

Company Registration No 04128401
(England and Wales)

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WOBURN ENERGY PLC
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

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WOBURN ENERGY PLC

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WOBURN ENERGY PLC

DIRECTORS, SECRETARY AND ADVISERS

Directors:

Dr Syed Abedi
Chairman (Non-Executive)

Kamran Ahmed
Acting Managing Director

Sir Antony Brian Baldry MA, LLB, FChI Arbitrators
Deputy Chairman (Independent Non-Executive)

Rustom Bejon Kanga FCA
Director (Non-Executive)

Registered Office and Business Address:

16 Upper Woburn Place
London
WC1H 0AF

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Facsimile 0207 380 0518

Email info@woburnenergy.com

Web www.woburnenergy.com

Company Number:

04128401

Company Secretary:

Deborah King FCIS

Solicitors:

Kennedys Law LLP

Company Auditors:

UHY Hacker Young LLP, London

Bankers:

Barclays Bank PLC

Share Registrars:

Neville Registrars Limited
Neville House
18 Laurel Lane
Halesowen
West Midlands B63 3DA

Telephone 0121 585 1131

Facsimile 0121 585 1132

WOBURN ENERGY PLC

CHAIRMAN'S STATEMENT

The year ended 31 December 2012 was, as has been previously reported, one of significant change for the Company as we were finally able to agree the sale of the Company's 51 per cent working interest in the Las Quinchas Association Contract in Colombia (the "Disposal"). Woburn had been seeking a buyer for some considerable time for its Colombian beneficial interests, which were owned by its 51 per cent owned subsidiary, LQRC, which had a 50 per cent non-operated beneficial interest in Las Quinchas Association Contract in Colombia. The receipt of the final Disposal proceeds of US\$3,913,133 was received in June 2013 at which time the Company's 51% shareholding in Las Quinchas Resource Corp ("LQRC") was transferred to Pacific Stratus Energy Col Corp. LQRC and Woburn have now settled all outstanding liabilities owed both to the Las Quinchas Association Contract operator, Pacific Rubiales, and the LQRC minority shareholder, PetroMagdalena.

The Disposal constituted a fundamental change of business of the Company under Rule 15 of the AIM Rules and resulted in the Company becoming an Investing Company. The Company intends to make investments in the oil and gas sector and the Directors intend initially to focus on Europe, the Middle East, Africa and Asia where they believe that a number of opportunities exist to acquire interests in suitable projects, although other regions may be considered. Investments may be made in exploration, development or producing assets, if deemed financially and technically viable.

Following the settlement of all outstanding management fees and other administrative costs owed by Woburn and repayment in full of the existing Cetus Loan, Woburn's share of the net proceeds of the Disposal amounted to approximately \$2.87 million which provided the Company with sufficient cash resources to pursue new investments in accordance with its investing policy and to provide working capital for the day-to-day business of the Company.

The Company was required to make an acquisition or acquisitions which constitute a reverse takeover under the AIM Rules or otherwise implement its investing policy by 21 June 2013, failing which, the Company's Ordinary Shares were suspended from trading on AIM. Following the suspension of the Company's shares, as no investment was made by 21 December 2013 the AIM trading facility was cancelled. The Company had reviewed a number of potential investment opportunities but could not implement its investment policy since it was unable to secure any opportunities that had an acceptable risk profile.

Dr Syed Abedi
Chairman

29 April 2014

WOBURN ENERGY PLC

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

The Directors present their reports together with the audited financial statements for the year ended 31 December 2013

Principal activity

The Company is registered in England and Wales. The Group's principal activity is oil and gas exploration and production. The Company and its 51% owned subsidiary undertaking, Las Quinchas Resource Corporation ("LQRC"), ("the Group") became an investment company in June 2012 following the disposal of its Colombian interests and has no other assets other than the proceeds of the disposal. As the Company had been unable to secure an investment by 21 December 2013, in accordance with the AIM Rules the Company's share facility was cancelled from the Alternative Investment Market ("AIM").

Investing Policy

The Company's investing policy is set out below

The Company intends to make investments in the oil and gas sector. The Directors are currently pursuing opportunities to acquire interests in suitable projects in Central Asia and Myanmar, although other regions may be considered. Investments may be made in exploration, development or producing assets which are financially and technically viable.

The Directors may consider it appropriate to take an equity interest in any proposed investment which may range from a minority position to 100 per cent ownership. Proposed investments may be made in either quoted or unquoted companies and structured as a direct acquisition, joint venture or as a direct interest in a project.

The Company's primary objective is that of securing for the Shareholders, the best possible value consistent with achieving, over time, both capital growth and income for Shareholders through developing profitability coupled with dividend payments on a sustainable basis.

Review of the business and future prospects

The Company's activities for the year and future prospects are discussed in the Chairman's Statement.

Due to the current stage of the development and the financial condition of the Company, the Directors do not consider it meaningful to consider a detailed review of the key performance indicators in respect of the year under review.

WOBURN ENERGY PLC

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

Going concern: principal risks and uncertainties facing the Company

The principal risks and uncertainties facing the Company at the present time are related to the identification and funding of international production and development projects in the oil and gas industry

During the year ended 31 December 2013 the Group made a loss of \$919,790 (2012 profit \$6,996,240) At the year-end date, the Group had net assets of \$2,511,920 (2012 \$8,437,936) the principal asset being \$2,574,968 of cash remaining from the sale of Colombian interests The Group also had trade and other payables due within one year outstanding of \$109,112 (2012 \$4,826,154)

On 1 June 2012, the Company announced that its 51% owned subsidiary, LQRC, had entered into a conditional Assignment Agreement for the sale of its 50 per cent beneficial interest in the Las Quinchas Association Contract Woburn's share of the net disposal proceeds was estimated to amount to approximately US\$5.14 million after expenses and settling existing liabilities of LQRC The sale by LQRC was approved by Shareholders at a general meeting of the Company held on 21 June 2012

Prior to receipt of funds from the sale of the Colombian beneficial interests or from other sources, the Company had been reliant on the on-going financial support of Cetus, to meet its operating costs The cash proceeds of the disposal has enabled LQRC and Woburn to settle all outstanding liabilities owed both to the Las Quinchas Association Contract operator, Pacific Rubiales, and the LQRC minority shareholder, PetroMagdalena Following the settlement of all outstanding management fees and other administrative costs owed by Woburn to PetroMagdalena, Woburn's expenses and costs of the disposal and repayment in full of the Cetus Loan, Woburn's share of the net proceeds provided the Company with the cash resources to pursue new investment opportunities and to provide working capital for the day-to-day business of the Company

The Directors believe that the Company has appropriate levels of financing and that the Company will have sufficient cash to fund its activities and to continue its operations for the foreseeable future and for the Company to continue to meet its liabilities as they fall due, and for at least the next twelve months from the date of approval of these financial statements The financial statements have, therefore, been prepared on the going concern basis

On behalf of the Board



K Ahmed
Acting Managing Director

29 April 2014

WOBURN ENERGY PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

Results and dividends

The Group results for the year ended 31 December 2013 are set out in the financial statements. The Group made a loss for the year ended 31 December 2013 of \$919,790 (2012 profit \$6,996,240). The Directors cannot recommend a dividend for the year ended 31 December 2013 (2012 \$nil).

Company structure and share capital

Details of the share capital are set out in Note 16 to the financial statements.

Directors

The following Directors held office during the year:

Dr S Abedi – appointed 20 August 2013
K Ahmed
A B Baldry
H A Hashwani – resigned 20 August 2013
R B Kanga
A Kemal - resigned 27 June 2013

Employees' health and safety

It is the policy of the Company to consider the health and welfare of employees by maintaining a safe place and system of work as required by the Safety, Health and Welfare at Work Act, 1989.

Significant shareholders

The interests in the Company's Ordinary Shares as at 28 April 2014 of its major shareholders were as follows:

	Number of Ordinary Shares	% of Issued Share Capital
Cetus Investment Resources Inc ("Cetus")	200,000,000	86.15%

No other individual or organisation holds more than 3% of the Company's Ordinary Shares.

Environment

At 31 December 2013 the Group is not an operator of any exploration projects, and therefore, to the best of its knowledge there is no potential for any environmental breach. There have been no known convictions in relation to breaches of these acts recorded against the Group during the reporting period.

Use of financial instruments

The Group's financial risk management objectives are to minimise debt, to fund exploration activity through equity financing and to ensure sufficient working capital for the Group's overhead and capital expenditure commitments. This is achieved by prudent financial management and careful management of the Group's cash balances, both short and long term.

WOBURN ENERGY PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

Internal controls

The Board is responsible for identifying and evaluating the major business risks faced by the Group and for determining and monitoring the appropriate course of action to manage these risks

Political and charitable contributions

There were no political or charitable contributions made by the Group during the year ended 31 December 2013

Subsequent events

Subsequent events after the year end are set out in Note 20 of the financial statements

Corporate Governance

The Directors are committed to proper standards of corporate governance and will continue to keep procedures under review

The Board

The Board is responsible to the shareholders for the leadership and control of the Company. Meetings are conducted when important matters or issues require discussion. Circular resolutions of the Directors are undertaken on minor issues. In addition, the Acting Managing Director keeps all members of the Board apprised on a regular basis. Directors also meet regularly on an informal basis to discuss various matters relating to the Group's activities, objectives and to ensure Corporate Governance is maintained.

The Board considers and monitors all matters as are specifically vested to it under the Company's Articles of Association ("the Articles"). The Company's management provides formal and transparent procedures to appoint or re-elect Board Members.

Annual General Meeting

The Annual General Meeting is to be held on 23 May 2014 and details are set out in the Notice of Meeting at the end of this Annual Report, together with the Form of Proxy. Resolutions 1 to 5 are ordinary resolutions and 6 is a special resolution.

Resolutions 1 and 4 deal with the approval, inter alia, of the Financial Statements and the re-appointment of the auditors. The Articles provide for the re-election of all Directors at regular intervals and K Ahmed will offer himself for re-election in Resolution 3. In accordance with the Articles Dr Syed Abedi will offer himself up for election having been appointed during the year.

Resolutions 5 and 6 concern the granting of authority to the Directors to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company up to an aggregate nominal amount of £2,500,000 and to be empowered to allot equity securities, including treasury shares, thereby allowing the Board to more easily conclude commercial opportunities as appropriate.

The Directors unanimously recommend that shareholders vote in favour of all the proposed resolutions as they intend to do in respect of their own beneficial holdings.

WOBURN ENERGY PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

Remuneration Report

Introduction

Woburn Energy is not required to comply with Directors' Remuneration Report Regulations but it is committed to the highest standards of Governance

Remuneration Committee

The purpose of the Remuneration Committee is to make recommendations to the Board on an overall remuneration policy for Directors in order to attract, retain and motivate high quality executives capable of achieving the Company's objectives. The Company's Remuneration Committee currently comprises Dr S Abedi and R Kanga

Directors' Remuneration Packages

In 2013 there were no remuneration packages or performance related bonuses, long term incentive awards or health benefits for any of the Directors. There are currently no remuneration packages for Directors, other than the Non-Executive independent Director and Deputy Chairman

Remuneration Policy

Woburn Energy aligns any remuneration between the interests of shareholders and executives

Directors' Service Contracts

There were no service contracts with the Directors in 2013

Directors' remuneration

Remuneration of Directors was as follows

	Fees/basic salary \$	Pension contributions & other benefits* \$	2013 Total \$	2012 Total \$
<i>Non-Executive</i>				
A B Baldry	62,572	-	62,572	63,228
Total	62,572	-	62,572	63,228

There were no contracts existing during or at the end of the year in which a Director was or is materially interested, save as set out in the Related Parties Note 15 in the financial statements. Directors' remuneration shown comprises all of the fees, salaries and other benefits and emoluments paid to Directors. All other directors in the periods waived their rights to Directors' Fees

Acquisition of New Projects

Prior to acquiring new projects, the Company initially evaluates both the political and legal risk associated with the country in which the project is located. If either of these are considered too much of a concern, no further evaluation is undertaken. The Board, as a whole, has elected at this point in the Company's history, not to seek projects located in basins which do not have proven hydrocarbon systems. Final sign-off on new acquisitions is only taken following technical evaluation of the available data. The Acting Managing Director then reviews all information and presents to the full Board for approval. In addition, no formal agreements contracting the Company to a project area are signed without advice from legal and other advisers.

WOBURN ENERGY PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

Information to shareholders - Website

The Company has its own website (www.woburnenergy.com) for the purposes of improving information flow to shareholders as well as to potential investors

Statement of responsibilities of those charged with governance

The Directors are responsible for preparing the financial statements in accordance with applicable law and International Financial Reporting Standards as adopted by the European Union ("IFRS")

Company law requires the Directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Group and Parent Company and of the profit or loss of the Group for that period. In preparing these financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The Directors confirm that the financial statements comply with the above requirements

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Group and Parent 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 Group and Parent 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 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

Statement of disclosure to auditor

So far as each of the Directors at the time of approval of the report are aware there is no relevant audit information of which the Company's auditors are unaware and the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

WOBURN ENERGY PLC

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013**

Auditors

In accordance with Section 489 of the Companies Act 2006, Resolution 4 in the Notice of AGM proposes that UHY Hacker Young LLP be re-appointed as auditors of the Company and that the Directors be authorised to fix their remuneration

On behalf of the Board

A handwritten signature in black ink, appearing to be 'K Ahmed', written over a vertical line.

**K Ahmed
Acting Managing Director**

29 April 2014

WOBURN ENERGY PLC

DIRECTORS' BIOGRAPHIES

Dr Hyder Mumtaz Syed Abedi (70)

Chairman

Syed Abedi has over 38 years international oil industry experience. The geographical scope of his career has spanned Europe, the Far East, the Middle East and North and West Africa. Following early retirement from Shell Dr Abedi set up an exploration and development consultancy company, Zawiyah Associates Ltd, that offers expert services to the international oil and gas industry. Dr Abedi later co-founded Gulf of Guinea Energy (GOGUE) Ltd where he managed all technical and managerial activities. He is co-founder of Bonavista Energy Ltd, an oil and gas exploration and production company with its main assets in Nigeria. Dr Abedi has a PhD in Applied Geophysics from University of London and is a former lecturer of geophysics at the University of London.

Dr Abedi is a member of the Company's Remuneration Committee.

Kamran Ahmed (51)

Acting Managing Director

Kamran Ahmed is a graduate of Ithaca College, Cornell University, with 31 years' experience in banking and oil and gas. He has worked with multinational financial institutions and oil and gas companies, including Shell, Mobil, Bankers Equity and Merrill Lynch. In 2002 he joined Orient Petroleum International Inc and is now based in the UK as Director of Orient Petroleum (UK) Limited, a wholly-owned subsidiary of OPL.

Sir Antony Brian Baldry (63)

Deputy Chairman, Independent Non-Executive Director

Tony Baldry is the Conservative Member of Parliament for Banbury (North Oxfordshire). He has been an MP for nearly 32 years and held various ministerial posts between 1990 and 1997. These included Parliamentary Under-Secretary of State at the Department of Energy where, alongside John Wakeham, he oversaw the privatisation of the UK electricity industry.

A practising barrister, Tony is also a director of a number of public and private companies. Tony has a wealth of experience of giving strategic and financial advice to growing companies across a range of sectors, including natural resources.

Sir Antony Baldry is a member of the Company's Audit Committee.

Rustom Bejon Kanga FCA (59)

Non-Executive Director

Rustom Kanga has over 30 years' diverse experience in business and commerce. He has been involved in the upstream oil and gas industry since 1996 and has valuable experience in starting new ventures, acquisitions, divestitures and financing. He is a Fellow of the Institute of Chartered Accountants in England and Wales and serves on the board of several private companies.

Mr Kanga is Chairman of the Company's Audit Committee and is a member of the Remuneration Committee.

WOBURN ENERGY PLC

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF WOBURN ENERGY PLC

We have audited the financial statements of Woburn Energy plc for the year ended 31 December 2013, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statements of Financial Position, the Consolidated and Parent Company Statements of Changes in Equity, the Consolidated and Parent Company Statements of Cash Flows, together with the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the Parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

This report is made solely to the Company's members, as a body, in accordance with part 3 of Chapter 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 auditors

As explained more fully under 'Statement of Responsibilities of those charged with Governance' on page 9, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view of the Company's affairs.

Our responsibility is to audit and express an opinion on the financial statements in accordance with relevant law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB) Ethical Standards for auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/private.cfm

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and the Parent Company's affairs as at 31 December 2013 and of the Group's loss for the year then ended,
- the Group financial statements have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union, and
- the Parent Company financial statements have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006, and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

WOBURN ENERGY PLC

**INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF WOBURN ENERGY PLC**

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 requires us to report to you if, in our opinion

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Colin Wright (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young LLP
Chartered Accountants
Statutory Auditor

Quadrant House
4 Thomas More Square
London E1W 1YW

29 April 2014

WOBURN ENERGY PLC

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2013**

		Year ended 31 December 2013 \$	Year ended 31 December 2012 \$
	Notes		
Revenue		-	-
Operating expenses		-	-
Gross loss		-	-
Administrative expenses		(525,886)	(838,095)
Group operating loss	5	(525,886)	(838,095)
Finance costs		-	-
Loss before taxation		(525,886)	(838,095)
Taxation	6	-	-
Loss for the year from continuing operations		(525,886)	(838,095)
Discontinued operations			
(Loss)/profit from discontinued operations	7	(393,904)	7,834,335
Total comprehensive (loss)/profit for the year		(919,790)	6,996,240
Total comprehensive (loss)/profit attributable to:			
Equity holders of the Parent Company		(919,790)	3,233,324
Minority interest	17	-	3,762,916
		(919,790)	6,996,240
Loss per share (cents): Continuing operations			
Basic & diluted	8	(0 23)	(0 33)
(Loss)/earnings per share (cents): Discontinued operations			
Basic & diluted	8	(0 17)	1 72
(Loss)/earnings per share (cents): Discontinued and continuing operations			
Basic & diluted	8	(0 40)	1 39

WOBURN ENERGY PLC

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013**

	Notes	31 December 2013		31 December 2012	
		\$	\$	\$	\$
ASSETS					
Non-current assets					
Intangible assets	11	-	-	-	-
Current assets					
Receivables on sale of Colombian assets	7	-	13,120,000		
Other receivables	13	46,064	70,189		
Cash and cash equivalents	18	2,574,968	73,901		
		2,621,032	13,264,090		
Total Assets		2,621,032	13,264,090		
LIABILITIES					
Current liabilities					
Trade and other payables	14	(109,112)	(4,826,154)		
Total Liabilities		(109,112)	(4,826,154)		
Net Assets		2,511,920	8,437,936		
EQUITY					
Capital and reserves					
Share capital	16	13,596,651	13,596,651		
Share premium		17,815,055	17,815,055		
Retained losses		(28,899,786)	(27,979,996)		
Shareholders' Funds		2,511,920	3,431,710		
Minority interests	17	-	5,006,226		
		2,511,920	8,437,936		

These financial statements were approved by the Board of Directors on 29 April 2014 and signed on its behalf by



Director – K Ahmed

Company Registration Number: 04128401

WOBURN ENERGY PLC**COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013**

	Notes	31 December 2013		31 December 2012	
		\$	\$	\$	\$
ASSETS					
Non-current assets					
Investments in subsidiaries	12		-		3,510,979
Current assets					
Other receivables	13	46,064		20,396	
Cash and cash equivalents	18	2,574,968		73,127	
			2,621,032		93,523
Total Assets			2,621,032		3,604,502
LIABILITIES					
Current liabilities					
Trade and other payables	14		(109,112)		(2,337,624)
Total Liabilities			(109,112)		(2,337,624)
Net Assets			2,511,920		1,266,878
EQUITY					
Capital and reserves attributable to equity holders					
Share capital	16		13,596,651		13,596,651
Share premium			17,815,055		17,815,055
Retained losses			(28,899,786)		(30,144,828)
Total Equity			2,511,920		1,266,878

These financial statements were approved by the Board of Directors on 29 April 2014 and signed on its behalf by



Director – K Ahmed

Company Registration Number: 04128401

WOBURN ENERGY PLC

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Share Capital \$	Share Premium \$	Retained Losses \$	Total \$	Minority Interest \$	Total Equity \$
Balance at 1 January 2012	13,596,651	17,815,055	(31,213,320)	198,386	1,243,310	1,441,696
Profit for 2012	-	-	3,233,324	3,233,324	3,762,916	6,996,240
Balance at 31 December 2012	13,596,651	17,815,055	(27,979,996)	3,431,710	5,006,226	8,437,936
Loss for 2013	-	-	(919,790)	(919,790)	(5,006,226)	(5,926,016)
Balance at 31 December 2013	13,596,651	17,815,055	(28,899,786)	2,511,920	-	2,511,920

WOBURN ENERGY PLC

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Share Capital \$	Share Premium \$	Retained Losses \$	Total \$
Balance at 1 January 2012	13,596,651	17,815,055	(29,323,028)	2,088,678
Loss for 2012	-	-	(821,800)	(821,800)
Balance at 31 December 2012	13,596,651	17,815,055	(30,144,828)	1,266,878
Profit for 2013	-	-	1,245,042	1,245,042
Balance at 31 December 2013	13,596,651	17,815,055	(28,899,786)	2,511,920

WOBURN ENERGY PLC**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Year ended 31 December 2013	Year ended 31 December 2012
	\$	\$
Cash flows from operating activities		
Group operating loss from continuing operations	(525,886)	(838,095)
Group operating loss from discontinued operations	-	165,094
Adjustments for items not requiring an outlay of funds		
Foreign exchange differences	-	46,727
	<hr/>	<hr/>
Operating loss before changes in working capital	(525,886)	(626,274)
(Increase)/decrease in receivables	(25,668)	51,646
(Decrease)/increase in trade and other payables	(984,519)	110,762
Decrease in decommissioning provision	-	(211,892)
	<hr/>	<hr/>
Net cash used in operating activities	(1,536,073)	(675,758)
	<hr/>	<hr/>
Investing activities		
Funds received for asset held for resale	-	19,219
Funds used for the disposal of Colombian assets	-	(94,553)
Net proceeds on disposal of LQRC (net of cash sold) (note 7)	4,037,140	-
	<hr/>	<hr/>
Net cash from/(used in) investing activities	4,037,140	(75,334)
	<hr/>	<hr/>
Increase/(decrease) in cash and cash equivalents	2,501,067	(751,092)
Cash and cash equivalents at beginning of year	73,901	824,993
	<hr/>	<hr/>
Cash and cash equivalents at end of year	2,574,968	73,901
	<hr/>	<hr/>

WOBURN ENERGY PLC**COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Year ended 31 December 2013 \$	Year ended 31 December 2012 \$
Cash flows from operating activities		
Company operating loss (before profit on disposal of LQRC)	(525,886)	(821,800)
Adjustments for items not requiring an outlay of funds		
Foreign exchange adjustments on translations	-	39,000
Disposal costs relating to the Colombian assets	-	138,618
Operating loss before changes in working capital	(525,886)	(644,182)
(Increase)/decrease in receivables	(25,668)	54,115
Decrease in trade and other payables	(984,519)	(66,541)
Net cash used in operating activities	(1,536,073)	(656,608)
Investing activities		
Funds used for the disposal of Colombian assets	-	(94,553)
Disposal of LQRC business	4,037,914	-
Net cash from/(used in) investing activities	4,037,914	(94,553)
Increase/(decrease) in cash and cash equivalents	2,501,841	(751,161)
Cash and cash equivalents at beginning of period	73,127	824,288
Cash and cash equivalents at end of period	2,574,968	73,127

WOBURN ENERGY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

1. Authorisation of financial statements

Woburn Energy Plc is a public limited company incorporated in England and Wales. The principal activities of the Company and its subsidiaries ("the Group") are exploration for, and development of, oil and gas. The Company became an investment company in June 2012 following the disposal of its Colombian interests and has no other assets other than the proceeds of the disposal.

The Company's financial statements for the year ended 31 December 2013 (comparatives 12 months ended 31 December 2012) were authorised for issue by the Board of Directors on 29 April 2014 and were signed on the Board's behalf by K. Ahmed.

2. Adoption of International Financial Reporting Standards

The Group's and Company's financial statements for the year ended 31 December 2013 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

3. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated below.

3.1 Basis of preparation

The financial statements are prepared on a going concern basis, under the historical cost convention and in accordance with International Financial Reporting Standards, as adopted by the European Union, including IFRS6 'Exploration for and Evaluation of Mineral Resources' and in accordance with the Companies Act 2006. The Parent Company's financial statements have also been prepared in accordance with IFRS and the Companies Act 2006.

3.2 Going concern

After the sale of the Colombian assets, disposal of Las Quinchas Associate Resource Corporation ("LQRC") and settlement of operator's billings and the Cetus loan, the Directors believe that the Company has sufficient cash to fund its activities and to continue its operations and for the Company to continue to meet its liabilities as they fall due for the foreseeable future, being at least 12 months. Further discussions on going concern and future prospects are contained in the Strategic Report. The accounts have, therefore, been prepared on the going concern basis.

3.3 Adoption of new and revised International Financial Reporting Standards

Other than as set out below, no new IFRS standards, amendments or interpretations became effective in 2013 which had a material effect on these financial statements.

Standard	Description	Effective Date
IAS 1	Presentation of items of other comprehensive income (Amendments to IAS 1)	1 July 2012

At the date of approval of these financial statements, the following IFRS Standards and Interpretations, which have not been applied in these financial statements, were in issue and adopted by the European Union but not yet effective. These new Standards, Amendments and Interpretations are effective for accounting periods beginning on or after the dates shown below.

WOBURN ENERGY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

Standard	Description	Effective Date
IFRS 9	Financial Instruments – deals with classification and measurement of financial assets	1 January 2015
IFRS 10	Consolidated Financial Statements	1 January 2014
IFRS 11	Joint Arrangements	1 January 2014
IFRS 12	Disclosure of interests in other entities	1 January 2014
IAS 32 (amended)	Offsetting Financial Assets and Financial Liabilities – new disclosure requirements	1 January 2014
IAS 36	Impairment of assets – Recoverable amount disclosures for non-financial assets	1 January 2014

The Company has not adopted these amended standards early. The Directors do not anticipate that the adoption of these standards will have a material impact on the Company's financial statements in the periods of initial application.

3.4 Basis of consolidation

The consolidated financial statements incorporate the accounts of the Company and its subsidiaries and have been prepared by using the principles of acquisition accounting ("the purchase method") which includes the results of the subsidiaries from their date of acquisition. Intra-Company sales, profits and balances are eliminated fully on consolidation.

3.5 Goodwill

Goodwill is the difference between the amount paid on the acquisition of the subsidiary undertakings and the aggregate fair value of their separable net assets – of which oil and gas exploration expenditure is the primary asset. Goodwill is capitalised as an intangible fixed asset and in accordance with IFRS3 'Business Combinations' is not amortised but tested for impairment annually and when there are any indications that its carrying value is not recoverable. As such, goodwill is stated at cost less any provision for impairment in value. If a subsidiary undertaking is subsequently sold, goodwill arising on acquisition is taken into account in determining the profit and loss on sale.

3.6 Oil and Gas Exploration and Evaluation Expenditure

All exploration and evaluation costs incurred or acquired on the acquisition of a subsidiary are accumulated in respect of each identifiable project area. These costs, which are classified as intangible assets, are only carried forward to the extent that they are expected to be recouped through the successful development of the areas or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves (successful efforts). Pre licence/project costs are written off immediately. Other costs are written off unless commercial reserves have been established or the determination process has not been completed. Thus accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences the accumulated costs for the relevant area of interest are transferred from intangible assets to tangible assets as 'Developed Oil and Gas Assets' and amortised over the life of the area according to the rate of depletion of the economically recoverable costs.

WOBURN ENERGY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

3.7 Impairment of Oil and Gas Exploration and Evaluation Expenditure and Related Goodwill

The carrying value of unevaluated areas and the related goodwill is assessed on at least an annual basis or when there has been an indication that impairment in value may have occurred. The impairment of unevaluated prospects is assessed based on the Directors' intention with regard to future exploration and development of individual significant areas and the ability to obtain funds to finance such exploration and development.

3.8 Decommissioning costs

Where a material liability for the removal of production facilities and site restoration at the end of the field life exists, a provision for decommissioning is recognised. The amount recognised is the present value of estimated future expenditure determined in accordance with local conditions and requirements. An asset of an amount equivalent to the provision is also created and depreciated on a unit of production basis. Changes in estimates are recognised prospectively, with corresponding adjustments to the provision and the associated asset.

3.9 Investments

The Parent Company's investments in subsidiary undertakings are stated at cost less provision for impairment in the Company's statement of financial position.

3.10 Foreign currency translation

(i) Functional and presentational currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The Company's functional currency is considered to be the US Dollar. The effective exchange rate at 31 December 2013 is £1 = \$1.66 (31 December 2012 £1 = \$1.60).

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Transactions in the accounts of individual Group companies are recorded at the rate of exchange ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates ruling at the year-end date. All differences are taken to the income statement.

3.11 Deferred taxation

Deferred income taxes are provided in full, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income taxes are determined using tax rates that have been enacted or substantially enacted and are expected to apply when the related deferred income tax asset is realised or the related deferred income tax liability is settled. The principal temporary differences arise from depreciation or amortisation charged on assets and tax losses carried forward. Deferred tax assets relating to the carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

3.12 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost and comprise cash in hand, cash at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are included within borrowings in current liabilities on the statement of financial position. For the purposes of the cash flow statement, cash and cash equivalents also include the bank overdrafts.

WOBURN ENERGY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

3.13 Receivables

Receivables are carried at original invoice amount less provision made for impairment of these receivables. A provision for impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the assets' carrying amount and the recoverable amount. Provisions for impairment of receivables are included in the income statement.

3.14 Payables

Payables are recognised initially at fair values and subsequently measured at amortised cost using the effective interest method.

3.15 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the increase of new shares or options are shown in equity as a deduction from the proceeds.

4. Control

The Company is controlled by Cetus Investment Resources Inc, which owns 86.15% of the Company. Mr S Hashwani is ultimately beneficially interested in the entire issued share capital of Cetus Investment Resources Inc and is therefore the ultimate controlling party.

WOBURN ENERGY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

5. Group operating loss

The Group's operating loss is stated after charging/(crediting)

	2013	2012
	\$	\$
Employee costs (Note 10)	141,777	155,335
Rental of properties	-	108,511
Foreign exchange losses	-	57,096
Auditors' remuneration - audit services	30,000	35,000
- non-audit services	16,800	12,800
	<u>141,777</u>	<u>308,742</u>

6. Taxation

	2013	2012
	\$	\$
Current Tax		
UK corporation tax	-	-
Overseas tax	-	-
Deferred tax	-	-
	<u>-</u>	<u>-</u>

The tax charge can be reconciled to the loss for the year as follows

	2013	2012
	\$	\$
Group (loss)/ profit before tax	(919,790)	6,996,240
Tax at the standard rate of UK corporation tax of 23% (2012 24%)	(211,552)	1,679,098
<i>Effects of</i>		
Expenses not deductible for tax purposes	-	5,856
Discontinued operations	-	(1,880,240)
Effect of differing tax rates	-	705,000
Tax losses carried forward/(utilised)	211,552	(509,714)
Total current tax charge	<u>-</u>	<u>-</u>

At the year-end date the Group had unused tax losses of \$13.6 million (2012 \$19.7million) available for offset against suitable future profits. A deferred tax asset has not been recognised in respect of such losses due to the uncertainty of future profit streams. The contingent deferred tax asset at 23% is estimated to be \$3.1 million (2012 \$3.7million).

WOBURN ENERGY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

7 Discontinued operations

	2013	2012
	\$	\$
(Loss)/profit from discontinued operations	(393,904)	7,834,335

The Company completed its disposal of its 51 per cent interest in LQRC in June 2013 for a total cash consideration of \$4,037,914, net of expenses and settlement of loan of \$1,243,993 due to LQRC. The net assets of LQRC disposed were \$4,431,818 which resulted in a final loss of \$393,904 (after accounting for an estimated profit in 2012 of \$7,834,335 – see note 7 of the 2012 financial statements). The net cash inflow from this disposal is \$4,037,140, which comprised the above cash consideration (net of expenses) less cash and cash equivalents sold of £774.

In June 2012, the Company completed its disposal of its 50 per cent beneficial interest in the Las Quinchas Associate Contract ("Colombian assets") held by its 51% owned subsidiary, Las Quinchas Resource Corporation ("LQRC") for a total cash consideration (net of expenses) of \$15,861,382.

Income and expenses related to the Colombian assets are recognised as a discontinued operation within the consolidated income statement for 2013 and 2012. The profit/(loss) from the discontinued operations and the profits in respect of the disposal of the Colombian assets in 2012 are set out below.

	2013	2012
	\$	\$
Operating expenses	-	(46,798)
Provision for decommissioning release	-	211,892
Operating profit	-	165,094
Interest payable	-	(89,785)
Profit before tax	-	75,309
Taxation	-	-
Profit after tax	-	75,309
Profit on disposal of LQRC Colombian assets (see below)	-	7,759,026
Loss on disposal of LQRC	(393,904)	-
Total (loss)/profit on discontinued operations	(393,904)	7,834,335

Sale of discontinued operations

The net assets and consideration on the disposal of the Colombian assets are set out below.

	2012
	\$
Exploration and evaluation assets	7,974,036
Other debtors	65,443
Minority interest	62,877
Net assets	8,102,356
Profit on disposal	7,759,026
Net consideration	15,861,382
Relating to	
Cash consideration receivable	13,120,000
Cash consideration received	2,880,000
Disposal costs	(138,618)
	15,861,382

WOBURN ENERGY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

8. Loss per share

	2013	2012
	\$	\$
Total comprehensive loss attributable to equity shareholders – Continuing	(525,886)	(762,188)
Total comprehensive (loss)/profit attributable to equity shareholders - Continuing and Discontinued	(919,790)	3,233,324
Weighted average number of shares in issue (being the total ordinary shares in issue throughout the year)	232,160,407	232,160,407
	<u> </u>	<u> </u>
	Cents	Cents
Basic loss per share – Continuing	(0 23)	(0 33)
Basic (loss)/earnings per share – Continuing and Discontinued	(0 40)	1 39
Basic (loss)/earnings per share - Discontinued	(0 17)	1 72
	<u> </u>	<u> </u>

The diluted (loss)/earnings per share for 2013 and 2012 has been calculated using a weighted average number of shares in issue of 232,160,407 (2012 232,160,407), as there are no share options or warrants in issue that could dilute the share capital

9. Parent Company income statement

In accordance with the provisions of the Section 408 of the Companies Act 2006, the Parent Company has not presented an income statement. The profit for the year ended 31 December 2013 of \$1,245,042 (2012 loss \$821,800), which includes a profit on sale of the subsidiary of \$1,770,928, has been included in the consolidated statement of comprehensive income.

WOBURN ENERGY PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

10. Employee costs

The employee costs of the Group, including Directors' remuneration, are as follows

	2013 \$	2012 \$
Wages, salaries and fees	127,494	140,212
Social security costs	14,283	15,123
Pension costs	-	-
	<hr/>	<hr/>
Employee costs total	141,777	155,335
	<hr/>	<hr/>

The number of employees at 31 December 2013 (including Directors) was 4 Directors and 1 staff (2012 5 Directors and 1 staff)

The above employee costs include the Company's Directors. Further details of their remuneration are shown below and in the Directors' Report

	2013 \$	2012 \$
Wages, salaries and fees	62,572	63,228
Social security costs	6,973	7,093
Pension contributions	-	-
	<hr/>	<hr/>
Director's remuneration total	69,545	70,321
	<hr/>	<hr/>

The Director's remuneration comprises

	Fees/basic salary \$	Pension contributions & other benefits \$	2013 Total \$	2012 Total \$
<i>Non-Executive</i>				
A B Baldry	62,572	-	62,572	63,228
Total	<hr/> 62,572	<hr/> -	<hr/> 62,572	<hr/> 63,228

WOBURN ENERGY PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

11. Intangible assets

Group	Exploration and evaluation assets \$	Goodwill \$	Total \$
Cost			
At 1 January 2012	11,292,300	1,006,794	12,299,094
Reclassified to Assets Held for Resale (see (a) below)	(11,292,300)	-	(11,292,300)
At 31 December 2012	-	1,006,794	1,006,794
Disposal (see (b) below)	-	(1,006,794)	(1,006,794)
At 31 December 2013	-	-	-
Amortisation and impairment			
At 1 January 2012	(3,170,725)	(1,006,794)	(4,177,519)
Reclassified to Asset Held for Resale (see (a) below)	3,170,725	-	3,170,725
At 31 December 2012	-	(1,006,794)	(1,006,794)
Disposal (see (b) below)	-	1,006,794	1,006,794
At 31 December 2013	-	-	-
Net book value			
At 31 December 2012 and 2013	-	-	-

Goodwill arose on the acquisition of the Company's subsidiary undertakings. Goodwill was fully impaired in prior years.

- a) In June 2012, following the decision of the Company to sell the Colombian beneficial interests held by its 51% owned subsidiary, Las Quinchas Resource Corporation ("LQRC"), the book values of the intangible exploration and evaluation assets and their results from that date, a total of \$8,121,575 were shown in the Statement of Financial Position as "Asset Held For Sale", in accordance with IFRS 5 ("Non-Current Assets Held for Sale and Discontinued"), LQRC has no contractual future exploration expenditure commitments.
- b) After the sale of the LQRC Colombian assets, the Company disposed of its 51 per cent interest in LQRC in June 2013. See Note 7 for further details.

WOBURN ENERGY PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

12. Investments in subsidiary undertakings

	Shares in subsidiary undertakings \$
Company	
Cost	
At 1 January 2012 and at 31 December 2012	11,213,049
Disposals in 2013 (see (a) below)	(11,213,049)
At 31 December 2013	-
Impairment	
At 1 January 2012 and at 31 December 2012	(7,702,070)
Disposals in 2013 (see (a) below)	7,702,070
At 31 December 2012 and 2013	-
Net book values	
At 31 December 2013	-
At 31 December 2012	3,510,979

(a) After the sale of the LQRC Colombian assets, the Company disposed of its 51 per cent interest in LQRC in June 2013, which resulted in a profit on the sale of the subsidiary of \$1,770,928

The Company's directly held subsidiary undertaking as at 31 December 2012 was

Name	Ownership	Country of incorporation	Main activity
Las Quinchas Resource Corporation ("LQRC")	51%	Barbados	Oil and gas exploration

13. Other receivables

	31 December 2013		31 December 2012	
	Group \$	Company \$	Group \$	Company \$
Other receivables	12,515	12,515	59,527	9,734
Prepayments	33,549	33,549	10,662	10,662
	<u>46,064</u>	<u>46,064</u>	<u>70,189</u>	<u>20,396</u>

WOBURN ENERGY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

14. Trade and other payables

	31 December 2013		31 December 2012	
	Group	Company	Group	Company
	\$	\$	\$	\$
Other payables ((a) below)	31,097	31,097	442	1,244,435
Shareholder loan ((b) below)	-	-	1,040,000	1,040,000
Accruals ((c) below)	78,015	78,015	3,785,712	53,189
	<u>109,112</u>	<u>109,112</u>	<u>4,826,154</u>	<u>2,337,624</u>

(a) The Company settled \$1,243,993 that was payable to LQRC in June 2013

(b) The Company settled the loan made in 2010 by its largest shareholder, Cetus Investment Resources Inc from the proceeds of the Colombian monies and therefore nothing is owed at 31 December 2013 (2012 £650,000 (\$1,040,000)) The loan was unsecured, non-interest bearing and for an amount of up to £650,000

(c) Included in accruals at 31 December 2012 is unpaid operator billings of \$2,294,000 and \$1,313,523 owed by LQRC to the 49% Minority Interest holder

15. Related party transactions and compensation of key management personnel

Key management of the Group is considered to be the Directors of the Company There are no transactions with the Directors other than their remuneration (refer note 10) and interests in shares

During the year ended 31 December 2013 the Company was charged a total of \$90,647 for reimbursement of office rent, rates and services by a related party, Orient Petroleum (UK) Limited (2012 \$108,511), of which \$9,617 was outstanding at the end of 2013 (2012 \$17,974) The Cetus Loan was repaid in full in June 2013 (2012 \$1,040,000) (Note 14)

16. Share capital

	31 December 2013 & 2012
Group and Company	Number
Authorised capital	
1,445,235,888 ordinary shares of 1p each	<u>1,445,235,888</u>
21,031,688 deferred shares of 24p each	<u>21,031,688</u>
	\$
Allotted, called up and fully paid	
232,160,407 ordinary shares of 1p each	3,501,369
21,031,688 deferred shares of 24p each	<u>10,095,282</u>
	<u>13,596,651</u>

WOBURN ENERGY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

17. Minority interests

	Group 2013 \$	Group 2012 \$
Called up share capital	-	3,373,323
Accumulated profit/(losses)	-	1,632,903
	<u>-</u>	<u>5,006,226</u>

The minority interests at 31 December 2012 represent a 49% holding by Alange Alberta Inc in Las Quinchas Resource Corporation (LQRC), which was disposed in 2013

18. Financial instruments

Interest Rate Risk

At 31 December 2013 the Company and Group had US Dollar cash of \$2,543,367, and Pound Sterling cash of £19,051. The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates on classes of financial assets and financial liabilities, was as follows

	31.12.2013		31.12.2012	
	Floating interest rate \$	Non-Interest Bearing \$	Floating interest rate \$	Non-Interest Bearing \$
Financial assets:				
Cash at bank*	-	2,574,968	-	73,901

Financial Liabilities

At 31 December 2013 the Group had no financial liabilities

Net Fair Value

The net fair value of financial assets and financial liabilities approximates to their carrying amount as disclosed in the statement of changes in financial position and in the related notes

Financial Risk Management

The Directors recognise that this is an area in which they may need to develop specific policies should the Group become exposed to further financial risks as the business develops

Capital Risk Management

The Company considers capital to be its equity reserves. At the current stage of the Company's life cycle, the Company's objective in managing its capital is to ensure funds raised meet expenditure commitments. The Company ensures it is meeting its objectives by reviewing its KPIs, controlling costs and placing unused funds on deposit to conserve resources and increase returns on surplus cash held

19. Future exploration expenditure

The Group has no contractual future exploration expenditure commitments as at 31 December 2013

20. Subsequent events

There were no major subsequent events after 31 December 2013