N/A
Court reference number:	N/A

APPENDIX B – RECEIPTS AND PAYMENTS ACCOUNT

Scirocco Energy Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Declaration of Solvency £		From 10/07/2025 To 09/07/2026 £	From 10/07/2024 To 09/07/2026 £
	ASSET REALISATIONS		
	Bank Interest Gross	16,303.46	32,295.47
600,000.00	Cash at Bank	NIL	655,308.87
	Debtors	NIL	22,500.00
2,362,205.00	FID Payment	NIL	NIL
6,299,213.00	GSA Revenue Share	NIL	NIL
1,181,102.00	Upside Production Revenue	NIL	NIL
	VAT Refund	NIL	4,663.36
		16,303.46	714,767.70
	COST OF REALISATIONS		
	Bank Charges - Floating	69.00	87.00
	IT Support	3,250.20	4,663.33
	Joint Liquidators' Disbursements	9.25	209.25
	Joint Liquidators' Remuneration	40,893.50	113,593.25
	Legal & Professional Fees	18,863.47	60,457.33
	Professional Fees	8,288.94	8,288.94
	Share Registrars	4,075.70	7,816.60
	Stationery & Postage	NIL	2,900.42
	Statutory Advertising	NIL	310.23
	VAT Irrecoverable	885.76	885.76
		(76,335.82)	(199,212.11)
	UNSECURED CREDITORS		
	Unsecured Creditors	NIL	3,648.42
		NIL	(3,648.42)
10,442,520.00		**(60,032.36)**	**511,907.17**
	REPRESENTED BY		
	Current Flt Int Bearing		474,578.25
	Vat Recoverable - Floating		37,328.92
			511,907.17