Company Registration No 6900970

Transunion Petroleum Limited

Report and Financial Statements

for the year

1 January 2012 to 31 December 2012

CONTENTS

The Directors submit their report and audited financial statements for the year ended 31 December 2012

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS

The company was incorporated on 11 May 2009 and since then has been based in London

The results for the period and the financial position of the company are shown in the attached financial statements

The company's objective is to discover and exploit oil and gas reserves, or to crystallize value at some point along the value chain from concept to production

At the end of July 2009 the company, through its subsidiary Transunion Petroleum Italia S r l , submitted applications to the Italian authorities for 6 exploration permits with Nautical Petroleum plc ("Nautical") No further applications for exploration permits in Italy were made under the 2009 Joint Bidding Agreement with Nautical The company had 50% equity in licences applied for under the agreement

The company's wholly-owned subsidiary, Transunion Petroleum Italia S r l ("TUPI"), which is registered in Rome, Italy and was formed to perform oil and gas activities on behalf of Transunion in Italy, was sold in March 2012 to Nautical Also in March 2012 the Joint Bidding Agreement was terminated by mutual agreement

The sale of TUPI was driven by new Italian government guidelines that included a stipulation that all offshore operators had a minimum market capitalisation of €15mm, or its equivalent As Transunion was unlikely to have raised that cash at the time any blocks were awarded and because it was impossible to transfer operatorship before award the decision was made to sell TUPI A select group of companies were approached and in December 2011 it was agreed to accept an offer from Nautical The consideration was a cash payment, which included a sum to pay off the outstanding inter-company loans from TUPI to Transunion Petroleum Limited and a gross over-riding royalty on any future production from any production concessions that may arise from the applications detailed below In June 2012, Nautical was sold to Cairn Energy plc ("Cairn") from whom any royalty payments will now accrue

In the Sicily Channel none of the applications were top-filed by other companies However in the Gulf of Taranto all 3 applications were top-filed 1 block was top-filed by Northern Petroleum, 1 block was top-filed by Shell and the last block (d68FR TU) was top-filed by both Northern and Shell The relevant Ministry judged the bids on the 2 blocks top-filed by Shell and then awarded those blocks to Shell rather than Transunion and Nautical in April 2010 The remaining Taranto block was awarded on a preliminary basis to Cairn in 2012, the final award pending the submission and acceptance of an environmental impact assessment

The political fallout in Italy was severe from BP's Macondo oil spill in the US Gulf of Mexico in spring and summer 2010 With little or no consultation with either the hydrocarbon industry or the Italian government department that supervises the hydrocarbon industry, the Italian Environment Ministry enacted a new law by decree that has since been modified but bans all oil field activities within 12 nautical miles of the coastline or from the boundary of any national parks offshore This law was substantially modified in 2012, whereby exploration and production activities are once again allowed closer to shore It is understood that Cairn has requested that as much of the "lost" part of the applications d68FR TU and d361CR TU as possible, are restored, with the exception of application d360CR TU which is now effectively withdrawn

The d359CR TU application block in the Sicily Channel was totally unaffected by the environmental law Therefore the necessary environmental report was submitted in February 2011 and accepted by the relevant authorities At the time of the sale of TUPI final award of the block was expected within a few months, but as at August 2013 has still not been awarded

In December 2011 Transunion visited Malta to assess open acreage in the northern offshore of Maltese waters Soon afterwards a Confidentiality and Bidding Agreement Relating to Malta was signed by both Transunion and Nautical Under this agreement Transunion agreed to assist Nautical apply for Blocks 1, 2 and 3 of Area 3 (northern offshore) and in return Nautical granted Transunion the right to exercise the option to back in to any award made, as long as that back in was made within 6 months of signature of the contract An application was made, but then had to be re-submitted as the Maltese government decided to hold a licensing round Nautical was the only company to apply for the acreage and negotiations were opened

All the obligations from Nautical to Transunion in Malta transferred to Cairn in June 2012

Cairn signed an Exploration Study Agreement (ESA) with the Maltese government for Area 3 Blocks 1, 2 and 3 in December 2012 Transunion then assigned and novated its rights in the ESA to Mediterranean Oil and Gas plc (MOG) in May 2013 in return for cash payments totalling $200,000 and future cash payments on farmout and/or exploration success

The company continued to look at further new business in Italy and further afield, both as applications for exploration permits, as well as asset purchases and other means of accessing opportunities Initiatives included looking at opportunities in Greece, Italy, Spain, Tunisia, Somaliland and Madagascar, but none of these opportunities resulted in any new business

During 2012 the company attempted a variety of initiatives to raise capital or merge with a better funded entity These included a private Greek company, raising capital to build an exploration portfolio in Africa and a private offering from an exploration and production investment company to raise US$20mm to fund the exercise of the Option over the blocks in Malta and look for other opportunities beyond this within the Mediterranean This initiative was felt to have been close to success, but ultimately an offer was not made Financing efforts were suspended in spring 2013 to concentrate on the sale of the Maltese Option

The management team consists of experienced industry professionals, who have a proven track record of discovering hydrocarbons around the globe and of managing successful exploration, development and production ventures

Paul Howlett remains as Managing Director and he is matched in the executive management team by John Meredith Minority shareholders include Giovanni Catalano, James Menzies and Nicholas Cooper Mr Menzies is the CEO of Salamander Energy plc, a FTSE 250 company specialising in oil and gas production and exploration in south-east Asia Mr Cooper was the CFO of Salamander, but in April 2011 left Salamander to take up the post as Managing Director of Ophir Energy In summer 2011 Ophir succeeded in the largest ever IPO for an oil company on London's AIM market The remaining shareholder is Giovanni Catalano, who was previously Managing Director of Transunion, but is now the Managing Director of Po Valley Energy Limited

FUTURE DEVELOPMENTS

The company will continue examining methods of financing the building of a portfolio of exploration opportunities in 2013, or alternatively may decide to pursue a strategy to partner with oil companies in consideration for cash payment and future provisions on any project success

RESULTS AND DIVIDENDS

The financial statements are presented under IFRS The group recorded a profit of €22,071 (2011 loss €23,223) for the year

The Directors do not recommend the payment of a dividend

SHARE CAPITAL

At 31 December 2012 the total number of shares in issue in the Company was 750 Ordinary £1 shares

CHARITABLE AND POLITICAL DONATIONS

No donations were made during the year

CREDITOR PAYMENT POLICY

The company's policy for all suppliers is to fix terms of payment when entering into a business transaction, ensure that the supplier is aware of those terms and to abide by the agreed terms of payment Trade creditor days based on creditors at 31 December 2012 were 23 days (2011 20)

RISK MANAGEMENT

The financial risk management objectives and policies of the company in relation to the use of financial instruments and the exposure of the company to its main risks, credit risk and liquidity risk, are set out in note 16 to the financial statements

KEY PERFORMANCE INDICATORS

The company's Directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business

EMPLOYEES

The company had no employees as at 31 December 2012

DIRECTORS

The Directors who served during the year were as follows

	Date of Appointment
Paul Howlett	11 May 2009
John Meredith	11 May 2009
James Menzies	15 November 2010 – resigned 16 August 2012
Nicholas Cooper	15 November 2010 – resigned 16 August 2012

DIRECTORS' RESPONSIBILITIES

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

The Directors are required to prepare financial statements for each financial year which present fairly the financial position of the company and the financial performance and cash flows of the company for that period In preparing those financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently
- 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 IFRS is 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
- state that the company has complied with IFRS, subject to any material departures disclosed and explained in the financial statements

The Directors are responsible for keeping proper accounting records which 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 confirm that they have complied with these requirements and, having a reasonable expectation that the company have adequate resources to continue in operational existence for the foreseeable future, continue to adopt the going concern basis in preparing the financial statements

DISCLOSURE OF INFORMATION TO THE AUDITORS

In the case of each person who was a Director at the time this report was approved - so far as the Director was aware there was no relevant available audit information of which the company's auditors were unaware and that Director had taken all steps that the Director ought to have taken as a Director to make himself aware of any relevant information and to establish that the company's auditors were aware of that information

GOING CONCERN

After making enquiries the Directors have a reasonable expectation that the company has adequate resources to continue in operation for the foreseeable future For this reason they continue to adopt the going concern basis in preparing the financial statements

AUDITORS

The Auditors, Bessler Hendrie, have indicated their willingness to continue in office

By order of the board

P Howlett

P Howlett
Director

10 August 2013

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRANSUNION PETROLEUM LIMITED

We have audited the financial statements on pages 6 to 17 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

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 auditors

As more fully explained in the Directors' Responsibilities Statement set out on page 4, 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 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 Practices Board's (APB's) 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 website at www frc org uk/apb/scope/private cfm

Opinion on the 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 2012 and of the Group profits for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- have been prepared in accordance with the provisions 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 for the financial period for which the financial statements are prepared is consistent with the financial statements

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, 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

Bessler Hendrie

NIGEL BOLT
Senior Statutory Auditor, for and on behalf of
BESSLER HENDRIE
Statutory Auditor
Chartered Accountants
Albury Mill
Mill Lane
Chilworth
Guildford
Surrey GU4 8RU

12 August 2013

TRANSUNION PETROLEUM LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2012

CONTINUING OPERATIONS	Notes	2012 Group €	2011 Group €
Revenue	4	-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses		(8,108)	(14,433)
Operating loss	5	(8,108)	(14,433)
Finance income		-	-
Loss on ordinary activities before taxation		(8,108)	(14,433)
Taxation	8	-	-
Loss for the year from continuing operations after taxation		(8,108)	(14,433)
Profit/(Loss) for the year from discontinued operations	9	30,179	(8,790)
PROFIT/(LOSS) FOR THE YEAR		22,071	(23,223)
Other comprehensive income for the year		-	-
Total comprehensive income for the year attributable to equity holders of the parent		22,071	(23,223)
Profit / (loss) per ordinary share			
Basic and diluted loss per share (continuing operations)	10	(€10 81)	(€19 24)
Basic and diluted profit/(loss) per share (discontinued operations)		€40 24	(€11 72)

DISCONTINUED OPERATIONS
The company's wholly-owned subsidiary, Transunion Petroleum Italia S r l was sold to Nautical Petroleum plc in March 2012 The subsidiary had been classified as held for sale in the prior year This subsidiary meets the criteria for a disposal group and the gain on sale is disclosed as a discontinued operation

STATEMENT OF RECOGNISED INCOME AND EXPENSE FOR THE YEAR ENDED 31 DECEMBER 2012
The Group has no recognised income or expense other than that recognised in the Group's consolidated statement of comprehensive income

TRANSUNION PETROLEUM LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012

	Notes	2012 Group €	2011 Group €
ASSETS			
Current assets			
Trade and other receivables	12	9	1,573
Cash and cash equivalents	13	32,162	217,595
		32,171	219,168
Assets held for sale	14	-	76,737
Total current assets		32,171	295,905
Total assets		32,171	295,905
LIABILITIES			
Current liabilities			
Trade and other payables	15	(72,165)	(320,716)
Liabilities directly associated with asset classified as held for sale	14	-	(37,254)
Total current liabilities		(72,165)	(357,970)
Total liabilities		(72,165)	(357,970)
Net liabilities		(39,994)	(62,065)
Equity			
Share capital	17	880	880
Share premium		16,710	16,710
Retained earnings – deficit		(57,584)	(79,655)
Total equity		(39,994)	(62,065)

These financial statements were approved by the Board of Directors and authorised for issue on 13th August 2013
They were signed on its behalf by

P Howlett, Director

Company Registration No 6900970

TRANSUNION PETROLEUM LIMITED
COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012

	Notes	2012 Company €	2011 Company €
ASSETS			
Non-current assets			
Investments	11	-	120,000
Total non-current assets		-	120,000
Current assets			
Trade and other receivables	12	9	1,573
Cash and cash equivalents	13	32,162	217,595
Total current assets		32,171	219,168
Total assets		32,171	339,168
LIABILITIES			
Current liabilities			
Trade and other payables	15	(72,165)	(362,063)
Current tax liabilities		-	-
Total current liabilities		(72,165)	(362,063)
Total liabilities		(72,165)	(362,063)
Net liabilities		(39,994)	(22,895)
Equity			
Share capital	17	880	880
Share premium		16,710	16,710
Retained earnings – deficit		(57,584)	(40,485)
Total equity		(39,994)	(22,895)

These financial statements were approved by the Board of Directors and authorised for issue on 10th August 2013

They were signed on its behalf by

P Howlett

P Howlett, Director

Company Registration No 6900970

TRANSUNION PETROLEUM LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2012

GROUP	Share capital €	Share premium €	Retained earnings (deficit) €	Total equity €
Shares issued on incorporation	111	-	-	111
Issue of ordinary shares	769	16,710	-	17,479
Total comprehensive income	-	-	(79,655)	(79,655)
Balance as at 31 December 2011	880	16,710	(79,655)	(62,065)
Issue of ordinary shares	-	-	-	-
Total comprehensive income	-	-	22,071	22,071
Balance as at 31 December 2012	**880**	**16,710**	**(57,584)**	**(39,994)**

COMPANY	Share capital €	Share premium €	Retained earnings (deficit) €	Total equity €
Shares issued on incorporation	111	-	-	111
Issue of ordinary shares	769	16,710	-	17,479
Total comprehensive income	-	-	(40,485)	(40,485)
Balance as at 31 December 2011	880	16,710	(40,485)	(22,895)
Issue of ordinary shares	-	-	-	-
Total comprehensive income	-	-	(17,099)	(17,099)
Balance as at 31 December 2012	**880**	**16,710**	**(57,584)**	**(39,994)**

TRANSUNION PETROLEUM LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2012

		2012 Group €	2011 Group €
Operating activities			
Loss from operations (continuing operations)		(8,108)	(14,433)
Loss from operations (discontinued operations)		(11,861)	(8,793)
Adjustments for			
Decrease in trade and other receivables (continuing operations)		1,564	183,457
Decrease / (Increase) in trade and other receivables (discontinued operations)		35,107	(42,273)
(Decrease) / Increase in trade payables (continuing operations)		(248,551)	58,891
(Decrease) / Increase in trade payables (discontinued operations)		(15,525)	37,254
Net cash flow from operating activities		**(247,374)**	**214,103**
Investing activities			
Interest received from discontinued operations		360	3
Sale of subsidiary net of cash and cash equivalents disposed of		58,842	-
Cost of sale of subsidiary		(24,504)	
Net cash flow from discontinued investing activities		**34,698**	**3**
Financing activities		-	-
Net cash flow from financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		**(212,676)**	**214,106**
Cash and cash equivalents as at 1 January 2012		**244,838**	**30,732**
Cash and cash equivalents as at 31 December 2012	Note 13	**32,162**	**244,838**

TRANSUNION PETROLEUM LIMITED
COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2012

		2012 Company €	2011 Company €
Operating activities			
Loss from operations		(8,108)	(14,433)
Adjustments for			
Decrease in trade and other receivables		1,564	73,216
(Decrease) / Increase in trade payables		(289,898)	128,590
Net cash flow from operating activities		**(296,442)**	**187,373**
Investing activities			
Proceeds from sale of subsidiary		135,513	-
Cost of sale of subsidiary		(24,504)	-
Net cash flow from discontinued investing activities		**111,009**	**-**
Financing activities			
Proceeds from issue of ordinary shares		-	-
Net cash flow from financing activities		**-**	**-**
Net increase/(decrease) in cash and cash equivalents		**(185,433)**	**187,373**
Cash and cash equivalents as at 1 January 2012		**217,595**	**30,222**
Cash and cash equivalents as at 31 December 2012	Note 13	**32,162**	**217,595**

1 General information

Transunion Petroleum Limited is a company incorporated and domiciled in England and Wales with registered number 6900970 The address of the registered office is 36 Arundel Road, Kingston, Surrey, England, KT1 3RZ

2 Accounting policies

The financial statements are based on the following accounting policies

Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS IFRS comprises the Standards issued by the International Accounting Standards Board (IASB) and Interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) that have been endorsed by the European Union (EU) The principal accounting policies adopted by the Company where applicable are set out below

As permitted by Section 408 of the Companies Act 2006, no income statement or associated notes are prepared for the Company as an entity

New accounting standards

There were a number of amendments to existing standards and interpretations that were effective for the current period, but the adoption of those amendments to existing standards and interpretations did not have a material impact on the accounts of the Group There are a number of new standards, amendments to standards and interpretations that are not mandatory for the financial year ended 31 December 2012 and which are not expected to materially impact the financial statements of the Group over the next 12 months

Basis of consolidation

The group financial statements incorporate the financial statements of Transunion Petroleum Limited (the "company") and its 100% subsidiary Transunion Petroleum Italia S r l to the date of disposal of the subsidiary

All inter-company balances and transactions are eliminated in preparing the consolidated financial statements

Investment in subsidiary

Investment in subsidiary is stated at cost less any provision for impairment

Presentation currency

The financial statements are presented in Euros and figures are rounded to the nearest Euro The Company, in accordance with IAS 21, chooses to present the financial statements in Euros rather than in its functional currency of sterling as the majority of transactions are conducted in Euros

Foreign currencies

Transactions denominated in foreign currencies are translated into Euros at the rate of exchange ruling at the date of the transaction Monetary assets and liabilities in foreign currencies are translated into Euros at the rate of exchange ruling at the end of the financial year All exchange differences are dealt with in the income statement All Sterling balances have been translated into Euros at the year end rate of 1 2263 (2011 1 195) Euros to the Pound

Cash and cash equivalents

Cash and cash equivalents comprise cash held by the company and short-term bank deposits with an original maturity of three months or less

Non-current assets and disposal groups held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than continuing use This condition is regarded as met only when a sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification Disposal groups are groups of assets, and liabilities directly associated with those assets, that are to be disposed of together as a group in a single transaction Non-current assets (and disposal groups) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell

Financial instruments

Financial assets and financial liabilities are recognised on the balance sheet when the group becomes a party to the contractual provisions of the instrument

Trade and other receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest method A provision is established when there is objective evidence that the group will not be able to collect all amounts due The amount of any provision is recognised in the income statement

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method

Financial liabilities and equity instruments issued by the group are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument 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 Equity issued for non monetary consideration is recorded at the fair value of the equity instruments issued

Interest bearing bank loans, overdrafts and other loans are recorded at fair value, net of direct issue costs, when the proceeds are received and subsequently at amortised cost Finance costs are accounted for on an accruals basis in the income statement using the effective interest method

Judgements and estimates

Amounts included in the financial statements involve the use of judgement and/or estimation These estimates and judgements are based on management's best knowledge of the relevant facts and circumstances, having regard to previous experience, but actual results may differ from the amounts included in the financial statements Information about such judgements and estimation is contained in the accounting policies and/or the notes to the financial statements, and the key areas are summarised below

Going concern
The preparation of the financial statements requires an assessment on the validity of the going concern assumption After making enquiries the Directors are confident that the company has adequate resources to continue in operation for the foreseeable future For this reason they consider it appropriate to continue to adopt the going concern basis in preparing the financial statements

The company will continue examining methods of financing building a portfolio of exploration opportunities in 2013 or may decide to pursue a strategy to partner with oil companies in consideration for cash payment and future provisions on any project success

3 Segmental information

Following the sale of Transunion Petroleum Italia S r l all the activities of the Group have taken place in the UK New business opportunities have been sought in a variety of territories, including Italy, Greece, Spain, Tunisia, Somalia and Madagascar None of these opportunities had led to operational activity at 31 December 2012

4 Revenue

There was no revenue generated in 2012 or 2011

5 Operating loss

	2012 Group €	2011 Group €
The operating loss is stated after charging		
Auditor's remuneration (see note 6 below)	4,905	4,780
Foreign exchange losses	918	56
Directors' emoluments and other benefits	-	-

6 Auditor's remuneration

	2012 Group €	2011 Group €
Audit services		
Fees payable to the company's auditor for the audit of the company's annual financial statements	4,905	4,780
Other services		
Tax services	1,282	1,195
Total audit and other services	6,187	5,975

7 Employee information

	2012 Number	2011 Number
The average number of persons employed by the company in the year, including executive and non-executive Directors, was		
Management and administration	4	4
	€	€
The aggregate remuneration for the above persons comprised		
Wages, salaries and benefits	-	-
Social security costs	-	-
Pension costs	-	-
	-	-

8 Taxation

	2012 Group €	2011 Group €
The major components of the tax charge are as follows		
a) Income statement		
Tax charge in the income statement	-	-
b) Factors affecting the current tax charge		
Profit/(Loss) before tax	22,071	(23,223)
Profit/(Loss) on ordinary activities multiplied by the standard rate of tax of 24 5% (2011 26 5%)	5,407	(6,154)
Effects of		
Profit on sale of subsidiary	(10,212)	-
Movement in unrecognised deferred tax assets	4,805	6,154
Tax charge in the income statement	-	-

The Company has an unrecognised deferred taxation asset of € 10,245 (2011 Group €21,954) at the year end

9 Discontinued operations

At 31 December 2011 the company classified its wholly-owned subsidiary, Transunion Petroleum Italia S r l, as a disposal group At that date the net assets of the disposal group were €76,737

The sale of 100% of the share capital of Transunion Petroleum Italia S r l to Nautical Petroleum plc was completed on 26 March 2012 for a consideration of €135,513 in cash and gross overriding royalty on any petroleum production in any acreage covered by the current or pending applications This resulted in a profit on disposal of €41,680

	€
Amounts attributable to Transunion Petroleum Italia S r l in 2012 were as follows	
Non-current assets	7,220
Current assets including cash and cash equivalents of €76,671	83,837
Current liabilities	(21,729)
Total net assets disposed	**69,329**

	€
Total consideration	135,513
Net assets disposed	(69,329)
Disposal costs	(24,504)
Profit on disposal after taxation	**41,680**

	2012 €	2011 €
Revenue	-	67,244
Expenses	(11,861)	(76,037)
Finance income	360	3
Profit on sale of subsidiary	41,680	-
Profit/(Loss) before taxation	30,179	(8,790)
Income tax expense	-	-
	30,179	(8,790)

10 Profit / (loss) per share

	2012 €	2011 €
Net (loss) for the financial year (continuing operations)	(8,108)	(14,433)
Net profit / (loss) for the financial year (discontinued operations)	30,179	(8,790)
Basic weighted average number of ordinary shares in issue during the year	750	750
Basic loss per share (continuing operations)	(€10 81)	(€19 24)
Basic profit / (loss) per share (discontinued operations)	€40 24	(€11 72)

11 Investments

During the year the company disposed of its 100% ownership of the share capital of Transunion Petroleum Italia S r l

12 Trade and other receivables

	2012 Group €	2012 Company €	2011 Group €	2011 Company €
Amounts falling due within one year				
Amount owed by Joint Bidding Agreement partner	-	-	-	-
Other receivables	-	-	-	-
Social security and other taxes	9	9	1,573	1,573
	9	9	1,573	1,573

An element of the Group's credit risk is attributable to its trade and other receivables Based on prior experience and an assessment of the current economic environment, the Directors did not consider any provision for irrecoverable amounts was required and consider that the carrying amount of these assets approximates to their fair value

13 Cash and cash equivalents

	2012 Group €	2012 Company €	2011 Group €	2011 Company €
Cash at bank	32,162	32,162	217,595	217,595

14 Assets held for sale

	2012 €	2011 €
Intangible assets	-	7,221
Trade and other receivables	-	42,273
Cash and cash equivalents	-	27,243
Assets held for sale	-	76,737

	2012 €	2011 €
Trade and other payables	-	37,254
Liabilities directly associated with assets classified as held for sale	-	37,254

15 Trade and other payables

	2012 Group €	2012 Company €	2011 Group €	2011 Company €
Amounts falling due within one year				
Trade payables	42	42	-	-
Amount due to Joint Bidding Agreement partner	-	-	251,462	251,462
Amount due to subsidiary	-	-	-	41,346
Accruals and deferred income	5,975	5,975	7,618	7,618
Other payables	66,148	66,148	61,636	61,637
	72,165	72,165	320,716	362,063

The Directors consider that the carrying amount of trade and other payables approximates to their fair value

16 Financial assets and liabilities

The activities of the Group are funded out of working capital and do not include the use of derivatives The Group's objective is to minimise financial risk and the policies to achieve this are to fund operations from equity capital and not to make use of complex financial instruments

The Group has financial instruments in the form of short term debtors and creditors which arise in the normal course of business and are not discounted, offered as security or pledged in any way, together with cash at bank The main risks arising from the company's financial instruments are liquidity risk, credit risk, interest rate risk and foreign currency risk

Operations during the year were financed through cash resources derived from the sale of the subsidiary

The financial assets of the Group comprise cash at bank which is denominated in sterling and euro These accounts attract interest at rates that vary with bank interest rates

Liquidity risk
Group policy is to actively maintain short-term deposits that are designed to ensure it can meet its financial liabilities as they fall due The Group's financial liabilities comprise of trade and other payables as set out in note 15, held at amortised cost which total €72,165 (company €72,165) (2011 €320,176 (company €362,063))

Credit risk
The credit risk on liquid funds is limited because the Group policy is to only deal with counter parties with high credit ratings At the year end the Group had cash and cash equivalents of €32,162 (company €32,162) (2011 €217,595 (company €217,595)) Trade and other receivables, which are held at amortised cost, largely comprise amounts due from trading entities and amounts owed in respect of VAT, carrying a low credit risk, and total €9 (company €9) (2011 €1,573 (company €1,573)) As at the year end, the total exposure to credit risk was €32,171 (company €32,171) (2011 €219,168 (company €219,168))

Interest rate risk
Interest bearing assets include only cash balances which earn interest at variable rates The financial assets of the Group are cash at bank most of which are euro denominated These accounts attract interest at rates that vary with bank interest rates

Foreign currency risk
The Group aims to match its liabilities with assets held denominated in the same currency The value of net financial liabilities denominated in currency other than Euros at 31 December 2012 amounted to £Nil (2011 £Nil) A 10% change in the year end Sterling exchange rate would result in a before tax financial effect of an increase or decrease of €nil (2011 €Nil)

17 Share capital

	Authorised		**Allotted, called up and fully paid**	
	Number	**€**	**Number**	**€**
Ordinary share capital				
At 31 December 2011	750	880	750	880
- Issue of new £1 ordinary shares	-	-	-	-
At 31 December 2012	**750**	**880**	**750**	**880**

18 Related party transactions

At 31 December 2012, the company owed €15,830 (2011 €15,830) to P Howlett and €15,830 (2011 €15,806) to J Meredith who are directors of the Company At 31 December 2012, €10,000 (2011 €10,000) each was owed to J Menzies and N Cooper, who are shareholders and former directors

19 Post Balance Sheet Events

In May 2013, the company received a fee of $50,000 in consideration for the assignment of its rights in the Exploration Study Agreement with the Maltese Government to Mediterranean Oil and Gas plc ("MOG") MOG will also pay the company consulting fees of $150,000 in respect of its knowledge of the blocks as well as future provisions for sharing in the successful exploration of Area 3