Company Number: 07987393

Xplorer plc

Annual Report & Accounts
for the period
12 March 2012 to 31 March 2013

Contents

Company information

Directors
John Davies *(Non-Executive Chairman)*
Jacqueline Lim *(Non-Executive Director)*
Christopher McAuliffe *(Non-Executive Director)*
John Roddison FCA *(Non-Executive Director)*

Company Secretary
John Roddison FCA

Registered Office
24 Hanover Square
London W1S 1JD

Registered Number
07987393 (England and Wales)

Financial Adviser and Broker
Allenby Capital Limited
3 St Helen's Place
London EC3A 6AB

Auditors
Crowe Clark Whitehill LLP
St Bride's House
10 Salisbury Square
London EC4Y 8EH

Solicitors
Hamlins LLP
Roxburghe House
273-287 Regent Street
London W1B 2AD

Principal Bankers
Royal Bank of Scotland plc
5 Church Street
Sheffield S1 1HF

Registrars
Share Registrars Limited
Suite E, First Floor
9 Lion and Lamb Yard
Farnham
Surrey GU9 7L

Chairman's Statement

I am pleased to present the first Annual Report of the company to the shareholders Xplorer plc was incorporated on 12th March 2012 and the directors have worked with the company advisors on obtaining a Standard Listing on the London Stock Exchange

The company was successfully listed on 11 July 2013 following the placing of 6,250,000 ordinary shares at 16p each which raised £1m gross from institutional and professional investors

Xplorer plc was formed for the purpose of acquiring an undervalued company, business or asset that has operations in the oil and gas sector and following the placing and listing that is now the focus of the board of directors The board of directors are supported by Sprint Capital, a Hong Kong based private equity fund, and their founders Chris McAuliffe and Jacqueline Lim, who are also directors of Xplorer PLC They collectively, provide us with the know-how to deliver substantial value to our shareholders in the coming year

To date, we are reviewing 21 projects, which we are now narrowing down to 3 where we believe Xplorer's shareholders could benefit from substantial upside

Further information will be released as soon as is practicable

J. Davies

John Davies
Non-Executive Chairman

Operational Review

Xplorer plc is a newly established company formed for the purpose of acquiring a company, business or asset that has operations in the oil and gas exploration and production sector that it will then look to develop and expand

The Company has not as yet traded and no material level of interest income has been received to date Since incorporation, its expenses have related to professional and associated expenses related to the Standard Listing, and Placing These expenses have been met from the proceeds of the issue of new Ordinary Shares which have been the only sources of cash for the Company to date

After the reporting date the Company raised gross proceeds of £1,000,000 through the placing of new ordinary shares ("the Placing") The Company also raised £119,002 (gross proceeds) through the issue of new ordinary shares and convertible loan

The Board is responsible for the Company's business strategy and its overall supervision, including the identification and assessment of acquisition opportunities, the approval, structuring and execution of acquisitions and determination and execution of strategy for the acquired companies, businesses or assets The Board has considerable experience in identifying acquisition targets and in executing such transactions

The Placing will provide funds to enable the board to take forward the company's strategy and establish Xplorer's presence in the oil and gas sector and will form the basis of Xplorer's growth in that sector

Financial review

Loss for the period

In the period to 31 March 2013 the Company incurred expenditure in the assessment and appraisal of a number of opportunities in accordance with the Company's investment strategy, in addition to administrative expenditure.

The Company incurred a loss for the period to 31 March 2013 of £90,483

Cash flow

During the period ended 31 March 2013 the Company issued 75,002 Ordinary Shares of £1 00 each, which were were subdivided and reclassified into 3,750,100 Ordinary Shares of £0 001 each and 75,002 deferred shares of £0 95 each and £100,000 of Convertible Loan Notes were issued at par, which converted on Admission into 1,250,000 Ordinary Shares of £0 001 each

Cash used in operations totalled £247,915, in addition to £175,002 in investing activities

Closing cash

As at 31 March 2013, the Company held cash balances of £100

John Roddison FCA
Non-Executive Director

Board of Directors and Senior Management

John Guy William Davenport Davies, Independent Non-Executive Chairman

John has over 30 years experience in investment banking with Rowe and Pitman (1979-1981), Brown Brothers Harriman & Co (1981-1985) and Lehman Brothers where he became Co-Head of Institutional Equity Sales Europe (1985-1994) He was then appointed as a Managing Director of Bear Stearns International (1994-1996), before taking the role of Managing Director at Instinet (1996-1997), the electronic agency broker then owned by Reuters In 1997 he joined Credit Lyonnais in London where he was Global Head of European Equity Sales In 2001 he began his current specialist focus on hedge fund advisory and marketing, co-founding Altius Partners in partnership with Geneva based Mirabaud Group in 2001 and DNA Advisors in 2004 In 2006 he founded Davenport Capital Limited He is currently a director of Davenport Capital John holds an M A (Hons) in Law from Emmanuel College, University of Cambridge

Jacqueline Lim (Hui – Erh Lim), Non-Executive Director

Jacqueline has over 15 years of experience in London and Hong Kong focusing on corporate finance, cross-border mergers and acquisitions, equity capital market and private equity transactions She started her career as a lawyer with Allen & Overy in London and was a Partner with Paul Hastings, Janofsky & Walker responsible for its equity capital markets practice in Hong Kong, advising on a number of landmark transactions in Hong Kong, including many deals in the natural resources sector, including Western Mining, Hidili, Titan Mining, SSRG, GMR and Dragon Power Jacqueline then became a Partner and Head of China Investments at Asiasons Capital Group, an alternative asset investment and management group listed on the Singapore Stock Exchange Jacqueline is a founder shareholder and Managing Director of Sprint Capital and Sprint Capital Management Limited Jacqueline received her LL B (Hons) and Masters Degree in Law from the University of Bristol, qualifying as a Barrister in England and a Solicitor in Hong Kong She is fluent in Mandarin and Cantonese, as well as English

Christopher John McAuliffe, Non-Executive Director

Chris is an experienced industrials and resources banker with significant relationships across Asia Until February 2008, Chris was Managing Director and co-head of Asia Pacific Industrials Group for Citigroup (HK) Prior to which he worked for 13 years with CSFB (including BZW) including 5 years as Managing Director and Head of Asia Industrials Group at CSFB (Singapore) Chris has originated and advised on a large number of key mergers & acquisition, debt, equity capital markets and private equity transactions in Asia, including many deals in the natural resources sector

Chris is a member and Vice Chairman of the Supervisory Board of Asian Bamboo AG, China's largest bamboo producer, which listed on the Frankfurt Stock Exchange in 2007 Asian Bamboo AG grows, processes and distributes bamboo products, and had total revenues in 2011 of €90m Chris is also an advisory board member of Asiasons Capital Group, an alternative asset investment and management group (predominantly involving private equity) focused on opportunities in emerging East Asia

Chris holds a Business Law Degree LLB (Hons) from Huddersfield University and an MBA from Bradford Business School He is a founder shareholder and Managing Director of Sprint Capital and Sprint Capital Management Limited Sprint Capital is a Hong Kong based private equity investment manager, focused on undertaking investments in the mining and natural resources sector

John Roddison FCA, Non-Executive Director

John is a chartered accountant and is senior partner of Brown McLeod, a medium-sized accounting firm John has built Brown McLeod into a specialist accounting firm with a select client base comprised of ultra high net worth individuals and a large number of clients in the Entertainment Industry covering Music, Film, Theatre and TV His music clients include Pulp, Richard Hawley, Wretch 32 and The Kills and he has worked extensively in the film industry and acted as finance director for Parallel Pictures PLC, a film production company, which was admitted to AIM in 1998 He also previously served as Finance Director for AIM quoted Silvermere Energy PLC, which owns oil and gas activities in the Gulf of Mexico, off the coast of Texas, USA He left following the successful reverse takeover of the Mustang Island assets in August 2011, which valued the enlarged group at £4 25m

Report of the Directors

The Directors present their report with the financial statements of the Company for the period 12 March 2012 to 31 March 2013

Incorporation

The Company was incorporated on 12 March 2012 The Company's Ordinary Shares were admitted to listing on the Official List pursuant to Chapters 14 of the Listing Rules, which sets out the requirements for Standard Listings on 11 July 2013

Principal activities

The Company is a newly established company formed for the purpose of acquiring a company, business or asset that has operations in the oil and gas exploration and production sector that it will then look to develop and expand

Review of business

Further details of the Company's business and expected future development are also set out in the Chairman's Statement and in the Operational and Financial Reviews on pages 4 to 6

Dividends

No dividends will be distributed for the period ended 31 March 2013

Directors

The Directors of the Company during the period and their beneficial interest in the Ordinary shares of the Company at 31 March 2013 were as follows

Director	Position	Appointed	Ordinary shares	Options	Other
John Davies	Non-Executive Chairman	07/12/2012	-	-	-
Jacqueline Lim*	Non-Executive Director	15/05/2012	1,875,050	-	-
Christopher McAuliffe*	Non-Executive Director	15/05/2012	1,875,050	-	-
John Roddison FCA**	Non-Executive Director	12/03/2012	2,000,050	-	-

* 1,875,050 Ordinary Shares held by Sprint Capital Management Limited, a company jointly controlled by Christopher McAuliffe and Jacqueline Lim, both Directors of the Company

** 1,875,050 Ordinary Shares held by Xplorer Capital Limited and 125,000 Ordinary Shares held by Wednesday Limited, both companies are controlled by John Roddison, a Director of the Company

Qualifying Third Party Indemnity Provision

The Company has not obtained any third party indemnity for its Directors

Substantial shareholders

As at 11 July 2013, the date of the admıssıon to lıstıng of the Company's Ordınary Shares, the total number of ıssued Ordınary Shares wıth votıng nghts ın the Company was 11,250,100

The Company has been notıfied of the followıng ınterests of 3 per cent or more ın ıts ıssued share capıtal as at 11 July 2013

Party Name	Number of Ordinary Shares	% of Share Capital
John Roddıson *	2,000,050	17 78
Chnstopher McAulıffe **	1,875,050	16 67
Jacquelıne Lım **	1,875,050	16 67
Nıcholas Nelson	750,000	6 66
Jupıter Asset Management Lımıted	1,250,000	11 11

* 1,875,050 Ordınary Shares held by Xplorer Capıtal Lımıted and 125,000 Ordınary Shares held by Wednesday Lımıted, both companıes are controlled by John Roddıson, a Dırector of the Company

** 1,875,050 Ordınary Shares held by Sprınt Capıtal Management Lımited, a company jomtly controlled by Chnstopher McAulıffe and Jacquelıne Lım, both Dırectors of the Company

Company's policy on payment of creditors

It ıs the Company's polıcy to make payments, where possıble, to supplıers ın accordance wıth agreed terms provıded that the supplıer has performed ın accordance wıth the relevant terms and condıtıons

Financial instruments

Detaıls of the use of financıal ınstruments by the Company are contaıned ın note 12 of the financıal statements

Principal Risks and Uncertainties

The Company operates ın an uncertaın envıronment and ıs subject to a number of nsk factors The Dırectors consıder the followıng nsk factors are of partıcular relevance to the Company's actıvıtıes and to any ınvestment ın the Company It should be noted that the lıst ıs not exhaustıve and that other nsk factors not presently known or currently deemed ımmaterıal may apply

The nsk factors are summarısed below

Risks relating to the Company's business strategy

The Company wıll be dependent on the abılıty of the Dırectors to ıdentıfy suıtable ınvestment opportunıtıes and to ımplement the Company's strategy There ıs no assurance that the Company's actıvıtıes wıll be successful ın acquırıng a suıtable ınvestment that wıll ultımately be developed

Environmental and other regulatory requirements

Conducting exploration, development of oil and gas activities has or will involve the requirement to comply with various procedures and approval formalities It may not be possible to comply or obtain waivers of all such formalities The Company may need to obtain waivers or permits to commence or carry on activities in projects in which the Company has invested In certain cases where it is not possible for the Company to comply, or it cannot obtain a waiver, it may incur a temporary or permanent disruption to its activities and a loss of part of its interest in a lease or licence

Financing

The development of the Company's properties may depend upon the Company's ability to obtain financing primarily through the raising of new equity capital, or through bringing in partners to assist funding exploration and development costs The Company's ability to raise further funds maybe be affected by the success of existing and acquired investments The Company may not be successful in procuring the requisite funds on terms which are acceptable to it (or at all) and, if such funding is unavailable, the Company may be required to reduce the scope of its investments or the anticipated expansion Further, Shareholders' holdings of Ordinary Shares may be materially diluted if debt financing is not available

Key Performance Indicators

At this stage in its development, the Company is focusing on the evaluation of various oil and gas opportunities As and when the Company executes its first substantial acquisition, financial, operational, health and safety and environmental KPIs will become relevant and will be measured and reported as appropriate

Statement as to Disclosure of Information to Auditors

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

Auditors

The auditors, Crowe Clark Whitehill LLP, have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the Annual General Meeting

On behalf of the Board

John Roddison
Non-Executive Director
31 July 2013

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the Directors to prepare financial statements for each financial year Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union

Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period The directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies with a Standard Listing.

In preparing these financial statements, the Directors are required to

- Select suitable accounting policies and then apply them consistently,
- Make judgments and accounting 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 are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006 They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

The maintenance and integrity of the Xplorer Plc website is the responsibility of the Directors, work carried out by the auditors does not involve the consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred in the accounts since they were initially presented on the website

Legislation in the United Kingdom governing the preparation and dissemination of the accounts and the other information included in annual reports may differ from legislation in other jurisdictions

John Roddison
Non-Executive Director
31 July 2013

Governance Report

Introduction

The Company recognises the importance of, and is committed to, high standards of Corporate Governance and the following sections explain how the Company has applied the main and supporting principles set out in The UK Corporate Governance Code published in June 2010 (the Code)

The Company is a small company with a modest resource base The Company has a clear mandate to optimise the allocation of limited resources to support its development plans As such, the Company strives to maintain a balance between conservation of limited resources and maintaining robust corporate governance practices As the Company evolves the Board is committed to enhancing the Company's corporate governance policies and practices deemed appropriate for the size and maturity of the organisation

Set out below are Xplorer's corporate governance practices for the period ended 31 March 2013

Leadership

The Company is headed by an effective Board which is collectively responsible for the long-term success of the Company

The role of the Board - The Board sets the Company's strategy, ensuring that the necessary resources are in place to achieve the agreed strategic priorities, and reviews management and financial performance It is accountable to shareholders for the creation and delivery of strong, sustainable financial performance and long-term shareholder value To achieve this, the Board directs and monitors the Company's affairs within a framework of controls which enable risk to be assessed and managed effectively The Board also has responsibility for setting the Company's core values and standards of business conduct and for ensuring that these, together with the Company's obligations to its stakeholders, are widely understood throughout the Company The Board has a formal schedule of matters reserved which is provided later in this report

Board Meetings - The core activities of the Board are carried out in scheduled meetings of the Board and its Committees These meetings are timed to link to key events in the Company's corporate calendar and regular reviews of the business are conducted Additional meetings and conference calls are arranged to consider matters which require decisions outside the scheduled meetings During 2013, the Board met on 3 occasions

Outside the scheduled meetings of the Board, the Directors maintain frequent contact with each other to discuss any issues of concern they may have relating to the Company or their areas of responsibility, and to keep them fully briefed on the Company's operations

Matters reserved specifically for Board - The board has a formal schedule of matters reserved that can only be decided by the Board The key matters reserved are the consideration and approval of,

- The Company's overall strategy,
- Financial statements and dividend policy,
- Management structure including succession planning, appointments and remuneration (supported by the Nomination Committee),
- Material acquisitions and disposal, material contracts, major capital expenditure projects and budgets,
- Capital structure, debt and equity financing and other matters,
- Risk management and internal controls (supported by the Audit Committee),
- The Company's corporate governance and compliance arrangements,
- Corporate policies,

Certain other matters are delegated to the Board committees, namely the Audit, Remuneration and Nominations Committees

Summary of the Board's work in the year – During 2013, the Board considered all relevant matters within its remit, but focused in particular on the establishment of the company and the standard listing on the London Stock Exchange

Attendance at meetings,

Member	**Meetings attended**
John Davies	3
Jacqueline Lim	3
Christopher McAuliffe	3
John Roddison FCA	3

The Board is pleased with the high level of attendance and participation of Directors at Board and committee meetings

Non-executive Directors - The non-executive Directors bring a broad range of business and commercial experience to the Company and have a particular responsibility to challenge independently and constructively the performance of the Executive management (where appointed) and to monitor the performance of the management team in the delivery of the agreed objectives and targets

As Senior Independent non-executive Director, John Roddison is available to meet shareholders if they have concerns that cannot be resolved through discussion with the Chairman, Chief Executive Officer or for which such contact is inappropriate

Non-executive Directors are initially appointed for a term of three years, which may, subject to satisfactory performance and re-election by shareholders, be extended by mutual agreement

Delegations of authority

Board Committees - The Board has delegated matters to three committees namely Audit, Remuneration and Nomination Committees The memberships, roles and activities of these committees are detailed in separate reports the Audit Committee on pages 22 and 23 the Nomination Committee on page 18 the Remuneration Committee on pages 19 to 21 Each committee reports to the Board and the issues considered at meetings of the committees are provided by the respective committee chairmen The terms of reference of each committee is to be reviewed by the Board every other year

Other governance matters - All of the Directors are aware that independent professional advice is available to each Director in order to properly discharge their duties as a Director In addition, each Director and Board committee has access to the advice of the Company Secretary

The Company Secretary - The Company Secretary is John Roddison who is retained on a consultancy basis He is available to Directors and responsible for the Board complying with UK procedures

Effectiveness

The Board currently comprises of a non-executive Chairman and three independent non-executive Directors Biographical details of the Board members are set out on page 7 of this report

The Directors are of the view that the Board and its committees consist of Directors with an appropriate balance of skills, experience, independence and diverse backgrounds to enable them to discharge their duties and responsibilities effectively

Independence - The non-executive Directors bring a broad range of business and commercial experience to the Company The Board considers each of the non-executive Directors to be independent in character and judgement

Appointments – the Nomination Committee is responsible for reviewing and the structure, size and composition of the Board and making recommendations to the board with regards to any required changes

Commitments – All Directors have disclosed any significant commitments to the Board and confirmed that they have sufficient time to discharge their duties

Induction - All new Directors received an induction as soon as practical on joining the Board

Conflict of interest - A Director has a duty to avoid a situation in which he or she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with the interests of the Company The Board had satisfied itself that there is no compromise to the independence of those Directors who have appointments on the Boards of, or relationships with, companies outside the Company The Board requires Directors to declare all appointments and other situations which could result in a possible conflict of interest

Board performance and evaluation - Xplorer has a policy of appraising Board performance annually Having reviewed various approaches to Board appraisal, Xplorer has concluded that for a company of its current scale, an internal process in which all Board members submit answers to a questionnaire that considers the functionality of the Board and its committees is most appropriate at this stage

Accountability

The Board is committed to providing shareholders with a clear assessment of the Company's position and prospects This is achieved through this report and as required other periodic financial and trading statements

The Board has made appropriate arrangements for the application of risk management and internal control principles are detailed on page 31 The Board has delegated to the Audit committee oversight of the relationship with the Company's auditors as outlined in the Audit committee report on pages 20 to 21 respectively

Going concern - The Company's business activities, together with factors likely to affect its future operations, financial position, and liquidity position are set out in the Chairman's Statement, Operational Review and the Risks and Uncertainties section of the Annual Report In addition, note 12 to the consolidated financial statements discloses the Company's financial risk management practices with respect to its capital structure, liquidity risk, interest rate risk, credit risk, and other related matters

The Directors, having made due and careful enquiry, are of the opinion that the Company has adequate working capital to execute its operations and has the ability to access additional financing, if required, over the next 12 months The Directors, therefore, have made an informed judgement, at the time of approving financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future As a result, the Directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements in accordance with Going Concern and Liquidity Risk Guidance for Directors of UK Companies 2009

Internal controls - The Board of Directors reviews the effectiveness of the Company's system of internal controls in line with the requirement of the Code The internal control system is designed to manage the risk of failure to achieve its business objectives This covers internal financial and operational controls, compliances and risk management The Company has necessary procedures in place for the year under review and up to the date of approval of the Annual Report and Accounts The Directors acknowledge their responsibility for the Company's system of internal controls and for reviewing its effectiveness The Board confirms the need for an ongoing process for identification, evaluation and management of significant risks faced by the Company A risk assessment for each project is carried out by the Directors before making any commitments

The Audit Committee once established will regularly review and report to the Board on the effectiveness of the system of internal control Given the size of the Company and the relative simplicity of the systems, the Board considers that there is no current requirement for an internal audit function The procedures that have been established to provide internal financial control are considered appropriate for a company of its size and include controls over expenditure, regular reconciliations and management accounts

The Directors are responsible for taking such steps as are reasonably available to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities

Remuneration

The Board has delegated to the Remuneration Committee responsibility for agreeing the remuneration policy for senior executives The Directors' remuneration report on pages 17 to 19 contains full details of the role and activities of the Remuneration Committee

Shareholder relations

Communication and dialogue – Open and transparent communication with shareholders is given high priority and there is regular dialogue with institutional investors, as well as general presentations made at the time of the release of the annual and interim results All Directors are kept aware of changes in major shareholders in the Company and are available to meet with shareholders who have specific interests or concerns The Company issues its results promptly to individual shareholders and also publishes them on the Company's website www hardyoil com Regular updates to record news in relation to the Company and the status of its exploration and development programmes are included on the Company's website Shareholders and other interested parties can subscribe to receive these news updates by email by registering online on the website free of charge.

The Directors are available to meet with institutional shareholders to discuss any issues and gain an understanding of the Company's business, its strategies and governance Meetings are also held with the corporate governance representatives of institutional investors when requested.

Annual General Meeting - At every AGM individual shareholders are given the opportunity to put questions to the Chairman, and Executive Directors and to other members of the Board that may be present Notice of the AGM is sent to shareholders at least 20 working days before the meeting Details of proxy votes for and against each resolution, together with the votes withheld are announced to the London Stock Exchange and are published on the Company's website as soon as practical after the meeting

Until a further Independent Non-Executive Director is appointed, the Board will not comply with the provision of the Corporate Governance Code that at least half of the Board, excluding the Chairman, should comprise non-executive directors determined by the Board to be independent The Company intends to appoint an additional Independent Non-Executive Director following the Acquisition so that the Board complies with this provision

Although Xplorer became a publicly-listed company following the period end, the Company is small with a modest resource base The Company has a clear mandate to optimise the allocation of limited resources to support its aims As such, the Company strives to maintain a balance between conservation of limited resources and maintaining robust corporate governance practices As the Company evolves, the Board is committed to enhancing the Company's corporate governance policies and practices deemed appropriate for the size and maturity of the organisation

J. Davies

John Davies
Chairman

Nomination Committee Report

Currently due to the size of the Company there is no Nomination Committee This will be established following the acquisition and its current intended role and aims are detailed below John Roddison and John Davies are expected to form the Committee with John Roddison being the Chairman

Committee's Role

The Nomination Committee will review the composition and balance of the Board and senior management on a regular basis to ensure that the Board and senior management have the right structure, skills and experience in place for the effective management of the Company's business and is expected to meet 4 times a year

Main responsibilities

The main duties of the Nomination Committee are expected to be,

- Review the structure, size and composition of the Board and make recommendations to the Board with regard to any changes,
- Succession planning for Directors and other senior executives,
- Identifying and nominating, for Board approval, candidates to fill Board vacancies as and when required,
- Reviewing annually the time commitment required of non-executive directors, and
- Making recommendations to the Board regarding membership of the Audit and Remuneration Committee in consultation with the Chairman of each Committee

Directors' Remuneration Report

The Remuneration Committee

The Company's Remuneration Committee comprises of 2 non-executive Directors John Roddison (Chairman), and John Davies

Xplorer's Remuneration Committee operates within the terms of reference approved by the Board The Remuneration Committee was established post period end and follows current ISCA guidelines and the UK Corporate Governance Code

Committee's main responsibilities

- The Remuneration Committee will consider the remuneration policy, employment terms and remuneration of the Executive Directors and review the remuneration of senior management,
- The Remuneration Committee's role is advisory in nature and it will make recommendations to the Board on the overall remuneration packages for Executive Directors and senior management in order to attract, retain and motivate high quality executives capable of achieving the Company's objectives,
- The Remuneration Committee will also review proposals for any share option plans and other incentive plans, make recommendations for the grant of awards under such plans as well as approving the terms of any performance-related pay schemes,
- The Board's policy is to remunerate the Company's executives fairly and in such a manner as to facilitate the recruitment, retention and motivation of suitably qualified personnel, and
- The Remuneration Committee, when considering the remuneration packages of Xplorer's executives, will review the policies of comparable Companys in the industry

Committee advisors

The Company will consult with the Company's major investors and investor representative Companys as appropriate No Director takes part in any decision directly affecting their remuneration

Statement of Xplorer's policy on Directors' remuneration

The Company's policy is to maintain levels of remuneration so as to attract, motivate, and retain Directors and senior executives of the highest calibre who can contribute their experience to deliver industry leading performance with the Company's operations The remuneration package for Executive Directors and senior executives will comprise of base salary, annual bonus, taxable benefits, pension payments and participation in the Company's share incentive arrangements

A meaningful proportion of executive and senior managements' remuneration is structured so as to link rewards to corporate and individual performance, align their interests with those of shareholders and to incentivise them to perform at the highest levels The Remuneration Committee considers remuneration policy and the employment terms and remuneration of the Executive and makes recommendations to the Board of Directors on the overall remuneration packages for the Executives

Remuneration Components

The board will consider the components of Director remuneration during the period and these are likely to consist of

- Base salaries
- Pension and other benefits
- Annual bonus
- Share Incentive arrangements

Service Agreements and Letters of Appointment

All of the service contracts with Directors are on an evergreen basis, subject to termination provisions The Company may in lieu of notice terminate an Executive Directors' employment with immediate effect by making a payment which does not exceed a lump sum equal to basic salary, pension entitlement and other benefits at the rate prevailing at the date of termination for a period which does not exceed 12 months, and a bonus to the extent earned and awarded by the Company at the date of termination in lieu of the notice period As a matter of Company policy, no bonuses shall accrue as a result of lapse of time in the event of termination The appointments of Executive Directors are subject to termination of 12 months or less by either party The appointments of non-executive Directors are subject to termination upon at least three months' notice

The Directors who held office at 31 March 2013 and who had beneficial interests in the Ordinary Shares of the Company are summarised as follows

Name of Director	Position
John Roddison	Non-executive director
Christopher McAuliffe	Non-executive director
Jacqueline Lim	Non-executive director

Details of these beneficial interests can be found in the Directors Report on page 8.

Directors' emoluments and compensation

Set out below are the emoluments of the Directors for the Period indicated (GBP)

Name of Director	Short term employee benefits	Post employment benefits	Other long term benefits	Termination benefits	Other	Total
John Roddison**	**16,000**	-	-	-	-	**16,000**
Christopher McAuliffe*	**16,000**	-	-	-	-	**16,000**
Jacqueline Lim*	**16,000**	-	-	-	-	**16,000**

* Invoiced by Sprint Capital Management Limited, a company jointly controlled by Christopher McAuliffe and Jacqueline Lim

** Invoiced by Brown McLeod Limited, a company in which John Roddison is a director and shareholder

None of the remuneration paid was subject to performance conditions

Other matters

The Company does not have any long-term incentive schemes in place for any of the Directors

The Company does not have any pension plans for any of the Directors

The Company has not paid out any excess retirement benefits to any Directors or past Directors

The Company has not paid any compensation to past Directors

Approved on behalf of the Board of Directors

John Roddison FCA
Chairman of the Remuneration Committee
31 July 2013

Report from the Audit Committee

The Audit Committee was established post year end and comprises of two Non-Executive Directors and oversees the Company's financial reporting and internal controls, and provides a formal reporting link with the external auditors The ultimate responsibility for reviewing and approving the Annual Report and Accounts and the half-yearly reports remains with the Board

Main Responsibilities

The Audit Committee acts as a preparatory body for discharging the Board's responsibilities in a wide range of financial matters by

- Monitoring the integrity of the financial statements and formal announcements relating to the Company's financial performance,
- Reviewing significant financial reporting issues and accounting policies and disclosures in financial reports,
- Overseeing that an effective system of internal control and risk management systems are maintained,
- Ensuring that an effective whistle-blowing, anti-fraud and bribery procedures are in place;
- Considering the Company's internal audit requirements and make recommendations to the Board,
- Overseeing the Board's relationship with the external auditors and, where appropriate, the selection of new external auditors,
- Approving non-audit services provided by the external auditors, or any other accounting firm, ensuring the independence and objectivity of the external auditors is safeguarded when appointing them to conduct non-audit services,
- Ensuring compliance with legal requirements, accounting standards and the Listing Rules and the Disclosure and Transparency Rules,

Governance

The Code requires that at least one member of the Audit Committee has recent and relevant financial experience John Roddison, who was appointed as Chairman of the Audit Committee has been a Chartered Accountant for 36 years and has over 4 years of oil and gas sector experience As a result the Board is satisfied that the Audit Committee has recent and relevant financial experience

Members of the Audit Committee are appointed by the Board and all of its members are considered to be Independent

The Company's external auditors are Crowe Clark Whitehill LLP and the Audit Committee will closely monitor the level of audit and non-audit services they provide to the Company In the period ended 31 March 2013 Crowe Clark Whitehill LLP did not provide non-audit services to the Company

Meetings

In 2013, the Audit Committee did not meet as the Committee had not been established Meetings will be scheduled to allow sufficient time to enable full discussion of key topics and they are expected to be held 3 times a year

The key work to be undertaken by the Audit Committee will be as follows;

- Consideration and review of full-year and half-yearly results
- Audit planning and update on relevant accounting developments
- Consideration and approval of the risk management framework, appropriateness of key performance indicators

- Review of the Company's Code of Business Conduct
- Review the Audit Committee terms of reference
- Review of the effectiveness of the Audit Committee
- Internal controls

The Code states that the Audit Committee should have primary responsibility for making a recommendation on the appointment, reappointment or removal of the external auditors As such a review of external audit effectiveness will take place annually

John Roddison FCA
Chairman of the Audit Committee

Independent Auditor's Report to the Shareholders of Xplorer plc

We have audited the financial statements of Xplorer plc for the period ended 31 March 2013 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and 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 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 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 explained more fully in the Statement of Directors' Responsibilities, 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 Ethical Standards for Auditors

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements

In addition, we read all the financial and non-financial information in the Chairman's Statement, Operational Review, Financial Review, Board of Directors and Senior Management, Report of the Directors, Statement of Director's responsibilities, Governance Report, Nomination Committee Report, Directors' Remuneration Report, Directors' emoluments and compensation and Report from the Audit Committee to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on financial statements

In our opinion the company financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2013,
- have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006, and
- 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 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

Stephen Bullock (Senior Statutory Auditor)
For and on behalf of Crowe Clark Whitehill LLP (Statutory Auditor)
10 Salisbury Square
London
EC4Y 8EH
31 July 2013

Statement of Comprehensive Income
for the period from 12 March 2012 to 31 March 2013

	Note	Period ended 31 March 2013 £
Continuing operations		
Revenue		-
Administrative expenses	3	(90,483)
Operating loss		**(90,483)**
Loss before taxation		**(90,483)**
Taxation	4	-
Loss for the period		**(90,483)**
Other comprehensive loss for the period		-
Total comprehensive loss for the period attributable to the equity owners		**(90,483)**
Earnings/(loss) per share		
Basic and diluted (£ per share)	5	**(0.07)**

The notes to the financial statements form an integral part of these financial statements

Statement of Financial Position
as at 31 March 2013

	Note	As at 31 March 2013 £
Assets		
Current assets		
Trade and other receivables	6	210,030
Cash and cash equivalents	7	100
Total assets		**210,130**
Equity and liabilities		
Capital and reserves		
Called up share capital	8	75,002
Retained earnings		(90,483)
Total equity		**(15,481)**
Liabilities		
Current liabilities		
Trade and other payables	9	52,598
Convertible loan notes	9	100,000
Cash and cash equivalents	7	73,013
Total liabilities		**225,611**
Total equity and liabilities		**210,130**

The notes to the financial statements form an integral part of these financial statements

This report was approved by the board and authorised for issue on 31 July 2013 and signed on its behalf by,

John Roddison FCA
Director

Company Registration Number 07987393

Statement of Changes in Equity
for the period from 12 March 2012 to 31 March 2013

	Called up share capital £	Retained earnings £	Total £
On incorporation	2	-	2
Comprehensive income for the period	-	-	-
Loss	-	(90,483)	(90,483)
Total comprehensive income for the period	-	(90,483)	(90,483)
Contributions by and distributions to owners			
Issue of share capital	75,000	-	75,000
31 March 2013	75,002	(90,483)	(15,481)

Share capital comprises the ordinary and deferred issued share capital of the Company

Retained earnings represent the aggregate retained earnings of the Company.

The notes to the financial statements form an integral part of these financial statements

Statement of Cash Flows

for the period from 12 March 2012 to 31 March 2013

	Note	Period ended 31 March 2013 £
Cash flow from operating activities		
Operating loss		(88,437)
Interest paid		(1,101)
Finance costs paid		(945)
Changes in working capital		
Increase in Trade and other receivables		(210,030)
Increase in Trade and other payables		52,598
Net cash used in operating activities		**(247,915)**
Cash flows from financing activities		
Share issue		75,002
Convertible loan notes		100,000
Net cash generated from financing activities		**175,002**
(Decrease) in cash and cash equivalents		**(72,913)**
Cash and cash equivalents at beginning of period		**-**
Cash and cash equivalents at end of period	**7**	**(72,913)**

The notes to the financial statements form an integral part of these financial statements

Notes to the Financial Information

1. General Information

The Company was ıncorporated ın England and Wales on 12 March 2012 as a publıc lımıted company The Company dıd not trade durıng the financıal perıod ended 31 March 2013, however certaın fees ın relatıon to lıstıng on the Maın Market of the London Stock Exchange were ıncurred

The Company's regıstered office ıs located at 24 Hanover Square, London, W1S 1JD

2. Summary of Significant Accounting Policies

The Board has revıewed the accountıng polıcıes set out below and consıders them to be the most appropriate to the Company's busıness actıvıtıes

a) Basis of Preparation

The financıal statements have been prepared ın accordance wıth Internatıonal Fınancıal Reportıng Standards ("IFRS") as adopted for use by the European Unıon, and effectıve, or ıssued and early adopted, as at the date of these statements The financıal statements have been prepared under the hıstorıcal cost conventıon as modıfied for financıal assets carrıed at faır value

As at the date of approval of these financıal statements, the followıng standards and ınterpretatıons, were ın ıssue but not yet effectıve

- IAS 27 (revısed) 'Separate Fınancıal Statements'
- IAS 28 (revısed) 'Investments ın Assocıates and Joınt Ventures'
- IFRS 7 and IAS 32 'Offsettıng financıal assets and financıal lıabılıtıes'
- IFRS 7 Fınancıal Instruments Dısclosures (amendment)
- IFRS 9 'Fınancıal Instruments'
- IFRS 10 'Consolıdated Fınancıal Statements'
- IFRS 11 'Joınt Arrangements'
- IFRS 12 'Dısclosures ın Other Entıtıes'
- IFRS 13 'Faır Value Measurements'
- Amendment to IFRS 1 – Government Loans
- Amendment to IAS12 - Income Taxes
- Amendment to IAS 1 – Presentatıon of Fınancıal Statements
- Amendment to IAS 19 – Employee Benefits
- IFRIC 20 – Strıppıng Costs ın the Productıon Phase of a Surface Mıne
- Transıtıon Guıdance (Amendments to IFRS 10, IFRS 11 and IFRS 12)

Numerous other mınor amendments to standards have been made as a result of the IASB's annual ımprovement project

The dırectors do not antıcıpate that the adoptıon of these standards and ınterpretatıons wıll have a materıal ımpact on the Fınancıal Statement ın the year of ınıtial applıcatıon

b) Significant accounting judgements, estimates and assumptions

Management have consıdered the sıgnıficant accountıng judgements, estımates and assumptıons used wıthın the non-statutory financıal statements and do not consıder there to be any whıch would materıally affect the financıal statements

c) **Financial Instruments**

Financial assets and liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument The Company currently does not use derivative financial instruments to manage or hedge financial exposures or liabilities

d) **Trade and Other Receivables and Payables**

Trade and other receivables and trade and other payables are initially recognised at fair value Fair value is considered to be the original invoice amount, discounted where material, for short-term receivables and payables Long term receivables and payables are measured at amortised cost using the effective interest rate method Where receivables are denominated in a foreign currency, retranslation is made in accordance with the foreign currency accounting policy previously stated

e) **De-recognition and Impairment of Financial Assets and Liabilities**

i. **Financial Assets**

A financial asset is derecognised where

- the right to receive cash flows from the asset has expired,
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a pass-through arrangement, or
- the Company has transferred the rights to receive cash flows from the asset, and either has transferred substantially all the risks and rewards of the asset or has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

ii. **Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of comprehensive income

f) **Reserves**

Retained earnings represent the cumulative retained losses of the company at the reporting date

g) Taxation

Current Tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities The tax rates and the tax laws used to compute the amount are those that are enacted or substantively enacted by the statement of financial position date

Deferred Tax

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions

- where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting nor taxable profit or loss;
- in respect of taxable temporary differences associated with investment in subsidiaries, associates and joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future and
- deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the statement of financial position date

The carrying amount of deferred income tax assets is reviewed at each statement of financial position date Deferred income tax assets and liabilities are offset, only if a legally enforcement right exists to set off current tax assets against current tax liabilities, the deferred income taxes related to the same taxation authority and that authority permits the Company to make a single net payment

Income tax is charged or credited directly to equity if it relates to items that are credited or charged to equity Otherwise income tax is recognised in the statement of comprehensive income

h) Segmental Reporting

For the purpose of IFRS8 the chief operating decision maker ("CODM") takes the form of the Directors The Directors are of the opinion that the business comprises of a single economic activity, being the acquisition of businesses or assets in the Natural Resource sector and the currently this activity is undertaken solely in the United Kingdom All of the income and non-current assets are derived from the United Kingdom No single customer accounts for more than 10% of income At meetings of the Directors, income, expenditure, cash flows, assets and liabilities are reviewed on a whole Company basis Based on the above considerations there is considered to be one reportable segment only namely the acquisition of businesses or asset in the Natural Resources Sector

Therefore the financial information of the single segment to the same as that set out in the company statement of comprehensive income, company statement of financial position, the company statement of changes to equity and the company statement of cashflows

i) **Financial Risk Management Objectives and Policies**

The Company does not enter into any forward exchange rate contracts

The main financial risks arising from the Company's activities are cash flow interest rate risk, liquidity risk, price risk (fair value) and credit risk The Board reviews and agrees policies for managing each of these risks and they are summarised as

Cash Flow Interest Rate Risk – the Company's exposure to the risk of changes in market interest rates relates primarily to the Company's overdraft accounts with major banking institutions

The Company's policy is to manage its interest income, when received, using a mixture of fixed and floating rate deposit accounts

Liquidity Risk – the Company raises funds as required on the basis of budgeted expenditure and inflows When funds are sought, the Company balances the costs and benefits of equity and debt financing When funds are received they are deposited with banks of high standing in order to obtain market interest rates

Price Risk – the carrying amount of the following financial assets and liabilities approximate to their fair value due to their short term nature. cash accounts, accounts receivable and accounts payable

Credit Risk – with respect to credit risk arising from other financial assets of the Company, which comprise cash and time deposits and accounts receivable, the Company's exposure to credit risk arises from default of the counterparty, with a minimum exposure equal to the carrying amount of these instruments The credit risk on cash is limited as cash is placed with substantial financial institutions

j) **Borrowings**

Borrowings are recorded in accordance with IAS 32, which requires the separate recognition of the equity and debt portions of any convertible loans

k) **Events After the End of the Reporting Period**

Post year-end events that provide additional information about the Company's position at the statement of financial position date and are adjusting events are reflected in the financial statements Post year-end events that are not adjusting events are disclosed in the notes when material

l) **Equity**

Equity instruments issued by the Company are recorded net at proceeds after direct issue costs

m) **Going Concern**

The Company's business activities and financial position, together with the factors likely to affect its future development, performance and position are set out in the front end of the financial statements

The Directors have carried out a detailed assessment of going concern as part of the financial reporting process, taking into consideration a number of matters including the recent listing Placing announced on 11 July 2013 and disclosed in note 20, forecast cash flows, medium and long term business plans and expectations

On the basis of this assessment, the Directors have concluded that it is appropriate to prepare the financial statements on a going concern basis

3. Loss before income tax

The loss before income tax is stated after charging:

	Period ended 31 March 2013 £
Interest expenses	1,101
Bank charges	945
Audit of the company	17,500

4. Income tax

Analysis of charge in the period

	Period ended 31 March 2013 £
Current tax	
UK corporation tax on loss for the period	-
Deferred tax	-
Tax on loss on ordinary activities	-

	Period ended 31 March 2013 £
Loss on ordinary activities before tax	(90,483)
Analysis of charge in the period	£
Loss on ordinary activated multiplied by small companies rate of corporation tax in the UK of 20%	-
Effects of	
Loss carried forward	90,483
Current tax charge for the period as above	-

The Company has tax losses arising in the UK of approximately £90,483 that are available, under current legislation, to be carried forward against future profits

5. Loss per share

The calculation of loss per share is based on the following loss and number of shares.

	Period ended 31 March 2013 £
Loss for the period from continuing operations	(90,483)
Weighted average shares in issue	
Basic	1,253,857
Diluted	1,253,857
Loss per share	
Basic	(0 07)
Diluted	(0 07)

Basic loss per share is calculated by dividing the loss for the period from continuing operations of the company by the weighted average number of ordinary shares in issue during the year

6. Trade and other receivables

	Period ended 31 March 2013 £
VAT debtor	10,600
Unpaid share capital	56,000
Prepayments	143,430
	210,030

There are no material differences between the fair value of trade and other receivables and their carrying value at the year end

No receivables were past due or impaired at the period end

7. Cash and cash equivalents

	Period ended 31 March 2013 £
Bank accounts	100
Bank overdraft	(73,013)
	(72,913)

8. Called up share capital

The Company was incorporated on 12 March 2012 On incorporation, the Company issued two Ordinary Shares of £1 00 each at par value

On 26 November 2012, 75,000 Ordinary Shares of £1 each were issued

On 26 November 2012 the 75,000 ordinary shares were each subdivided and reclassified into 3,750,100 ordinary shares of £0 001 each and 75,002 deferred shares of £0 95 each

The ordinary shares have attached to them full voting, dividend and capital distribution rights (including on a winding up) The ordinary shares do not confer any rights of redemption

The deferred shares have attached to them no rights to dividends until the holders of the ordinary shares have received £100,000,000 for each ordinary share held by them The right to partake in a capital distribution (including on a winding up) once the holders of the ordinary shares have received the sum of £1,000,000 per ordinary share No right to attend or vote at a general meeting of the company

Shares issued during the period

	Number of Shares	Share Capital £
Ordinary Shares of £1		
On 12 March 2012	2	2
On 26 November 2012	75,000	75,000
	75,002	75,002
Converted 26 November 2012		
Deferred Shares of £0 95	75,002	71,252
Ordinary Shares of £0 001	3,750,100	3,750
		75,002

At 31 March 2013 there was £56,000 of unpaid share capital owed to the Company John Roddison owed £28,000 and Christopher McAuliffe and Jacqueline Lim owed £28,000 They are all directors of the Company and these amounts have been collected post year end

9. Trade and other payables

	Period ended 31 March 2013
Current	**£**
Amounts owed to related parties	35,098
Convertible loan notes	100,000
Accruals	17,500
	152,598

On 11 July 2013, the convertible loan notes were converted into 1,250,000 ordinary shares of £0 001 each at a price of £0 08 each

10. Related party disclosures

Non-executive Director John Roddison is also a director of Brown McLeod Limited which has provided consulting services to the Company The total fees charged for the period amounted to £16,000, all of which was for non-executive Director fees

Non-executive Director Christopher McAuliffe is also a director of Sprint Capital Management Limited which has provided consulting services to the Company The total fees charged for the period amounted to £16,000, all of which was for non-executive Director fees

Non-executive Director Jacqueline Lim is also a director of Sprint Capital Management Limited which has provided consulting services to the Company The total fees charged for the period amounted to £16,000, all of which was for non-executive Director fees

At the period end the following amounts were due to related parties.

£12,599 was due to director John Roddison at the period end in relation to various fees incurred on behalf of Xplorer Plc

£22,499 was due to Sprint Capital Management Limited for unpaid director's fees Xplorer Plc directors Jacqueline Lim and Christopher McAuliffe are also directors of Sprint Capital Management Limited

11. Directors emoluments

Details concerning Directors remuneration can be found below The Directors are considered to be the key management

Name of Director	Short term employee benefits	Post employment benefits	Other long term benefits	Termination benefits	Other	Total
John Roddison**	16,000	-	-	-	-	16,000
Christopher McAuliffe*	16,000	-	-	-	-	16,000
Jacqueline Lim*	16,000	-	-	-	-	16,000
Total						**48,000**

Further information concerning Directors remuneration can be found in the unaudited Directors Remuneration report

12. Financial instruments

All of the Company's financial assets are classified at fair value through profit or loss As at 31 March 2013, the Company's financial assets comprised £210,130 of cash and trade and other receivables

The Company's principal financial instruments comprise cash balances, accounts payable and accounts receivable arising in the normal course of its operations

The financial instruments of the Company at year-end are

	31 March 2013
	£
Financial assets	-
Loans and receivables - Cash and cash equivalents	100
Loans and receivables - Trade and other receivables	210,030
Financial liabilities	100,000
Other financial liabilities – Cash and cash equivalents	73,013
Other financial liabilities - Trade and other payables	52,598

a) Interest rate risk

The Company has floating rate financial assets in the form of deposit accounts with major banking institutions, however, it is not currently subjected to any other interest rate risk

Based on cash balances at the statement of financial position date, a rise in interest rates of 1% would not have a material impact on the profit and loss of the company

b) Liquidity risk

The Company regularly reviews its major funding positions to ensure that it has adequate financial resources in meeting its financial obligations The Company takes liquidity risk into consideration when deciding its sources of funds

c) Credit risk

The Company had receivables of £210,030 at 31 March 2013, of which £56,000 was receivable from related parties, as mentioned in note 10 Company receivables of £210,030 at the period-end were not past due, however the Directors consider there to be no credit risk arising from these receivables

d) Capital risk management

The Company defines capital as the total equity of the Company The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt

e) Fair value of financial assets and liabilities

There are no material differences between the fair value of the Company's financial assets and liabilities and their carrying values in the financial information

13. Borrowings Facilities

The Company had a bank overdraft at 31 March 2013 of £73,013. The overdraft is secured by the personal guarantee of John Roddison

The Company had convertible loans at 31 March 2013 of £100,000 The convertible loan notes were converted into share capital on 11 July 2013

14. Capital Management Policy

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital The capital structure of the Company consists of borrowings and equity attributable to equity holders of the Company, comprising issued share capital and reserves

15. Pension Commitments

The Company has no pension commitments at the period end

16. Dividends

No dividends have been proposed

17. Convertible Loan Notes

The convertible loan of £100,000 was issued on 25 November 2012. The loan was issued into Ordinary shares on 11 July 2013

The value of the debt covers the cost and thus no equity element has been recognised

18. Staff Costs

During the period to 31 March 2013 there were no staff costs as no staff were employed by the company

19. Ultimate Controlling Party

The Directors have determined that there is no controlling party as no individual shareholder holds a controlling interest in the Company

20. Subsequent events

On 27 June 2013, the company constituted 3,750,000 Warrants on the terms of an instrument under which the Company issued 1,875,000 Warrants to each of Sprint Capital and Xplorer Capital Each Warrant entitles the Warrant Holder to subscribe for one Ordinary Share at 0 1 pence per Ordinary Share The Warrants are exercisable at any time from the date of the Acquisition to the third anniversary of Admission The Warrants are equal to 33 33% of the Enlarged Share Capital, or 25 00% of the total ordinary share capital assuming full exercise of the Warrants

On 27 June 2013, the Company constituted 75,000 Warrants on the terms of an instrument under which the Company issued 75,000 Warrants to Allenby Capital Limited ("Allanby Warrants") Each Allenby Warrant entitles subscription for one Ordinary Share at 10 pence per Ordinary Share The Allenby Warrants are exercisable at any time from the date that is six months following completion of the Acquisition to the fifth anniversary of Admission The Allenby Warrants are equal to 0 67% of the Enlarged Share Capital, or 0 66% of the total ordinary share capital assuming full exercise of the Allenby Warrants

On 11 July 2013, the company gained a standard listing on the London Stock Exchange

On 11 July 2013, 6,250,000 ordinary shares were issued at £0 16 per share raising £1 million gross

On 11 July 2013, the convertible loan notes were converted into 1,250,000 ordinary shares at £0 08 per share

21. Copies of the Annual Report

Copies of the annual report will be available on the Company's website at www xplorerplc co uk and from the Company's registered office, 24 Hanover Square, London, W1S 1JD