

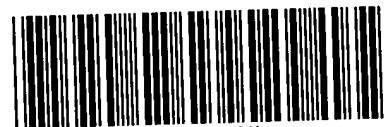
Company Registration No. 3589112
United Kingdom

Planet Oil International Limited

Report and Audited Financial Statements

For the year ended 31 December 2015

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Planet Oil International Limited

Report and financial statements 2015

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Planet Oil International Limited

Officers and professional advisers

Directors

P McDade
I Springett
K Massie
R Miller
R Rowland-Clark

Secretary

K Massie

Registered office

9 Chiswick Park
566 Chiswick High Road
London W4 5XT

Solicitors

Dickson Minto W.S.
Broadgate Tower
20 Primrose Street
London EC2A 2EW

Bankers

Royal Bank of Scotland Group
250 Bishopsgate
London EC2M 4AA

Auditor

Deloitte LLP
Chartered Accountants & Statutory Auditor
London

Planet Oil International Limited

Strategic report

The directors of Planet Oil International Limited (the "company") present their strategic report for the year ended 31 December 2015.

Principal activity and review of business

The principal activity of the company is that of an investment holding company. The company holds the entire issued share capital of Tullow Oil Holdings (Guernsey) Limited and Planet Oil Limited. The company does not expect to change its principal activity in the 2016 financial year.

No significant change in the nature of the activities or state of affairs has occurred during the year.

Results and dividends

The company recorded a loss of US\$7,335,785 (2014: US\$nil) for the year.

The ability to meet its obligations as they fall due is dependent on the ultimate parent company providing support to fund the amounts owed during the period of assessment. A letter of support has therefore been provided by Tullow Oil plc, which states it will provide the necessary financial support to ensure that this company is a going concern for at least twelve months from the date of signing of these financial statements.

No dividends have been paid during the year (2014: US\$nil).

Principal risks and uncertainties

Financial risk management objectives and policies and credit risk

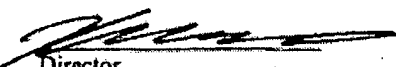
The company's principal financial assets are amount due from group companies. The credit risk associated with such items, having regard to the counterparties involved, has been assessed following an analysis of the likely recovery of intercompany debtor balances, based on the net assets and expected future performance of the company.

The company receives loans from a fellow group company to maintain liquidity and ensure there are sufficient funds available for ongoing operations.

Liquidity and interest risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of the company's short, medium and long-term funding and liquidity management requirements. The company is able to actively source financing from its shareholder.

Approved by the board of directors and signed on its behalf by:


Director
Kevin Massie 28/09/2016

Planet Oil International Limited

Directors' report

The directors of Planet Oil International Limited (the "company") present their annual report on the affairs of the company, together with the financial statements and auditor's report for the year ended 31 December 2015.

Directors and their interests

The directors, who held office at the date of this report, are listed on page 1. The changes to the company's directors during the year were as follows:

- Resignation of P Sloan on 30 April 2015.
- Resignation of N Shepherd on 30 April 2015.
- Resignation of J Tedder on 29 May 2015.
- Resignation of R Miller (as alternate to J Tedder) on 29 May 2015.
- Resignation of W Torr (as alternate to P McDade) on 29 June 2015.
- Resignation of K Massie (as alternate to A Martin) on 15 September 2015.
- Resignation of A Martin on 11 January 2016.
- Appointment of K Massie on 15 September 2015.
- Appointment of R Miller on 15 September 2015.
- Appointment of R Rowland-Clark on 15 September 2015

The directors did not have any interests in the shares of the company at any time during the year. In accordance with the Articles of Association, none of the directors retire by rotation.

The company secretary, who held office at the date of this report, is listed on page 1. There was no change to the company's secretary during the year.

Going concern

The principal activity of the company is that of an investment holding company. The company does not expect to change its principal activity in the 2016 financial year.

The company recorded a loss of US\$7,335,785 (2014: US\$nil) for the period to 31 December 2015. As at 31 December 2015 the company had a net liability position of US\$11,529,727 (2014: US\$4,193,829).

The ability to meet its obligations as they fall due is dependent on the ultimate parent company providing support to fund the amounts owed during the period of assessment. A letter of support has therefore been provided by Tullow Oil plc, which states it will provide the necessary financial support to ensure that this company is a going concern for at least twelve months from the date of signing of these financial statements.

In making their assessment of going concern the directors have considered the letter of support from Tullow Oil plc. The directors, having assessed the responses of the directors of Tullow Oil plc to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of Tullow Oil plc to continue as a going concern or its ability to honour its commitments in accordance with the letter of support.

On the basis of their assessment of the company's financial position and of the enquiries made of the directors of Tullow Oil plc, the directors have reasonable expectation that the company has adequate resources to continue as a going concern for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing the financial statements.

Planet Oil International Limited

Directors' report (continued)

Directors' indemnities

As at the date of this report, indemnities are in force under which the company has agreed to indemnify the directors, to the extent permitted by the Companies Act 2006, against claims from third parties in respect of certain liabilities arising out of, or in connection with, the execution of their powers, duties and responsibilities as directors of the company.

Supplier payment policy

It is company policy to settle all debts with creditors on a timely basis and in accordance with the terms of credit agreed with each supplier.

Charitable and political donations

The company did not make any charitable or political contributions during the year (2014: US\$nil).

Events subsequent to the financial year end

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Auditor

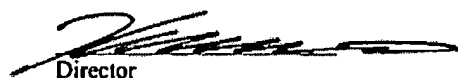
Each person who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP has indicated its willingness to be reappointed as auditor and is, in accordance with s487 of the Companies Act 2006, deemed to be reappointed as auditor for the next financial year.

Approved by the board of directors and signed on its behalf by:


Director
Kevin Massie ~~2015~~
28/9/2016

Planet Oil International Limited

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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 (IFRS) as adopted by the European Union "EU". 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 these financial statements, International Accounting Standard 1 requires that directors:

- Properly select and apply accounting policies;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- Make an assessment of the company's ability to continue as a going concern.

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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the members of Planet Oil International Limited

We have audited the financial statements of Planet Oil International Limited for the year ended 31 December 2015 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable and in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statements, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practice Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on matters prescribed in the Companies Act 2006

In our opinion the information in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Planet Oil International Limited (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 require us to report to you if, in our opinion:

- proper books of account have not been kept by the company and that proper returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the books of account and returns; or
- we have not received all the information and explanations which to the best of our knowledge and belief, are necessary for the purpose of our audit; or
- certain disclosures of directors' loans and remuneration specified by law have not been complied with.



Dean Cook, MA FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

29th September 2016

Planet Oil International Limited

Statement of comprehensive income For the year ended 31 December 2015

	Notes	2015 US\$'000	2014 US\$'000
Foreign exchange loss	5,10	(150)	(112)
Allowance for related party loans receivable	10	(6,065)	112
Intercompany investment write off		(1,121)	-
		<hr/>	<hr/>
Loss for the period before taxation	6	(7,336)	-
Taxation	7	-	-
		<hr/>	<hr/>
Loss for the year after taxation		(7,336)	-
Other comprehensive income		-	-
		<hr/>	<hr/>
Total comprehensive loss for the year		(7,336)	-
		<hr/>	<hr/>


Planet Oil International Limited

Statement of financial position At 31 December 2015

	Notes	2015 US\$'000	2014 US\$'000
Assets			
Non-current assets			
Investments	9	-	-
		<hr/>	<hr/>
		-	-
		<hr/>	<hr/>
Current assets			
Related party loans receivable	10	-	7,336
		<hr/>	<hr/>
		-	7,336
		<hr/>	<hr/>
		<hr/>	<hr/>
Total assets		-	7,336
		<hr/>	<hr/>
Liabilities			
Current liabilities			
Related party loan payable	11	11,530	11,530
		<hr/>	<hr/>
		11,530	11,530
		<hr/>	<hr/>
		<hr/>	<hr/>
Total liabilities		11,530	11,530
		<hr/>	<hr/>
		<hr/>	<hr/>
Net liabilities		(11,530)	(4,194)
		<hr/>	<hr/>
Equity			
Share capital	12	1,410	1,410
Share premium	13	148	148
Accumulated loss		(13,088)	(5,752)
		<hr/>	<hr/>
Total equity		(11,530)	(4,194)
		<hr/>	<hr/>

The financial statements of Planet Oil International Limited registered number 3589112 were approved and authorised for issue by the board of directors on 28 September 2016.

Signed on behalf of the board of directors.


 Director
 Kevin Massie 28/09/2016

Planet Oil International Limited

Statement of changes in equity For the year ended 31 December 2015

	Share capital US\$'000	Share premium US\$'000	Accumulated loss US\$'000	Total US\$'000
Balance at 31 December 2013	1,410	148	(5,752)	(4,194)
Total comprehensive profit for the year	-	-	-	-
Balance at 31 December 2014	1,410	148	(5,752)	(4,194)
Total comprehensive loss for the year	-	-	(7,336)	(7,336)
Balance at 31 December 2015	1,410	148	(13,088)	(11,530)

Planet Oil International Limited

Statement of cash flows

For the year ended 31 December 2015

	Note	2015 US\$'000	2014 US\$'000
Cash flows from operating activities			
Cash flows from operations	14	-	-
		<hr/>	<hr/>
Net cash flows from operating activities		-	-
		<hr/>	<hr/>
Net movement in cash and cash equivalents		-	-
		<hr/>	<hr/>
Cash and cash equivalents at beginning of the year		-	-
		<hr/>	<hr/>
Cash and cash equivalents at end of the year		-	-
		<hr/> <hr/>	<hr/> <hr/>

Planet Oil International Limited

Notes to the financial statements For the year ended 31 December 2015

1. General information

Planet Oil International Limited is a company incorporated in the United Kingdom. The address of the registered office is given on page 1.

2. Adoption of new and revised standards

Standards not affecting the reported results or the financial position

New and revised Standards and Interpretations adopted in the current year did not have any significant impact on the amounts reported in these financial statements.

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

IFRS 5	Non-current Assets Held for Sale and Discontinued Operations - Changes in methods of disposal
IFRS 9	Financial Instruments
IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
IFRS 11	Accounting for Acquisitions of Interests in Joint Operations
IFRS 14	Regulatory Deferral Accounts
IFRS 15	Revenue from Contracts with Customers
IFRS 16	Leases
IAS 1	Disclosure Initiative
IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
IAS 19	Employee Benefits - Discount rate: regional market issue
IAS 27	Equity Method in Separate Financial Statements
IAS 34	Interim Financial Reporting - Disclosure of information 'elsewhere in the interim financial report'

The adoption of IFRS 9 Financial Instruments which the company plans to adopt for the year commencing 1 January 2018 will impact both the measurement and disclosures of financial instruments.

The directors do not expect that the adoption of the other Standards listed above will have a material impact on the financial statements of the company in future periods.

Planet Oil International Limited

Notes to the financial statements (continued)

For the year ended 31 December 2015

3. Accounting policies

Other than the changes to the Standards in note 2, the company's accounting policies are consistent with the prior year.

Basis of accounting

The financial statements have been prepared in accordance with IFRS as adopted by the European Union and therefore the financial statements comply with Article 4 of the EU IAS Regulation.

The financial statements have been prepared on the historical cost basis. The financial statements are presented in US dollars and all values are rounded to the nearest US dollar thousand, except where otherwise stated. The financial statements have been prepared on a going concern basis (see note 4 for further details).

The principal accounting policies adopted by the company are set out below.

Consolidation

The company is exempt from preparing consolidated accounts as it is a member of a group, headed by Tullow Oil plc, whose consolidated accounts are publicly available.

Foreign currencies

The US dollar is the presentation currency and the functional currency of the company.

Transactions in foreign currencies are recorded at the rates of exchange ruling at the transaction dates. Monetary assets and liabilities are translated into functional currency at the exchange rate ruling at the statement of financial position date, with a corresponding charge or credit to the statement of comprehensive income. However, exchange gains and losses arising on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur, which form part of the net investment in a foreign operation, are recognised in the foreign currency translation reserve and recognised in profit or loss on disposal of the net investment. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Taxation

Current and deferred tax including UK corporation tax and overseas corporation tax are provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date. Deferred corporation tax is recognised on all temporary differences that have originated but not reversed at the statement of financial position date where transactions or events that result in an obligation to pay more, or right to pay less, tax in the future have occurred at the statement of financial position date. Deferred tax assets are recognised only to the extent that it is considered more likely than not that there will be suitable taxable profits from which the underlying temporary differences can be deducted. Deferred tax is measured on a non-discounted basis.

Investments

Fixed asset investments, including investments in subsidiaries, are stated at cost and reviewed for impairment if there are indications that the carrying value may not be recoverable.

Planet Oil International Limited

Notes to the financial statements (continued) For the year ended 31 December 2015

3. Accounting policies (continued)

Financial assets

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs.

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL); 'held-to-maturity' investments; 'available-for-sale' (AFS) financial assets; and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. The company chooses not to disclose the effective interest rate for debt instruments that are classified as at fair value through profit or loss.

Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Planet Oil International Limited

Notes to the financial statements (continued) For the year ended 31 December 2015

4. Critical accounting judgements

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the statement of financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

- **Presumption of going concern (Directors' Report)**

The principal activity of the company is that of an investment holding company. The company does not expect to change its principal activity in the 2016 financial year.

The company recorded a loss of US\$7,335,785 (2014: US\$nil) for the period to 31 December 2015. As at 31 December 2015 the company had a net liability position of US\$11,529,727 (2014: US\$4,193,829).

The ability to meet its obligations as they fall due is dependent on the ultimate parent company providing support to fund the amounts owed during the period of assessment. A letter of support has therefore been provided by Tullow Oil plc, which states it will provide the necessary financial support to ensure that this company is a going concern for at least twelve months from the date of signing of these financial statements.

In making their assessment of going concern the directors have considered the letter of support from Tullow Oil plc. The directors, having assessed the responses of the directors of Tullow Oil plc to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of Tullow Oil plc to continue as a going concern or its ability to honour its commitments in accordance with the letter of support.

On the basis of their assessment of the company's financial position and of the enquiries made of the directors of Tullow Oil plc, the directors have reasonable expectation that the company has adequate resources to continue as a going concern for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing the financial statements.

- **Carrying value of investments (note 9);**

The company is required to assess the carrying values of each of its investments in subsidiaries for impairment. The net assets of certain of the Company's subsidiaries are predominantly intangible exploration and evaluation (E&E) assets. Where facts and circumstances indicate that the carrying amount of an E&E asset held by a subsidiary may exceed its recoverable amount, by reference to the specific indicators of impairment of E&E assets, an impairment test of the asset is performed by the subsidiary undertaking and the asset is impaired by any difference between its carrying value and its recoverable amount. The recognition of such an impairment by a subsidiary is used by the Company as the primary basis for determining whether or not there are indications that the investment in the related subsidiary may also be impaired, and thus whether an impairment test of the investment carrying value needs to be performed. The results of exploration activities are inherently uncertain, and the assessment of impairment of E&E assets by the subsidiary, and that of the related investment by the Company, is judgemental.

5. Foreign exchange loss

	2015 US\$'000	2014 US\$'000
Foreign exchange loss on Australian dollar denominated loans	(155)	(112)

Planet Oil International Limited

Notes to the financial statements (continued) For the year ended 31 December 2015

6. Loss for the year before taxation

The current year fee for the audit of the company's financial statements of US\$8,238 (2014: US\$8,761) was borne by another group company. The statutory auditor did not provide any non-audit services to Planet Oil International Limited during 2015 (2014: None).

7. Taxation

(a) Analysis of tax charge in the year

No taxation is payable in the current year as the company did not derive any taxable income (2014: US\$nil).

(b) Factors affecting tax charge for the year

The difference between the total current tax shown above and the amount calculated by applying the effective rate of UK corporation tax to the loss before taxation is as follows:

	2015 US\$'000	2014 US\$'000
Loss for the year before taxation	(7,336)	-
Tax credit on loss on ordinary activities at effective UK corporation tax rate of 20.25% (2014: 21.5%)	(1,486)	-
Effects of:		
Expenses not deductible for tax purposes	1,486	-
Current tax charge for the year	-	-
Accumulated unrecognised assessed loss	442	442

The company is subject to UK corporation tax. The Finance Act 2013 provided a reduction in the main rate of UK corporation tax from 23% to 21%, effective from 1 April 2014. The Finance Act 2014 provided a reduction in the main rate of UK corporation tax from 21% to 20%, effective from 1 April 2015. The Finance (No.2) Act 2015 announced further reductions in the main rate of UK corporation tax to 19% effective from 1 April 2017 and to 18% effective from 1 April 2020.

A deferred tax asset has not been recognised in relation to tax losses of approximately US\$441,661 (2014: US\$441,661), as it is uncertain if the company will generate sufficient taxable profits in the near future to utilise the losses.

8. Directors' emoluments and employees

None of the directors received any remuneration for their services to the company during the year (2014: US\$nil).

No employees were employed during the year (2014: none).

Planet Oil International Limited

Notes to the financial statements (continued) For the year ended 31 December 2015

9. Investments

	2015 US\$'000	2014 US\$'000
Tullow Oil Holdings (Guernsey) Limited		
At cost - 2 ordinary shares (representing 100% of shares in issue) - US\$3	-	-
Provision for impairment - (US\$3)	-	-
Planet Oil Limited		
At cost - 110,000 ordinary shares (representing 100% of shares in issue)	175	175
Provision for impairment	(175)	(175)
	<hr/>	<hr/>
Carrying amount	-	-
	<hr/>	<hr/>

10. Related party loans receivable

	2015 US\$'000	2014 US\$'000
Tullow Oil Holdings (Guernsey) Limited	8,053	8,053
Planet Oil Limited	-	1,271
Less: allowance for related party loans receivable	(8,053)	(1,988)
	<hr/>	<hr/>
	-	7,336
	<hr/>	<hr/>

The above loans are unsecured, have no fixed repayment terms and no interest is applicable. The balances will be settled via a transfer of funds. The loans from Tullow Oil Holdings (Guernsey) Limited and Planet Oil Limited are denominated in US dollars and Australian dollars, respectively.

An exchange rate loss of US\$150,083 (2014: loss of US\$111,701) arose on the Australian dollar denominated loan.

The allowance for related party loans receivable has been made following an analysis of the likely recovery of intercompany loans based on the net assets and expected future performance of the counterparty group company.

11. Related party loan payable

	2015 US\$'000	2014 US\$'000
Hardman Resources Pty Limited	11,530	11,530
	<hr/>	<hr/>

The loan from Hardman Resources Pty Limited is unsecured, has no fixed repayment terms and no interest is applicable. The loan is denominated in US dollars.

Planet Oil International Limited

Notes to the financial statements (continued) For the year ended 31 December 2015

12. Share capital

	2015 US\$'000	2014 US\$'000
Issued		
35,000,000 ordinary shares of 2 pence each - £700,000	1,410	1,410

Pursuant to a Special Resolution passed on 8 December 2009, the company adopted new Articles of Association which, in accordance with the Companies Act 2006, no longer require the company to have an authorised share capital.

13. Share premium

	2015 US\$'000	2014 US\$'000
Share premium on issue of shares	148	148

14. Cash flows from operations

	2015 US\$'000	2014 US\$'000
Loss for the year before taxation	(7,336)	-
Adjusted for:		
Foreign exchange loss	150	112
Allowance for related party loans receivable	6,065	(112)
Intercompany write off	1,121	-
Cash flows from operations	-	-

15. Contingent liabilities and commitments

There were no contingent liabilities or commitments at the end of the year (2014: US\$nil).

16. Immediate and ultimate holding company

Hardman Resources Pty Limited, a company incorporated in Australia, is the holding company of Planet Oil International Limited.

Tullow Oil plc, a company incorporated in the United Kingdom, is the ultimate holding company of Planet Oil International Limited.

Planet Oil International Limited

Notes to the financial statements (continued) For the year ended 31 December 2015

17. Related parties

The company in the ordinary course of business, entered into certain related party transactions.

The following represent balances with related parties:

	2015 US\$'000	2014 US\$'000
Related party loan receivables		
Tullow Oil Holdings (Guernsey) Limited	8,053	8,053
Planet Oil Limited	-	1,271
Less: allowance for doubtful debt	(8,053)	(1,988)
	<u>-</u>	<u>7,336</u>
Related party loan payable		
Hardman Resources Pty Limited	<u>11,530</u>	<u>11,530</u>

18. Financial instruments

Capital risk management

The capital structure of the company consists of debt, which includes the holding company loan disclosed in note 11 and equity attributable to equity holders of the parent, comprising issued share capital, share premium and an accumulated loss as disclosed in the statement of changes in equity.

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3 to the financial statements.

Categories of financial instruments

	2015 US\$'000	2014 US\$'000
Financial assets		
Loan receivables	<u>-</u>	<u>7,336</u>
Financial liabilities		
Loan payables	<u>11,530</u>	<u>11,530</u>

The company's related party loans are repayable on demand and the carrying value is equal to the fair value.

Planet Oil International Limited

Notes to the financial statements (continued) For the year ended 31 December 2015

18. Financial instruments (continued)

Financial risk management objectives and policies and credit risk

The company's principal financial assets are amount due from group companies. The credit risk associated with such items, having regard to the counterparties involved, has been assessed following an analysis of the likely recovery of intercompany debtor balances, based on the net assets and expected future performance of the company.

The company receives loans from a fellow group company to maintain liquidity and ensure there are sufficient funds available for ongoing operations.

Foreign currency risk management

The company undertakes certain transactions denominated in foreign currencies. The company holds an Australian dollar denominated loan – refer to note 10. Hence, exposures to exchange rate fluctuations arise. The company does not have any forward exchange contracts.

Liquidity and interest risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of the company's short, medium and long-term funding and liquidity management requirements. The company is able to actively source financing from its shareholder.

Interest rate sensitivity analysis

All financial assets and liabilities in 2015 and 2014 are non-interest bearing and have no fixed repayment terms. They thus all fall due within one year.

Liquidity and interest risk tables

The following tables detail the company's remaining contractual maturity for its non-derivative financial assets and liabilities.

	Interest rate %	Year 1 US\$'000	Years 1 - 5 US\$'000	Over 5 Years US\$'000	Total US\$'000
2015 Assets					
Related party loans receivable	Interest free	-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
	Interest rate %	Year 1 US\$'000	Years 1 - 5 US\$'000	Over 5 Years US\$'000	Total US\$'000
2015 Liabilities					
Related party loan payable	Interest free	11,530	-	-	11,530
		<hr/>	<hr/>	<hr/>	<hr/>

Planet Oil International Limited

Notes to the financial statements (continued) For the year ended 31 December 2015

18. Financial instruments (continued)

Liquidity and interest risk tables (continued)

	Interest rate %	Year 1 US\$'000	Years 1 - 5 US\$'000	Over 5 Years US\$'000	Total US\$'000
2014 Assets					
Related party loans receivable	Interest free	7,336	-	-	7,336

	Interest rate %	Year 1 US\$'000	Years 1 - 5 US\$'000	Over 5 Years US\$'000	Total US\$'000
2014 Liabilities					
Related party loan payable	Interest free	11,530	-	-	11,530

19. Events subsequent to the financial year end

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.