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Xtract Energy plc
24 May 2013

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XTRACT ENERGY PLC
("Xtract" or the "Company")

Final Results for the Year Ending 31 December 2012

Xtract (AIM: XTR) announces its audited results for the year ending 31 December 2012.

Operational Summary
2012 was a year of reorganisation and consolidation for Xtract in which it:
· Undertook a capital and management reorganisation which was approved at the General Meeting held in September 2012
· Completed a board re-organisation and appointed Colin Bird as Executive Chairman
· Divested of its assets in Denmark and the Netherlands
· Signed an agreement with Santos to pursue an exit from their jointly held interest in KNG Hydrocarbons in the Kyrgyz Republic, realising shares in Equus Mining Limited which were ultimately disposed of in February 2013 for a gross consideration of £0.65m in cash
· Disposed of its interest in Julia Creek oil shale tenements to Global Oil Shale Group Limited ('GOS') in return for 6 million shares in GOS and a further 1.5 million in the event of an IPO. GOS is committed to carrying out a detailed work program with agreed key milestones
Financial Summary
· Net loss of £7.59m (2011 loss:£4.31m)
· Net cash of £0.22m (2011: £4.49m)
· Net assets of £1.37m (2011: £8.37m)

Commenting, **Colin Bird**, Chairman of Xtract, said: "Having completed a very challenging 2012, we are now in a position to look forward. The Board is evaluating many opportunities in the resources sector and are confident that 2013 will be a transitional year for the business. Our primary focus is on suitable assets which will ultimately deliver shareholder value. We would like to thank our shareholder for their continued support and look forward to updating you in due course."

AGM
The Company will hold itsAnnual General Meeting on 24 June 2013, at 10.00am at the Pelham Hotel, 15 Cromwell Place, South Kensington, London SW7 2LA.

Xtract Energy Plc	Colin Bird, Executive Chairman	+44 (0) 137 237 9722
	Peter Moir, CEO	+44 (0) 137 237 9722
Cenkos Securities Plc	Jon Fitzpatrick	+44 (0) 207 397 8900
	Alan Stewart	+44 (0) 131 220 6939
Gable Communications	Justine James	+44 (0) 207 193 7463

Chairman's Statement

This is my first annual statement as Chairman of your company following my appointment on 10 September 2012. The Board has carried out a strategic review of the asset base of the Company with the view to maximise return to shareholders, whilst building a significant company in the resource sector.

Your Company had a very diverse portfolio in the oil and gas sector, however during the year under review we have suffered some disappointments in relation to our exploration activities. This has resulted in the decision to undertake a capital and management reorganisation, which is on-going.

As part of the reorganisation and management changes, the Company disposed of its interest in Julia Creek oil shale tenements in Queensland, Australia. This resulted in the Company acquiring 6 million shares in Global Oil Shale Group Limited ("GOS"), a private company which is expected to list in the mid-term. On listing, the Company will receive a further 1.5 million shares.

The small publicly listed resource company sector remains under considerable pressure. New initial public offerings are rare and secondary placings are difficult to procure. In this challenging environment quality assets are easier to identify, but the capability to finance is key, not only to the purchase, but also to unlock value for shareholders.

During the period under review the Company incurred a loss of £7,592K resulting in a loss of 0.42p per share.

Corporate
On 27 June 2012, the Company was notified by Norwegian Energy Company ("Noreco"), the operator of Licences 01/11 and 02/05 in Denmark, of imminent and unanticipated cash calls relating to expenditure on the Luna well, which had been drilled in early 2012. At the same time the Company also received cash calls from Noreco relating to all planned 2012 general, administrative and exploration expenditure on the same licences. These amounts were required to be advanced earlier than anticipated and also exceeded original expectations.

A potential consequence of the cash calls from Noreco was an increased possibility that the Company may become insolvent and, as a direct result, the Company requested that trading in its shares be temporarily suspended.

Following the suspension, the Company:
· Made payment in full for the cash calls received from Noreco and negotiated a reduction in the 2012 work stream as well as a more manageable payment schedule;
· Reduced annual running costs of the Company, including a reduction of the Directors' salaries;
· Entered into Heads of Terms by which GOS would have the potential to earn a controlling interest in the Julia Creek oil shale tenements. In order to obtain this controlling interest, GOS will need to conduct a three year work program covering exploration, development and engineering activities. A more detailed account of the GOS transaction can be found in the Operations Review.

In the period immediately following the share trading suspension, potential investment opportunities with a number of interested parties were explored. Following this process, which was carried out in association with its nominated advisor, the at that time Directors concluded that the Tiger Resource Finance PLC ("Tiger") subscription offered the best opportunity to secure the future of the Company.

Subscriptions
On 1 March 2012 the Company drew down £300K (before expenses) on its Standby Equity Distribution Agreement ("SEDA") with YA Global Master SPV Limited ("Yorkville"). This draw down was undertaken at a price of 2.051p per share and resulted in the issue of 14,627,011 new shares of 0.1p in the Company.

The Company announced on 24 August 2012 that Tiger and, on an individual basis, directors of Tiger (being Colin Bird, Raju Samtani, Michael Nolan and Bruce Rowan), had agreed, subject to certain conditions, to subscribe for a total of 689,655,173 new ordinary shares at a price of 0.0435 pence per share to raise £300K. Following the Subscriptions, Tiger holds 344,827,585 New Ordinary Shares and the members of the board of Tiger each hold 86,206,897 New Ordinary Shares (representing, in aggregate, approximately 29.9 percent of the enlarged share capital of the Company). Tiger is an investment fund focused on the Resource Sector and is listed on AIM. Xtract Energy PLC ("Xtract") and Tiger share the strategy of seeking active investments in early stage opportunities in the natural resource sector globally.

The Directors of Tiger have a track record of investing in junior natural resource sector companies, both in the mining and minerals industries, and in oil and gas exploration and production companies. Their direct experience in these sectors offers Xtract shareholders a new strategic investor who will proactively participate in the future of the Company.

In addition, Aaron D'Este, an independent investor, agreed, subject to certain conditions, to subscribe for a total of 68,965,517 New Ordinary Shares at a price of 0.0435 pence per share to raise an additional £30K (representing 2.99 per cent on the Enlarged Ordinary Share Capital of the Company).

The subscriptions were conditional upon shareholder approval being given at a General Meeting and admission of the Subscription Shares to trading on AIM.

It was recognised that the subscriptions, if approved, would result in the dilution of the existing shareholders, however, given the financial state of the Company, the Board concluded that a pre-emptive offer to existing shareholders was not feasible both in terms of cost and time. The Directors believed that, following the capital reorganisation and subscription, the financial position of the Company would be more certain.

A circular containing information on the proposal incorporating a notice convening a general meeting on Monday 10 September 2012 was posted to shareholders of the Company. As a result, the suspension of trading in the Company's shares was lifted on 24th August 2012.

Capital Reorganisation
In order to enable the subscriptions to proceed and to allow the Company to carry out share issues in the future, the Company proposed to implement a capital reorganisation, this required shareholder approval and involved each existing ordinary share of 0.1p (£0.001) held by shareholders being divided into 1 new ordinary share of 0.01p (£0.0001) and 1 new deferred share of 0.09p (£0.0009).

Resolutions to approve the capital reorganisation, adopt amended Articles of Association to grant the Directors authorities to issue the subscription shares and additional shares in the future without applying pre-emption rights in accordance with the Act, were proposed and agreed at the General Meeting held on Monday 10 September 2012. A total of 1,547,484,439 deferred shares were issued as part of the capital reorganisation. There are very limited rights attributable to the deferred shares and they effectively have a nil value.

General Meeting and Completion of Capital Reorganisation and Subscriptions
At the General Meeting held on 10 September 2012 all resolutions were passed and as a result the Company completed the capital reorganisation and subscriptions on 11 September 2012. In addition, changes to the Board of Directors and certain Directors' service contracts took effect.

Application was made for 2,306,105,129 new ordinary shares of 0.01p each ("New Ordinary Shares") to be admitted to trading on AIM (comprising 1,547,484,439 New Ordinary Shares being issued pursuant to the Capital Reorganisation and 758,620,690 being issued pursuant to the subscriptions). This admission took place on 11th September 2012.

Portfolio
The Xtract strategic review carried out in 2010 decided to rationalise the asset portfolio in order to focus on a more traditional oil and gas portfolio which, if successful, could add value to the Company in the near term. The initial objective was to drill wells on the Dutch and Danish prospects, whilst reducing the financial commitment exposure in Turkey and the Kyrgyz Republic. The exit from both Turkey and the Kyrgyz Republic has allowed the Company to focus its efforts on the Dutch and Danish prospects. Pursuing the sale of the Dutch acreage to Chevron Exploration and Production Netherlands B.V., in exchange for a royalty agreement, allowed the Company to dedicate its financial resources on participating in the drilling of the Luna well. Whilst the Luna well was unsuccessful in discovering a reservoir or hydrocarbons, shareholders have been able to participate in what was a very exciting, potentially high reward, prospect.

In August 2008 the Queensland Premier declared a twenty year moratorium on oil shale mining on a proposed oil shale development in the Whitsunday coastal region. From the same date there was also a two year review period imposed on all proposed oil shale developments throughout the state during which no new mining activity would be permitted. Following this announcement Xtract put its oil shale activity on a care and maintenance basis, which was to continue until the outcome of the moratorium was known.

On 24 March 2012 the Liberal National Party was returned in the Queensland election, replacing the previous Labour administration. It seemed timely for Xtract to seek a partner to help progress the Julia Creek tenements. The finalisation of the Global Oil Shale Group Limited ("GOS") transaction has enabled the Company to secure a strategic partner in GOS who has an excellent management team and expertise in the oil shale business to progress the Julia Creek and Morocco oil shale position. On 13 February 2013, the Newman Government announced that it will allow the development of a commercial oil shale industry in Queensland under strict environmental conditions.

Impairment of Danish Exploration Assets
Following the decision to relinquish licenses 01/11 and 02/05 held by the Danish subsidiary Elko Energy A/S, capitalised exploration expenses totalling £7m were impaired in the Group's financial statements. This represents the full value of the intangible assets held in respect of this project. Elko Energy A/S has been classified in the accounts as a 'dis-continuing' operation.

Outlook
The Company is looking at many options in the resource sector and we are confident that we will identify suitable assets which in the course of time will restore and grow shareholder value.

In conclusion, I would like to thank George Watkins, my predecessor as Chairman, Jeremy Kane and Paul Butcher as Non-Executive Directors for providing the strategic direction to Xtract Energy PLC over the period to the capital reorganisation. I thank Alan Hume, the CFO, for his strong executive guidance and governance. I would also like to thank Peter Moir, our CEO, in particular for his support and efforts during the transitional period, since the capital reorganisation.

Colin Bird
Executive Chairman
22 May 2013

Operations Review
Denmark
Through its wholly owned Danish subsidiary, Elko Energy A/S, Xtract held a 33% working interest in licence 01/11 and in the adjoining exploration and production licence 02/05 in the central part of the Danish sector of the North Sea. Norwegian Energy Company ("Noreco") was the operator for the licences with the Danish North Sea Fund as the third partner.

The partners selected a location for drilling the 'Luna' prospect on license 01/11, which had been chosen to test the Rotliegendes play in the optimum position in terms of reservoir quality, thickness and hydrocarbon charge for the combined prospective area. The Rotliegendes reservoir was thought to have a high probability of hydrocarbons being present at this location based on seismic interpretation.

In May 2011, it was announced that the Luna well would be drilled by the Maersk Resolve jack up drilling unit. The Maersk Resolve arrived at the Luna location on 10 February 2012 and spudded the Luna well on 12 February 2012.

On 16 March 2012, the Company announced that the Luna well had not encountered hydrocarbons having encountered Zechstein anhydrite and dolomite, lying directly on weathered volcanic conglomerates rather than a Rotliegendes sandstone reservoir as prognosed. The well was drilled to a total depth of 2073 metres below mean sea level, a core was taken, side wall cores collected and extensive wireline log measurements carried out. The well was plugged and abandoned as a dry hole on 24 March 2012.

The partners analysed in detail the extensive new data obtained from drilling the Luna well and concluded that proceeding into the next phase of the 01/11 and 02/05 licence terms with the associated work program commitment was not justified, due to the lack of attractive exploration prospectivity. On 6 February 2013 it was announced that the partners had jointly relinquished licences 01/11 and 02/05 in the Danish sector of the North Sea.

The Netherlands
In The Netherlands sector of the North Sea, Xtract currently holds an overriding royalty agreement with Chevron Exploration and Production Netherlands B.V. ("Chevron") and TAQA Energy ("TAQA") over their respective 48% and 12% working interests in the Dutch offshore blocks P1 and P2.

Chevron decided to drill the first well on the P2 block since the acquisition of the two licences from Elko Energy Inc ("Elko"). The P2-10 appraisal well targeted an existing gas discovery on the P2 block (P2-7, with low levels of CO2) and one of the main objectives was to evaluate commercial hydrocarbon flow rates from an extended reach horizontal well within the Rotliegendes sandstone reservoir.

The P2-10 well was drilled by the Noble Byron Welliver jack up drilling unit, commencing on 9 January 2012. The well was designated by Chevron as a "tight hole" in order to protect their proprietary technology being used to drill the well ("tight hole" meaning information regarding specific activity and progress is strictly confidential to the working interest partners). The well was side-tracked in April 2012 and well operations were completed in July 2012. The well remains classified as "tight hole" by Chevron and as such, no information regarding the outcome of the drilling activity has been released to the Company.

Kyrgyz Republic
In 2008, Xtract assigned a 75% share in former subsidiary Zhibek Resources Limited ("Zhibek") to Santos International Holdings Pty Ltd ("Santos") in return for Santos providing amongst other deliverables funding towards a well in the Tash Kumyr licence which Zhibek held in the Kyrgyz Republic. (Zhibek is an oil and gas exploration company which has a 72% interest in the close joint stock company, KNG Hydrocarbons which holds the Tash Kumyr exploration licence in the Kyrgyz Republic).

During the three and a half years since Santos acquired its interest in Zhibek, KNG Hydrocarbons acquired and processed approximately 100km of new 2D seismic data and a new prospect was identified. However, given the lack of material prospects identified in the exploration licences held by KNG Hydrocarbons and the decision by Santos to exit the Kyrgyz Republic, Xtract also made the decision to pursue a withdrawal from the Kyrgyz Republic.

On 3 May 2012, Xtract announced that it had signed agreements in relation to the Farm-in Subscription Agreement executed amongst Santos International Holdings Pty Ltd ("Santos"), Xtract International Ltd ("Company") and Xtract Energy PLC on 17 November 2008 for an interest in Zhibek. The signing of these agreements provides the basis for Santos and Xtract to pursue an exit from their jointly owned Zhibek and their indirect interest in KNG Hydrocarbons. This allowed previously committed Company funds to be diverted to other Company activities.

Pursuant to the agreements, Xtract International Ltd acquired from Santos 140,000,000 ordinary shares in Caspian Oil and Gas Ltd ("Caspian"), an oil producer and explorer listed on the Australian Securities Exchange. The consideration for that transfer is a release by Xtract of Santos and its related parties from certain funding obligations under the Farm-in Subscription Agreement. Caspian subsequently changed its name to Equus Mining Limited ("Equus") following a 10 to 1 share consolidation. The shares in Equus were classified by the Company as an asset held-for-sale. On 14 February 2013 the Company announced that it had disposed of its entire holding in Equus. The Company's 14 million shares were sold at a price of 7 Australian cents per share, resulting in a gross consideration of AUS$ 980K (£503K) before dealing costs. The shares are currently trading between 4 and 4.5 Australian cents per share.

Australia and Morocco
Xtract acquired its oil shale exploration rights over mining tenements at Julia Creek, Queensland, Australia in two tranches in late 2005 and early 2006. Xtract acquired the rights to extract oil shale from these tenements whilst Intermin Resources Ltd ("Intermin") holds rights to extract minerals such as Vanadium and Molybdenum from the same tenements.

The Julia Creek tenements cover an area of 709 square kilometres and contain JORC defined indicated and inferred resources of 2.18 billion barrels of shale oil.

Xtract assigned its oil shale rights in Julia Creek to Global Oil Shale Group Limited ("GOS") in exchange for:
· Strategic equity stake in GOS of 6 million shares on signing the Share Purchase Agreement and satisfying all closing commitments, and up to a further 1.5 million shares in GOS in the event of its planned IPO;
· Long term interest in the Julia Creek project through a 1% net smelter royalty;
· An initial cash payment of AUD$ 50K payable on signing the Share Purchase Agreement and prior to GOS commitment to a full work program on Julia Creek; and
· Xtract to gain a single project risk mitigating exposure to GOS' multi-oil shale project development portfolio and access to their leading knowhow in the sector.

GOS will carry out a detailed work program for Julia Creek with key milestone deliverables:
· Mining plan and resource testing
· Pre-feasibility plan for choice of processing approach for Julia Creek;
· Bankable feasibility plan and small scale pilot testing of production;
· GOS to fund all of Julia Creek ongoing holding and development costs.

In a related, but separate transaction, Xtract also agreed to sell its entire 70% interest in Xtract Energy (Oil Shale) Morocco SA to GOS, subject to satisfaction of certain closing conditions, including in particular seeking and obtaining the consent of the Office National des Hydrocarbures et des Mines ("ONHYM") and other regulatory approvals in the Kingdom of Morocco as well as the consent (or buy out) of the other shareholder in Xtract Energy (Oil Shale) Morocco S.A. Xtract and GOS are currently following up with the relevant parties in order to meet the above conditions.

On 13 February 2013, the Newman Government announced that it would allow the development of a commercial oil shale industry in Queensland under strict environmental conditions. Natural Resources and Mines Minister, Andrew Cripps, said the Government's new oil shale policy would:
· recognise the strategic importance of oil shale to contribute to energy security, and encourage private sector investment in high quality oil shale extracting technologies;
· ensure project proponents must first demonstrate their oil shale technology will meet high environmental standards and community expectations;
· allow, in general, the consideration and development of oil shale deposits in Queensland, pending thorough environmental assessment on a project by project basis;
· continue the existing 20-year moratorium suspending development of the McFarlane oil shale deposit near Proserpine until 2028.

GOS have advised Xtract that it has prepared a mining plan for the Julia Creek oil shale project comprising of an up to 35,000m reverse circulation drilling program involving in stages up to 700 boreholes being drilled and air-cored over an area of approximately 150km². GOS expect the drilling program to commence in the summer of 2013 and are in the process of securing appropriate approvals to execute the program.

GOS has also prepared an extensive testing program for the oil shale samples from Julia Creek for its process of oil concentration and thermal processing of the oil shale. GOS is working in co-operation with some of the leading companies in minerals processing in its testing program. Furthermore GOS has commenced evaluating its processing approach for Julia Creek and an associated pre-feasibility for this purpose, which are made in co-operation with its strategic partners Neste Jacobs and TTU Limited for engineering and processing. The aim of GOS is to prepare detailed input data for its oil shale process modelling and simulation that also can be used for a Julia Creek bankable feasibility study and pilot scale oil shale testing.

The Company also announces the publication of its 2012 Annual Report and Financial Statements, which will be posted to shareholders on 31 May 2013 and will also be available on the Company's website: www.xtractenergy.co.uk.

Peter Moir
Chief Executive Officer
22 May 2013
Financial Review

Financial Summary Table	Year ended 31 December 2012 (£million)	Year ended 31 December 2011 (£million)
Consolidated income resulting from continuing operations		
Administrative and operating expenses	(1.57)	(2.97)
Other (losses)	(0.16)	(0.14)
(Loss) after tax	(1.58)	(3.30)
(Loss) per share	(0.09p)	(0.30p)
Consolidated balance sheet position		
Intangible assets - exploration and evaluation	-	2.81
Assets available for sale	1.22	-
Assets held-for-sale	-	0.55
Cash	0.22	4.49
Total assets	1.62	9.32
Total equity	1.37	8.37
Total equity - number of issued shares	2,306,105,129 shares	1,532,857,428 shares

Income Statement Analysis

The Group reported a net loss after tax from continuing operations of £1,580K (2011: £3,303K) and basic loss per share of 0.09p (2011: basic loss per share of 0.30p).

Administrative and operating expenses from continuing operations amounted to £1.57 million for the year ended 31 December 2012 (2011: £2.97 million).

Other losses from continuing operations totalled £0.16 million in the year (2011: £0.14 million).

Finance income/costs include foreign exchange gains arising predominantly on Group intercompany loans in the year and non-Pound Sterling cash balances translated, amounting to £151K (2011: loss of £304K).

Investment Activity

In May 2012 Xtract signed agreements in relation to the Farm-in Subscription Agreement executed amongst Santos International Holdings Pty Ltd ("Santos"), Xtract International Limited ("Xtract International") and Xtract Energy PLC on 17 November 2008 in relation to Zhibek Resources Limited ("Zhibek"), which holds a majority interest in the Kyrgyz company KNG Hydrocarbons. The signing of these agreements provided the basis for Santos and Xtract to pursue an exit from their investment in Zhibek. In consideration for the release by Xtract of Santos from certain funding obligations under the Farm-in Subscription Agreement, Xtract International received 140,000,000 ordinary shares in Caspian Oil and Gas ("Caspian"), valued at AU$ 560K (£ 357K).

At the end of this financial year the fair value of these shares was AU$ 840K (£503K), this investment has subsequently been sold for a gross consideration of AU$ 980K (£650K).

On 17 December 2012 Xtract signed an agreement with Global Oil Shale Group Limited ("GOS"), whereby Xtract assigned its oil shale rights in Julia Creek to GOS for an equity share in GOS of 6 million shares valued at 0.12p and a cash payment of AU$ 50K (£33K). On listing, the Company will receive a further 1.5 million shares.

In a related transaction, Xtract also sold its entire 70% interest in Xtract Energy (Oil Shale) Moroccan SA to GOS for a cash consideration of AU$ 35K (£23K).

Consolidated income statement
For the year ended 31 December 2012

	Note	Year ended 31 December 2012 £'000	Year ended 31 December 2011 *(restated)* £'000
Administrative and operating expenses		(1,573)	(2,973)
Operating loss		(1,573)	(2,973)
Investment revenue	5	-	10
Finance income/(cost)	10	151	(304)
Other losses	5	(158)	(141)
Loss before tax		(1,580)	(3,408)
Tax credit	11	-	105
Loss from continuing operations	7	(1,580)	(3,303)
Loss for year from discontinued operations	6	(6,012)	(1,011)
Loss for the year		(7,592)	(4,314)
Attributable to:			
Equity holders of the parent		(7,592)	(3,949)
Non-controlling interest		-	(365)
		(7,592)	(4,314)
Net loss per share			
Continuing		(0.09)	(0.30)
Discontinuing		(0.33)	(0.06)
Basic (pence)	12	(0.42)	(0.36)
Continuing		(0.09)	(0.30)
Discontinuing		(0.33)	(0.06)
Diluted (pence)	12	(0.42)	(0.36)

Consolidated and Company statements of comprehensive income
For the year ended 31 December 2012

	Group		Company	
	Year ended 31 December 2012 £'000	Year ended 31 December 2011 *(restated)* £'000	Year ended 31 December 2012 £'000	Year Ended 31 December 2011 *(restated)* £'000
Loss for the year	(7,592)	(4,314)	(18,473)	(5,478)
Gains / (losses) on revaluation of available-for-sale investment taken to equity	146	(48)	-	(48)
Exchange differences on translation of foreign operations	(410)	(92)	-	-
Transferred to the income statement on sale of available-for-sale investment	-	141	-	141
Transferred to the income statement on sale of investment in joint venture	-	(324)	-	-
Other comprehensive (loss) / gain for the year	(264)	(323)	-	93

Total comprehensive loss for the year	(7,856)	(4,637)	(18,473)	(5,385)
Attributable to:				
Equity holders of the parent	(7,856)	(4,382)	(18,473)	(5,385)
Non-controlling interest	-	(255)	-	-
	(7,856)	(4,637)	(18,473)	(5,385)

Consolidated and Company statements of financial position
As at 31 December 2012

	Note	Group As at 31 December 2012 £'000	As at 31 December 2011 £'000	Company As at 31 December 2012 £'000	As at 31 December 2011 £'000
Non-current assets					
Intangible assets	13	-	2,805	-	-
Property, plant and equipment	14	-	3	-	-
Investment in subsidiaries	15	-	-	357	17,878
Financial assets available for sale	18	1,223	-	720	-
		1,223	2,808	1,077	17,878
Current assets					
Trade and other receivables	19	181	1,472	88	129
Cash and cash equivalents	24	215	4,488	170	425
Asset held- for-sale	17	-	553	-	-
		396	6,513	258	554
Total assets		1,619	9,321	1,335	18,432
Current liabilities					
Trade and other payables	21	247	395	149	197
Current tax liabilities	21	-	68	-	-
Amounts due to subsidiaries	21	-	-	10,431	9,870
		247	463	10,580	10,067
Net current assets/(liabilities)		149	6,050	(10,322)	(9,513)
Non-current liabilities					
Deferred tax liabilities	20	-	493	-	-
Total liabilities		247	956	10,580	10,067
Net assets/(liabilities)		1,372	8,365	(9,245)	8,365

Consolidated and Company statements of financial position (continued)
As at 31 December 2012

	Note	Group As at 31 December 2012 £'000	As at 31 December 2011 £'000	Company As at 31 December 2012 £'000	As at 31 December 2011 £'000
Equity					
Share capital	22	1,623	1,533	1,623	1,533
Share premium account		35,832	35,300	35,832	35,300
Warrant reserve		78	-	78	-
Share-based payments reserve	23	871	1,202	871	1,202
Available-for-sale reserve	23	146	-	-	-
Foreign currency translation reserve	23	(15)	663	-	-
Accumulated losses		(37,163)	(30,333)	(47,649)	(29,670)
Equity attributable to equity holders of the parent		1,372	8,365	(9,245)	8,365

Non-controlling interest	-	-	-	-
Total equity	1,372	8,365	(9,245)	8,365

Peter Moir
Director

Consolidated and Company statements of changes in equity

Group	Note	Share Capital	Share premium account	Warrant reserve	Share based payments reserve	Available-for-sale reserve	Foreign currency translation reserve
		£'000	£'000	£'000	£'000	£'000	£'000
As at 1 January 2011		855	26,006	538	564	(93)	861
Comprehensive income							
Loss for the year		-	-	-	-	-	-
Revaluation of available-for-sale investments		-	-	-	-	(48)	-
Foreign currency translation differences		-	-	-	-	-	(202)
Income statement transfer on disposal of available-for-sale investments		-	-	-	-	141	-
Income statement transfer on disposal of joint venture		-	-	-	-	-	(324)
Total comprehensive loss for the year		-	-	-	-	93	(526)
Exercise of warrants		60	1,440	(538)	-	-	-
Deemed disposal of subsidiary		-	-	-	-	-	-
Issue of shares to acquire outstanding non-controlling interest		350	4,973	-	135	-	328
Replacement share options issued to Elko Energy Inc shareholders		-	-	-	525	-	-
New issue of shares on re-admission to AIM		240	2,760	-	-	-	-
Cost of placing		-	(144)	-	-	-	-
Brokerage fee of £125,000 on share placement (settled in shares)		10	(10)	-	-	-	-
Shares issued on first exercise of stand-by equity distribution agreement ('SEDA')		18	282	-	-	-	-
Cost of SEDA exercise		-	(7)	-	-	-	-
Expiry of share options		-	-	-	(34)	-	-
Share based payment expense		-	-	-	12	-	-
As at 31 December 2011		1,533	35,300	-	1,202	-	663
Comprehensive income							
Loss for the year		-	-	-	-	-	-
Forex currency translation differences		-	-	-	-	-	(678)
Revaluation of available-for-sale investments	18	-	-	-	-	146	-
Total comprehensive loss for the year		-	-	-	-	146	(678)
SEDA drawdown	22	14	286	-	-	-	-
Cenkos 2.5% commission on £300,000 SEDA draw down		-	(8)	-	-	-	-
Issue of shares - Tiger Resources placing	22	76	254	-	-	-	-
Share based payment expense		-	-	-	163	-	-
Expiry of share options		-	-	-	(494)	-	-
Issue of warrants - Cenkos	26	-	-	78	-	-	-
As at 31 December 2012		1,623	35,832	78	871	146	(15)

Consolidated and Company statements of changes in equity

Company	Note	Share capital	Share premium account	Warrant reserve	Share based payments reserve	Av fo re
		£'000	£'000	£'000	£'000	£'
At 1 January 2011		855	26,006	538	429	(9
Comprehensive income						
Loss for the year		-	-	-	-	-
Revaluation of available-for-sale investments	18	-	-	-	-	(4

	Note					
Income statement transfer on disposal of available-for-sale-investments	18	-	-	-	-	14
Total comprehensive loss for the year		-	-	-	-	93
Exercise of warrants		60	1,440	(538)	-	-
Issue of shares to acquire non-controlling interest in subsidiary	15	350	4,973	-	-	-
New issue of shares on re-admission to AIM		240	2,760	-	-	-
Cost of placing		-	(144)	-	-	-
Brokerage fee of £125,000 on share placement (settled in shares)		10	(10)	-	-	-
Shares issued on first exercise of stand-by equity drawdown agreement	22	18	282	-	-	-
Cost of SEDA exercise		-	(7)	-	-	-
Replacement share options issued to shareholders of Elko Energy Inc	26	-	-	-	795	-
Share based payment expense		-	-	-	12	-
Expiry of share options		-	-	-	(34)	-
At 31 December 2011		1,533	35,300	-	1,202	-
Other comprehensive income		-	-	-	-	-
Loss for the period		-	-	-	-	-
Total comprehensive loss for the year		-	-	-	-	-
SEDA drawdown	22	14	286	-	-	-
Cenkos 2.5% commission on £300,000 SEDA draw down		-	(8)	-	-	-
Issue of shares - Tiger resources placing	22	76	254	-	-	-
Share based payment expense		-	-	-	163	-
Expiry of share options		-	-	-	(494)	-
Issue of warrants - Cenkos	26	-	-	78	-	-
At 31 December 2012		1,623	35,832	78	871	-

Consolidated and Company cash flow statements
For the year ended 31 December 2012

	Note	Group Year ended 31 December 2012 £'000	Year ended 31 December 2011 £'000	Company Year ended 31 December 2012 £'000	Year ended 31 December 2011 £'000
Net cash used in operating activities	24	(540)	(7,091)	(929)	(5,070)
Investing activities					
Interest received	5	-	38	-	9
Acquisition of intangible assets	13	(4,370)	(2,642)	-	-
Proceeds from disposal of intangible assets	13	-	635	-	-
Proceeds from disposal of investment	15	77		53	-
Purchase of property, plant and equipment	14	-	(3)	-	-
Disposal of available-for-sale investments	18	-	449	-	449
Disposal of joint venture	16	-	60	-	-
Net cash (used in) / from investing activities		(4,293)	(1,463)	53	458
Financing activities					
Proceeds on issue of shares		330	4,356	330	4,356
Proceeds on exercise of SEDA		300	293	300	293
Loans to subsidiaries		-	-	-	(715)
SEDA arrangement fee		(8)	(250)	(8)	(250)
Loans to subsidiaries written off		-	-	-	(84)
Loans from subsidiaries		-	-	-	75
Net cash from financing activities		622	4,399	622	3,675
Net (decrease) in cash and cash equivalents		(4,211)	(4,155)	(254)	(937)
Cash and cash equivalents at beginning of year		4,488	8,766	425	1,346

Effect of foreign exchange rate changes	(62)	(123)	(1)	16
Cash and cash equivalents at end of year	215	4,488	170	425

Notes to the consolidated financial statements
For the year ended 31 December 2012

1. General information
Xtract Energy PLC is a company incorporated in Great Britain under the Companies Act 2006. The address of the registered office is 4th Floor, 2 Cromwell Place, South Kensington, London, SW7 2JE. The nature of the Group's operations and its principal activities are set out in the operating and financial review on pages 4 to 8.

These financial statements are presented in Pound Sterling. Foreign operations are included in accordance with the policies set out in note 3.

2. Adoption of new and revised Standards
In the current year a number of new and revised standards and interpretations were adopted by the Group including amendments to IAS 1 ('Presentation of Items of Other Comprehensive Income'). None of these had any material impact on the financial statements.
At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

IFRS 9 Financial Instruments- Classification and Measurement
IFRS 10 Consolidated Financial Statements
IFRS 11 Joint Arrangements
IFRS 12 Disclosure of Interests in Other Entities
IFRS 13 Fair Value Measurement
IAS 19 (revised) Employee Benefits
IAS 28 (revised) Investments in Associates and Joint Ventures
IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine
The Directors anticipate that the adoption of these standards and interpretations in future periods will have no material impact on the financial statements of the Group.

3. Significant accounting policies
Basis of accounting
The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs). The financial statements have also been prepared in accordance with IFRSs adopted by the European Union and therefore the Group financial statements comply with Article 4 of the EU IAS Regulations.

The financial statements have been prepared under the historical cost convention modified for certain items carried at fair value, as stated in the accounting policies. The principal accounting policies adopted are set out below.

Basis of consolidation
The consolidated financial statements comprise the financial statements of the Company and entities controlled by the Company (its subsidiaries). These consolidated financial statements are made up for the year ended 31 December 2012.
Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

3. Significant accounting policies (continued)

The results of subsidiaries acquired or disposed of during the period are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where
necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and their share of changes in equity since the date of the combination. Losses applicable to the non-controlling interest in excess of the non-controlling party's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the non-controlling interest has a binding obligation and is able to make an additional investment to cover the losses.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.
Going concern
Following a period of uncertainty earlier in the year which resulted in the Company suspending its existing ordinary shares on 27 June 2012 pending clarification of its financial situation, the Directors secured an offer by Tiger Resource Finance PLC and its Board to participate in a placing to acquire, between them, 29.9% of the total share capital for a combined investment of £300K. In addition an independent investor agreed to subscribe for new ordinary shares (representing 2.99% of the total share capital) raising a further £30K.

The Group held 14 million Equus Mining (formerly Caspian Oil & Gas Limited) shares which as at 31 December 2012 had a market value of £503K. On 14 February 2013 these shares were sold for a cash consideration of AUD$980K (c£650K).

The Group also holds 6 million Global Oil Shale shares with a market value of £720K as at 31 December 2012. On listing, the Company will receive a further 1.5 million shares.

The Group has in place a drawdown equity facility distribution agreement with Y A Global Master SPV to provide potential funding of up to £12.5 million from an equity line facility over a period of up to three years from the inception of the agreement. To date there have been two drawdowns both raising approximately £300K.

The Group is not currently generating revenues from its operations and would not have sufficient cash to make further investments in its existing and new projects in line with the Group's strategy.

Despite this, management believes the Company has adequate resources to continue in operational existence for the foreseeable future and through a combination of future fund raising and realising cash from non-core assets it will be able to invest in new projects in line with its strategy. The Company has sufficient funds to settle current liabilities when due, in addition to meeting overheads for the next twelve months without gaining access to additional funds. Therefore, the Directors continue to adopt the going concern basis of accounting in preparing these financial statements.

3. Significant accounting policies (continued)

Parent only income statement

Xtract Energy PLC has not presented its own income statement as permitted by section 408 of the Companies Act 2006. The loss for the year ended 31 December 2012 was £18,473K (2011: loss £5,478K).

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments (see below). All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant IFRSs. Changes in the fair value of contingent consideration classified as equity are not recognised.

Where a business combination is achieved in stages, the Group's previously-held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 (2008) are recognised at their fair value at the acquisition date, except that:

· deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 *Income Taxes* and IAS 19 *Employee Benefits* respectively;
· liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with IFRS 2 *Share-based Payment*; and
assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete
Information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year.

3. Significant accounting policies (continued)

Investment in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held-for-sale, in which case it is accounted for in accordance with IFRS 5 *Non-current Assets-Held-for-Sale and Discontinued Operations.* Under the equity method, investments in associates are carried in the consolidated statement of financial position at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual

investments. Losses of an associate in excess of the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate) are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of that investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

Where a group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

Joint ventures

Jointly controlled entities

A jointly controlled entity involves the establishment of a separate legal entity in the form of a partnership, corporation or other entity. The entity controls the assets of the joint venture, incurs liabilities and expenses, and earns income. It maintains its own accounting records, enters into contracts in its own name and, generally, has an existence of the ventures, including the preparation of financial statements. The Group accounts for jointly controlled entities using the equity method as discussed above, except when the investment is classified as held-for-sale, in which case it is accounted for in accordance with IFRS 5 *Non-current Assets Held-for-Sale and Discontinued Operations*.

Non-current assets held-for-sale

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.

Non-current assets and disposal groups are classified as held-for-sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the 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.

3. Significant accounting policies (continued)

Foreign currencies

The individual financial statements of each Group company are maintained in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each Group company are expressed in Pounds Sterling, which is the functional currency of the Company, and the presentational currency for the consolidated financial statements.

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (attributed to non-controlling interest as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, loss of joint control over a jointly controlled entity that includes a foreign operation, or loss of significant influence over an associate that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. The Group has elected to treat goodwill and fair value adjustments arising on acquisitions before the date of transition to IFRSs as Sterling denominated assets and liabilities.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

3. Significant accounting policies (continued)

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are
generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Property, plant and equipment and intangible assets
Oil and gas properties and leases
The costs of oil and gas properties and leases include the cost of acquiring and developing oil and gas properties and leases, together with any costs reclassified from intangible exploration and evaluation. Oil and gas properties and leases are amortised from the commencement of production in proportion to the ratio of production in the year to remaining reserves as at the start of the year. There were no amounts capitalised in respect of this category at either 31 December 2012 or 31 December 2011.*Intangible exploration and evaluation expenditure assets*
The costs of exploration properties and leases, which include the cost of acquiring prospective properties and exploration rights, are capitalised as intangible assets. Exploration and evaluation expenditure is capitalised within exploration and evaluation properties until such time that the activities have reached a stage which permits a reasonable assessment of the existence of commercially exploitable reserves when they are transferred to oil and gas properties and leases. Capitalised exploration and evaluation expenditure is assessed for impairment in accordance with the indicators of impairment as set out in IFRS 6 Exploration for and Evaluation of Mineral Reserves. In circumstances where a property is abandoned, the cumulative capitalised costs relating to the property are written off in the year.
Other Property, Plant and Equipment
Other tangible fixed assets represent office and computer equipment and are recorded at cost, net of accumulated depreciation. Depreciation is provided on all such tangible fixed assets at rates calculated to write off the cost or valuation of each asset on a straight-line basis over its expected useful life or the life of the relevant licence, whichever is less, as follows:

3. Significant accounting policies (continued)

Average life in years	
Office and computer equipment	3-5
Plant and machinery	7-20

Until they are brought into use, fixed assets and equipment to be installed are included within assets under construction.

The cost of maintenance, repairs and replacement of minor items of tangible fixed assets are charged to the income statement as incurred. Renewals and asset improvements are capitalised. Upon sale or retirement of tangible fixed assets, the cost and related accumulated depreciation are eliminated from the financial statements. Any resulting gains or losses are included in the income statement.

Impairment of tangible and intangible assets excluding goodwill
At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does
not exceed the carrying amount that would have been determined had no impairment loss been recognised
for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Financial instruments
Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Financial assets
All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

3. Significant accounting policies (continued)

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

Available-for-sale financial assets ('AFS')
Listed shares and listed redeemable notes held by the Group that are traded in an active market are classified as being AFS and are stated at fair value. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve with the exception of impairment losses which are recognised directly in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised in the investment revaluation reserve is reclassified to profit or loss.

Dividends on AFS equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

The fair value of AFS monetary assets denominated in a foreign currency is determined in the foreign currency and translated at the spot rate at the balance sheet date. Other foreign exchange gains and losses are recognised in other comprehensive income.

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

Impairment of financial assets
Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.
For listed and unlisted equity instruments classified as AFS, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets objective evidence of impairment could include:
- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in the national or local economic conditions that correlate with default on receivables.

3. Significant accounting policies (continued)
Financial instruments (continued)
Impairment of financial assets (continued)
The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

With the exception of AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the profit or loss to the extent that
the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of AFS equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income.

De-recognition of financial assets
The Group de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks or rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset, and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks
and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset, and also recognises a collateralised borrowing for the proceeds received.
Financial liabilities and equity
Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of contractual arrangements.

Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.
Financial liabilities
Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial instruments'.

Other financial liabilities
Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

3. Significant accounting policies (continued)
Financial instruments (continued)
The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash flow payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

De-recognition of financial liabilities
The Group de-recognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Share-based payments
Equity-settled share-based payments to certain directors, employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market based vesting conditions. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 26.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions.

Employee Benefits

Defined Contribution plan
The Group's funding of the defined contribution plan is charged to the income statement in the year that the service is provided.

Termination payments
Termination payments are payable when employment is terminated before the normal retirement age or when an employee accepts voluntary redundancy. Payments falling due more than twelve months after the end of the reporting period are discounted to their present value.

Finance Income
Finance income comprises interest income on funds invested (including available-for-sale financial assets). Interest income is recognised as it accrues in profit or loss, using the effective interest method.
Operating Leases

Operating lease payments are recognised as an operating expense in the income statement on a straight-line basis over the lease term.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Executive Officer (CEO). The CEO is responsible for allocating resources and assessing performance of the operating segments.

Comparative figures

Certain prior year's amounts have been reclassified from statements previously presented to conform to the presentation of 2012 consolidated Financial Statements.

4. Critical accounting judgements and key sources of estimation uncertainty
In the application of the Group's accounting policies, which are described in note 3, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.
The following are the critical judgements that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Impairment of intangible assets and investments
The assessment of intangible assets for any indications of impairment involves judgement. If an indication of impairment, as defined in IFRS 6 or IAS 36 as appropriate, exists, a formal estimate of recoverable amount is performed and an impairment loss recognised to the extent that carrying amount exceeds recoverable amount. Recoverable amount is determined as the higher of fair value less costs to sell and value in use. The calculation of recoverable amount requires an estimation of the value in use of the cash-generating units to which the intangible assets are allocated. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Share-based payments
The estimation of share-based payment costs requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Group has made estimates as to
the volatility of its own shares, the probable life of options granted and the time of exercise of those options. The model used by the Group is the Black-Scholes model.

5 Investment revenue and other gains and losses
An analysis of the Group's investment revenue and other gains and losses is as follows:

	Group	
	Year ended 31 December 2012	Year ended 31 December 2011
	£'000	£'000
Investment revenue		
Interest on bank deposits	-	10
Other gains and losses		
Loss on disposal of held-for-sale-assets	(197)	(141)
Other income	39	-
Total other losses	(158)	(141)

6. Segmental Analysis
For management purposes, the Group is currently organised into operating divisions - oil & gas exploration, evaluation and development and oil shale exploitation. These divisions are the basis on which the Group reports its primary segment information to its CEO, to allocate resources to the segments and to assess their performance.

Principal activities are as follows:
· investment and other - in various listed resource companies including held-for-sale assets;
· oil & gas exploration, evaluation and development - of the Group's interests in Turkey, the Netherlands and Denmark (this is a discontinuing activity);
· oil shale exploitation - of the Group's interests in Queensland, Australia and Tarfaya. The group discontinued its operations in this sector during the year.

6. Segmental Analysis (continued)

Year ended 31 December 2012	Investment and Other	Oil & Gas Exploration and Production	Oil Shale Exploration	Total	Total
	(Continuing)	(Discontinuing)	(Discontinuing)	(Discontinuing)	
	£'000	£'000	£'000	£'000	£'000
Administrative and operating expenses	(1,573)	(13)	(73)	(86)	(1,659)
Impairment of intangible assets	-	(7,120)	-	(7,120)	(7,120)
Segment result	(1,573)	(7,133)	(73)	(7,206)	(8,779)
Finance income/(costs)	151	(133)	1	(132)	19
Other gains and losses	(158)	-	33	33	(125)
Loss before tax	(1,580)	(7,266)	(39)	(7,305)	(8,885)
Profit on sale	-	-	821	821	821
Tax credit	-	472	-	472	472
(Loss)/profit for the year	(1,580)	(6,794)	782	(6,012)	(7,592)

At 31 December 2012	Investment and Other (Continuing) £'000	Oil & Gas Exploration and Production (Discontinuing) £'000	Consolidated £'000
Balance sheet			
Assets			
Financial assets	307	89	396
Available -for-sale assets	1,223	-	1,223
Consolidated total assets			1,619
Liabilities			
Financial liabilities	(183)	(64)	(247)
Consolidated total liabilities			(247)

6. Segmental Analysis (continued)

Year ended 31 December 2011	Investment and other (Continuing) £'000	Oil & Gas exploration & Production (Discontinuing) £'000	Oil Shale exploration (Discontinuing) £'000	Total (Discontinuing) £'000	Total £'000
Administrative and operating expenses	(2,973)	(1,075)	(126)	(1,201)	(4,174)
Share of results of associates	-	(12)	-	(12)	(12)
Impairment of intangible assets	-	(106)	-	(106)	(106)
Segment result	(2,973)	(1,193)	(126)	(1,319)	(4,292)
Investment revenue	10	27	1	28	38
Finance costs	(304)	(103)	-	(103)	(407)
Other gains and losses	(141)	383	-	383	242
Loss before tax	(3,408)	(886)	(125)	(1,011)	(4,419)
Tax credit	105	-	-	-	105
Loss for the year	(3,303)	(886)	(125)	(1,011)	(4,314)

At 31 December 2011	Investment and other (Continuing) £'000	Oil shale exploration (Discontinuing) £'000	Oil & Gas exploration and production (Discontinuing) £'000	Consolidated £'000
Capital additions - property, plant and equipment	-	-	3	3
Depreciation and amortisation	2	-	3	5
Balance sheet				
Assets				
Intangible assets	-	-	2,805	2,805
Property, plant and equipment	-	-	3	3
Financial assets	655	62	5,243	5,960
Asset held-for-sale	553	-	-	553
Consolidated total assets				9,321
Liabilities				
Financial liabilities	(379)	(31)	(53)	(463)
Deferred tax liability	-	-	(493)	(493)
Consolidated total liabilities				(956)

6. Segmental Analysis (continued)

Geographical information
The Group's operations are located in Europe, Central Asia and Australia.

The following table provides information about the Group's segment assets by geographical location:

	Year ended 31 December 2012 £'000	Year ended 31 December 2011 £'000

Europe	1,619	8,706
Central Asia	-	553
Australia	-	62
	1,619	9,321

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment results represent the profit earned by each segment without allocation of central administration costs including directors' salaries, investment revenue and finance costs, and income tax expense. This is the measure reported to the Group's Board for the purposes of resource allocation and assessment of segment performance.

7. Loss from continuing operations

Loss from continuing operations for the year has been arrived at after charging:

	Note	Year ended 31 December 2012 £'000	Year ended 31 December 2011 £'000
Research and development costs		-	68
Costs relating to acquisition of non-controlling interest in Elko Energy Inc and the re-admission to AIM		-	1,772
Depreciation of property, plant and equipment	14	3	4
Share-based payments expense	26	164	12
Staff costs	9	576	972

8. Auditors remuneration

The analysis of auditor's remuneration is as follows:

	Year ended 31 December 2012 £'000	Year ended 31 December 2011 £'000
Fees payable to the Company's auditors and their associates for the audit of the Group's annual accounts	21	60
Fees payable to the Company's auditors and their associates for the audit of the Company's subsidiaries pursuant to legislation	11	26
Total audit fees	32	86
Fees payable to the Group's auditors and its associates for other services:		
- corporate finance services relating to the re-admission document	-	185
- other assurance services relating to interim reporting	-	8
- tax compliance	3	-
Total non-audit fees	3	193
Total auditor's remuneration	35	279

Audit remuneration payable to the current auditors, Rees Pollock, for UK Companies are as follows:
- audit £21K
- tax compliance £3K

Included in the 2012 audit fees payable for the audit of the Company's subsidiaries is £11K relating to amounts not accrued in the 2011 financial statements.

9. Staff costs

	Year ended 31 December 2012 No.	Year ended 31 December 2011 No.

The average monthly number of employees (including directors) was:	5	7	
	£'000	£'000	
Their aggregate employee including directors remuneration comprised:			
Salaries and fees	515	833	
Severance payments in respect of former director	-	22	
Social security costs	54		
Other pension costs	7	106	11
	576	972	

	Year ended 31 December 2012 £'000	Year ended 31 December 2011 £'000	
Their aggregate directors' remuneration comprised:			
Salaries and fees	381	734	
Severance payments in respect of former director	-	22	
Other pension costs	6		11
	387	767	

Total remuneration for the highest paid Director in the year was £145K (2011: £368K).

10. Finance (income)/cost

	Year ended 31 December 2012 £'000	Year ended 31 December 2011 £'000
Foreign exchange (gains) / losses	(232)	29
Interest on current tax payable	-	22
SEDA arrangement fee (note 22)	-	250
Bank Charges	3	3
Cost of issue of warrants	78	-
	(151)	304

11. Tax

	Year ended 31 December 2012 £'000	Year ended 31 December 2011 £'000
Corporation tax:		
Current year	-	-
Adjustments in respect of prior years	-	(105)
Total current tax	-	(105)
Deferred tax	(472)	-
	(472)	(105)

UK corporation tax is calculated at 24.5% (2011: 26.5%) of the estimated assessable loss for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The Group tax credit for the year can be reconciled to the loss per the income statement as follows:

	Year ended 31 December 2012 £'000	Year ended 31 December 2011 £'000
Loss before tax from continuing operations	(1,580)	(3,408)
Loss before tax from discontinuing operations	(6,484)	(1,011)
Loss before tax	(8,064)	(4,419)
Tax at the UK corporation tax rate of 24.5% (2011: 26.5%)	(1,975)	(1,171)
Tax effect of expenses that are not deductible in determining taxable profit	88	578
Tax effect of unrecognised tax losses carried forward	1,200	2,896

Difference in overseas tax rates	215	(269)
Tax effect of depreciation in excess of capital allowances	-	1
Tax effect of other temporary differences not recognised	-	(1,904)
Tax effect of timing differences	-	(131)
Adjustments in respect to prior years	-	(105)
Tax charge /(credit) for the year	(472)	(105)

In the March 2011 Budget Statement a reduction in the main stream rate of corporation tax was announced. Effective 1 April 2011 the corporation tax rate reduced from 28% to 26.5%, further reducing by 1% per annum to 23% by 1 April 2014. The March 2012 Budget Statement announced a further reduction to 22% by 2014. These proposed further reductions have not yet been substantively enacted.

12. Loss per share

The calculation of the basic and diluted earnings per share is based on the following data:

	Year ended 31 December 2012	Year ended 31 December 2011
Loss for the purposes of basic and diluted earnings per share (EPS) being:	£'000	£'000
Net loss for the year from continuing operation attributable to equity holders of the parent	(1,580)	(3,303)
Net loss for the year from discontinuing operation attributable to equity holders of the parent	(6,012)	(1,011)
	(7,592)	(4,314)
	Number of shares	Number of shares
Weighted average number of ordinary shares for purposes of basic EPS	1,777,828,843	1,093,283,484
Effect of dilutive potential ordinary shares - options and warrants	-	-
Weighted average number of ordinary shares for purposes of diluted EPS	1,777,828,843	1,093,283,484

The outstanding options and warrants at 31 December 2012 and 31 December 2011 represent anti-dilutive potential Ordinary Shares with respect to earnings per share as the Group was loss making. Therefore basic and diluted earnings per share are the same for both the current and prior year.

13. Intangible assets - exploration and evaluation

Group	Total £'000
Cost	
At 31 December 2010	2,055
Additions	1,373
Disposals (a)	(640)
Effects of foreign currency translation	21
At 31 December 2011	2,809
Additions (b)	4,370
At 31 December 2012	7,179
Amortisation	
At 31 December 2010	(8)
Charge for the year	(1)
Disposals (a)	5
At 31 December 2011	(4)
Impairment	(7,120)
Effects of foreign currency translation	(55)
At 31 December 2012	(7,179)
Carrying amount	
At 31 December 2012	-
At 31 December 2011	2,805
At 31 December 2010	2,047

(a) In March 2011 all approvals and conditions pertaining to the Danish 02/05 licence Farm-in agreement with Norwegian Energy Company (Noreco) had been satisfied and the agreement closed on 23 March 2011. Noreco paid US$1.1 million cash (£635K) for its share of past costs to acquire a 47% interest in licence 02/05. The carrying value of £2.8 million at 31 December 2011 related to the 33% interest in licences 02/05 and 01/11 offshore Denmark that the Group held through its wholly owned Danish subsidiary, Elko Energy A/S.

(b) In February 2012 the Luna prospect on the 01/11 licence was spudded however no hydrocarbons were encountered and the decision to plug and abandon the well as a dry hole was made in March 2012. It has now been decided by the Company and its partners Noreco and the Danish North Sea Fund to relinquish licences 01/11 and 02/05 in this sector. Consequently there is no further major spend or liability anticipated in respect of these licenses. The capitalised costs as at 31 December 2011 of £2.8 million, together with the costs incurred during this financial year of approximately £4m has been impaired in the Group's financial statements.

-The Company holds no other intangible assets.

14. Property, plant and equipment

Group	Office and computer equipment £'000	Total £'000
Cost		
As at 1 January 2011	4	4
Additions	3	3
Depreciation charge for the year	(4)	(4)
At 31 December 2011	3	3
Depreciation charge for the year	(3)	(3)
At 31 December 2012	-	-
Net Book Value		
At 31 December 2012	-	-
At 31 December 2011	3	3

Company	Office and computer equipment £'000	Total £'000
Cost		
As at 1 January 2011	3	3
Depreciation charge for the year	(3)	(3)
At 31 December 2011	-	-
Depreciation charge for the year	-	-
At 31 December 2012	-	-
Net Book Value		
At 31 December 2012	-	-
At 31 December 2011	-	-

15. Subsidiaries

Investments in subsidiaries	Company £'000
At 31 December 2010	13,641
Other	18
Additions	6,119
Write-off during the year	(1,900)
At 31 December 2011	17,878
Write-off during the year	(17,521)
At 31 December 2012	357

15. Subsidiaries (continued)

During the year Xtract Energy PLC impaired its investment in Xtract International Limited by £16,708K and its investment in Elko Energy Inc. by £795K. Elko Energy Inc is held indirectly through Xtract Energy's 100% subsidiary Xtract International Limited. The impairment in these two subsidiaries is a direct result of the discontinued operations in Denmark and the relinquishing of the licences thereof. The impairment of Xtract Energy Spain totalled £18K which reflects the reduction in the net asset value of the company.

Details of the Company's subsidiaries at 31 December 2012 are as follows:

Name	Place of Incorporation and Operation	Date controlling interest acquired	Proportion of ownership & voting power held Group %	Parent %	Principal Activity
Sermines de Mexico S.A. de C.V.	Mexico	08/08/2005	100	100	Mining exploration
Xtract International Limited	Great Britain	15/11/2006	100	100	Holding Company
Xtract Energy Spain SL	Spain	10/09/2009	100	100	Holding Company
Xtract Energy Holdings Limited	Great Britain	03/12/2007	100	100	Holding Company
Elko Energy Inc	Canada	11/01/2010	100	-	Oil & Gas exploration and evaluation
Elko Energy A/S	Denmark	11/01/2010	100	-	Oil & Gas exploration and evaluation
RPK Finance & Holdings BV	The Netherlands	11/01/2010	100	100	Holding Company
Elko Energy BV	The Netherlands	11/01/2010	100	-	Oil & Gas exploration and evaluation
Elko Exploration BV	The Netherlands	11/01/2010	100	-	Oil & Gas exploration and evaluation

All of these subsidiaries have been consolidated for the period of ownership.

Disposals

On 15th December 2012 the Company sold its entire interests in Xtract Oil Limited, Xtract Energy (Oil Shale) Morocco SA, Xtract Technologies Limited and Julia Creek Petroleum Limited as part of a combined deal with Global Oil Shale (GOS), who as part of the consideration for the sale have paid AUD $118K (GBP 77K) as a cash settlement and issued 6 million shares in GOS at a value of 12 pence per share. On listing, the Company will receive a further 1.5 million shares.Xtract has also acquired a long term interest in the Julia Creek project through a 1% net smelter royalty as part of this transaction. Xtract will gain a single project risk mitigating exposure to GOS' multi oil shale project development portfolio and access leading knowhow in the sector.

Companies Stuck off

The following companies were 'struck off' during the year.

- Elko MEA - 20 March 2012
- Elko Americas - 30 March 2012
- Elko Europe - 28 September 2012
- Elko (UK) Limited - 26 October 2012
- Elko Energy Business Services Limited - 25 December 2012
- Elko Energy International - 28 September 2012

16. Joint ventures

	Group As at 31 December 2012 £'000	As at 31 December 2011 £'000	Company As at 31 December 2012 £'000	As at 31 December 2011 £'000
Opening balance	-	65	-	65
Exchange translation	-	(5)	-	(5)
Disposal of joint venture	-	(60)	-	-
Transfer balance to investments in subsidiaries	-	-	-	(60)
Closing balance	-	-	-	-

Investment in Extrem Energy

At 31 December 2010 Xtract Energy Spain SL, a 100% subsidiary of Xtract Energy PLC, held 50% of Extrem Energy AS, a Turkish joint stock company. The remaining 50% of Extrem was owned by Merty Energy, Petroleum, Exploration, Education and Services Inc ("Merty") and individual members of the Yoldemir family.

In May 2011, the Group signed a Heads of Agreement with Merty Energy ("Merty") whereby Merty would acquire Xtract's 50% share ownership in Extrem in return for a completion payment of USD$100K, Farm-in success payments per licence, processing royalties and gross overriding royalty interest payments in consideration.

The directors considered that this transaction provided new and better information about the overall recoverable amount of the Extrem investment as at 31 December 2010, and accordingly an impairment test was required in the preparation of the 31 December 2010 financial statements. The carrying value of Extrem Energy AS was written down by £2,165K to £65K (USD$100K) reflecting the firm cash consideration arising under the Heads of Agreement. The Group anticipates that further potential future consideration may arise however any such consideration is contingent and cannot be measured reliably.

The disposal of the joint venture Extrem Energy AS completed on 24 August 2011 when the USD$100K (£60K) completion payment was received by Xtract Energy Spain SL.

17. Associates

	Group As at 31 December	As at 31 December	Company As at 31 December	As at 31 December

	2012 £'000	2011 £'000	2012 £'000	2011 £'000
Opening balance	-	400	-	-
Release of deferred consideration	-	73	-	-
Share of associates' losses for the year	-	(12)	-	-
Share of associates' foreign currency translation reserve	-	(20)	-	-
Transfer to assets held- for-sale	-	(441)	-	-
	-	-	-	-

Zhibek Resources Limited was an oil and gas exploration and production company which had a 72% interest in the close joint stock company, KNG Hydrocarbons which holds the Tash Kumyr exploration licence in the Kyrgyz Republic.
In October 2008 Xtract and Santos International Holdings Pty Ltd ('Santos') entered into a Farm-in agreement in relation to Zhibek Resources Limited, which was at that time the Company's indirect wholly-owned subsidiary. Under the agreement Santos assumed operatorship and control of Zhibek and committed to funding up to USD$8.5m of Zhibek's near-term exploration program, including the seismic and drilling program originally scheduled for 2008-2011, to earn the 75% interest.
In 2011 the Group's associate company Zhibek Resources Limited (Zhibek) was reclassified as an asset held-for-sale based on the status of the disposal negotiations at that time. The directors expected Zhibek to be sold within 12 months and therefore the carrying value of Zhibek which was £659K, comprising the investment in associate (£441K) and the deferred consideration receivable (£218K), was reclassified as an asset held-for-sale and presented separately in the balance sheet.
In exchange for release by Xtract of Santos from certain funding obligations under the Farm-in Subscription Agreement, Santos transferred to Xtract 140,000,000 shares in Caspian Oil and Gas Limited, an oil producer and explorer listed on the Australian Securities Exchange. At 31 December 2011 the 140,000,000 shares had a value of £553K and therefore the carrying value of £659K was been impaired by £106K.

18. Investments

	Group		Company	
	As at 31 December 2012	As at 31 December 2011	As at 31 December 2012	As at 31 December 2011
Available-for-sale investments	£'000	£'000	£'000	£'000
Opening balance	-	497	-	497
Additions	1,077	-	720	-
Movement in fair value	146	(48)	-	(48)
Disposed of during the year	-	(449)	-	(449)
	1,223	-	720	-

On 3 May 2012 Xtract Energy PLC signed agreements in relation to the Farm-in Subscription Agreement executed amongst Santos International Holdings Pty Ltd (Santos), Xtract International Limited (Xtract International) and Xtract Energy PLC on 17 November 2008 in relation to Zhibek which holds a majority interest in the Kyrgyz company KNG Hydrocarbons. The signing of these agreements provided the basis for Santos and Xtract to pursue an exit from their investment in Zhibek. In consideration for the release by Xtract of Santos from certain funding obligations under the Farm-in Subscription Agreement, Xtract International received 140,000,000 ordinary shares in Caspian Oil & Gas, an oil producer and explorer listed on the Australian Securities Exchange.

On 3 May 2012, the fair value of the 140,000,000 shares was AUD$560K (£357K). Following the issue of the shares Caspian Oil & Gas underwent a company reorganisation, the company changed its name to Equus Mining Limited and consolidated its shares 1:10, resulting in a revised shareholding by the Group of 14,000,000 shares. The value of the shares at 31 December was AUD$0.05 per share, giving them a value of AUD$840K (GBP 503K). The increase in value of these shares has been adjusted through the revaluation reserve account.

As part of the disposal of Xtract Oil and Xtract Morocco on 15 December 2012 the Group acquired 6 million shares in GOS. These shares have a fair value as at 31 December of £0.12 per share, giving a total asset value of £720K.

19. Other financial assets

Trade and other receivables

	Group		Company	
	As at 31 December 2012 £'000	As at 31 December 2011 £'000	As at 31 December 2012 £'000	As at 31 December 2011 £'000
Other debtors	140	154	81	93
Prepayments	41	1,318	7	36
	181	1,472	88	129

20. Deferred tax

The following are the major categories of deferred tax liabilities recognised by the Group and movements thereon during the current year and prior reporting period.

Group	Intangible assets £'000	Total £'000
As at 31 December 2010	(471)	(471)
Exchange translation	(22)	(22)
As at 31 December 2011	(493)	(493)
Reversal of deferred tax	472	472
Exchange translation	21	21
As at 31 December 2012	-	-

The tax credit to the income statement in the year relates to the reversal of the deferred tax liability recognised on the revaluation of the Danish asset at the point Xtract Energy PLC acquired control of Elko Energy Inc. The Danish assets have been fully impaired in the year and therefore the associated deferred tax liability has been reversed.
Deferred tax liabilities are offset where the Group has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Group		Company	
	As at 31 December 2012 £'000	As at 31 December 2011 £'000	As at 31 December 2012 £'000	As at 31 December 2011 £'000
Deferred tax liabilities	-	(493)	-	-
	-	(493)	-	-

At the balance sheet date, the Group has available unused UK tax losses of £4.6 million (2011: £3.8 million), available unused Canadian tax losses of £107K (2011: £nil) and available unused Denmark tax losses of £96K available for offset against future profits.
No related deferred tax asset is recognised on the UK, Canadian or Denmark losses due to the unpredictability of future profit streams. UK and Denmark losses may be carried forward indefinitely and may be recoverable if suitable taxable profits arise in future periods. If unutilised, the Canadian losses will expire between 2014 and 2030.

21. Other financial liabilities

	Group		Company	
Trade and other payables	As at 31 December 2012 £'000	As at 31 December 2011 £'000	As at 31 December 2012 £'000	As at 31 December 2011 £'000
Trade creditors and accruals	247	395	149	197
Current tax payable *	-	68	-	-
Amounts due to subsidiaries	-	-	10,431	9,870
	247	463	10,580	10,067

Trade creditors and accruals principally comprise amounts outstanding for trade payables and ongoing costs. The average credit period taken for trade purchases is 31 days (2011: 24 days). For most suppliers no interest is charged on outstanding balances however the Group has policies in place to ensure that all payables are paid within the pre-agreed credit terms.

The directors consider that the carrying amount of trade payables approximates their fair value.

*Current tax payable comprises capital gains tax liabilities in Australia and the United Kingdom, and interest thereon. The liability arose on the disposal of listed investments during the years ended 30 June 2007, 2008, 2009, 2010 and was settled in full in 2011.

22. Share capital

The numbers below comprise issued and fully paid ordinary shares of 0.01pence each (2011: 0.1pence)	2012 Number of shares	£'000	2011 Number of Shares	£'000
At 1 January	1,532,857,428	1,532,857	854,965,026	854,965
Shares issued in the year	773,247,701	90,489	677,892,402	677,892
At 31 December	2,306,105,129	1,623,346	1,532,857,428	1,532,857

Share issues

On 24 August 2012 Tiger Resource Finance PLC (Tiger) and individual board members of Tiger subscribed for a total of 689,655,173 new ordinary shares in Xtract at a price of 0.0435 pence per share. Tiger now holds 344,827,585 new ordinary shares with the four Tiger Board members holding 86,206,897 shares each (representing in aggregate, approximately 29.9 percent of the enlarged share capital of the Company).

In addition an independent investor agreed to subscribe for a total of 68,965,517 new ordinary shares at a price of 0.0435 pence per share (representing 2.99 percent of the enlarged ordinary share capital of the Company).

A Resolution to approve a capital reorganisation was proposed at a General Meeting held on 10 September 2012. The reorganisation involved each existing ordinary share of 0.1 pence being divided into 1 new ordinary share of 0.01 pence and 1 new deferred share of 0.09 pence; 1,547,484,439 deferred shares were issued. There are very limited rights attributable to the deferred shares which are non-transferrable and effectively have a nil value.

22. Share capital (continued)

The Company has one class of ordinary shares which carry no right to fixed income.

Warrants and Options

The following warrants were issued during the year:

- Issued 12 September 2012 - 172,957,884 exercisable at 0.045p per share

The following share options expired during the year:

- Issued 9 July 2007 - 1,000,000 exercisable at 12p per share
- Issued 15 January 2008 - 250,000 exercisable at 10p per share
- Issued 21 January 2008 - 150,000 exercisable at 8p per share
- Issued 14 August 2009 - 11,100,000 exercisable at 5p per share
- Issued 15 May 2007 - 1,400,000 exercisable at 4.6p per share
- Issued 12 June 2007 - 2,100,000 exercisable at 4.6p per share
- Issued 12 November 2007 - 840,000 exercisable at 4.6p per share
- Issued 21 December 2007 - 4,025,000 exercisable at 4.6p per share
- Issued 13 December 2011 - 9,750,000 exercisable at 2.2p per share
- Issued 13 December 2011 - 9,750,000 exercisable at 3p per share

The following share options remain outstanding at 31 December 2012:

- Issued 1 July 2009 - 5,880,000 exercisable at 4.6p per share
- Issued 1 July 2009 - 4,200,000 exercisable at 2.3p per share
- Issued 1 July 2009 - 9,800,000 exercisable at 2.3p per share
- Issued 1 July 2009 - 26,400,000 exercisable at 2.5p per share
- Issued 15 July 2010 - 21,700,000 exercisable at 1.8p per share
- Issued 15 July 2010 - 6,160,000 exercisable at 3.7p per share
- Issued 15 July 2010 - 1,312,500 exercisable at 3.7p per share
- Issued 12 September 2012 - 172,957,884 exercisable at 0.045p per share

All of the above share options entitle the holder to one fully paid share in the Company upon payment of the share option exercise price per share. All share options vest either immediately or within three years of issue and expire within three years of vesting.

Standby Equity Distribution Agreement arrangement fee (SEDA)

On 12 September 2011 the Xtract shareholders approved an agreement with YA Global Master SPV to provide potential future funding of up to £12.5 million in the form of an Equity Line Facility. Fund drawdowns from the equity line facility are dependent on the share price and the volume of Xtract shares traded in any given period. In addition each advance cannot exceed the greater of £2 million, an amount that would result in YA Global Master SPV holding more than 2.99% of the entire issued ordinary share capital of Xtract, or an amount equal to 300% of the average daily traded value for each of the 10 trading days prior to the Company submitting notice for an advance. The cost of setting up the SEDA was £0.25 million; this amount was recognised in the 2011 income statement as finance costs.

On 1 March 2012 the Company announced that it had drawn down £300K on its Standby Equity Distribution Agreement ("SEDA") with Y A Global Master SPV Limited. This draw down was undertaken at a price of 2.051 pence per share and resulted in the issue of 14,627,011 ordinary shares of 0.1 pence each in the Company (the "SEDA Ordinary Shares"). This funding is to be used as future working capital for the Company.

23. Reserves

Share-based payments reserve

The share-based payments reserve is used to recognise the equity component of share-based payments.

Available-for-sale reserve

The available -for-sale reserve is used to recognise fair value movements on available-for-sale investments until they are disposed of, or become impaired.

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries, joint ventures and associates.

24. Notes to the cash flow statement

	Group	Company

	Year ended 31 December 2012 £'000	Year ended 31 December 2011 £'000	Year ended 31 December 2012 £'000	Year ended 31 December 2011 £'000
Loss for the year	(7,592)	(4,314)	(18,473)	(5,478)
Adjustments for:				
Discontinued/Discontinuing Operations				
Impairment of investment in subsidiary	-	-	17,521	1,900
Impairment of intangibles	7,120	1	-	-
Deferred tax movement	(472)	-	-	-
Share of results of associates	-	12	-	-
Decrease in amounts due from subsidiaries	-	-	562	84
Impairment of joint venture	-	(324)	-	-
Continuing Operations				
Investment revenue	-	(38)	-	(9)
Finance costs	78	250	78	250
Impairment of held-for-sale asset	197	106	-	-
Other losses / (gains)	(46)	83	-	188
Income tax credit	-	(105)	-	(30)
Interest expense	-	-	-	254
Gain on disposal of investment	(782)	-	(773)	-
Depreciation of property, plant and equipment	3	4	-	3
Share-based payments expenses	163	12	163	12
Operating cash flows before movements in working capital	(1,331)	(4,313)	(922)	(2,826)
Decrease / (increase) in receivables	1,281	35	41	(10)
Increase in payables	(237)	(159)	(48)	(106)
Cash used in operations	(287)	(4,437)	(929)	(2,942)
Income tax paid	-	(2,783)	-	(2,108)
Foreign currency exchange differences	(253)	129	-	(20)
Net cash used in operating activities	(540)	(7,091)	(929)	(5,070)

Cash and cash equivalents
Cash and cash equivalents comprise cash held by the Group and short-term bank deposits with a maturity of three months or less. The carrying amount of these assets approximates to their fair value.

25. Expenditure commitments
At the balance sheet date the Group and Company have outstanding capital expenditure commitments which fall due as follows:

	Group		Company	
	As at 31 December 2012 £'000	As at 31 December 2011 £'000	As at 31 December 2012 £'000	As at 31 December 2011 £'000
Capital expenditures				
Within one year	-	3,115	-	-
Within the second to fifth years inclusive	-	-	-	-
	-	3,115	-	-

26. Share-based payments
The Company has issued share options and warrants to certain employees and officers of the Group, along with external third parties. All share options/warrants vest immediately or within three years of the issue date. If the share options/warrants remain unexercised after the relevant time period from the date of grant the share options/warrants expire.

Details of the Company's share options/warrants outstanding during the year are as follows.

	Year ended 31 December 2012		Year ended 31 December 2011	
	Number of share options / warrants	Weighted average exercise price	Number of share options / warrants	Weighted average exercise price

		£		£
Outstanding at beginning of year	116,067,500	0.0310	100,750,000	0.0300
Granted during the year	172,957,884	0.0004	76,917,500	0.0280
Exercised during the year	-	-	(60,000,000)	0.0250
Expired during the year	(40,365,000)	0.0617	(1,600,000)	0.0930
Outstanding at the end of the year	248,660,384	0.0047	116,067,500	0.0310
Exercisable at the end of the year	248,660,384	0.0047	96,567,500	0.038

The weighted average share price at the date of exercise for share options exercised during the year was £nil (2011: £0.0250). The share options outstanding at 31 December 2012 had a weighted average exercise price of £0.0047 (2011: £0.0310), a weighted average remaining contractual life of 4.16 years (2011: 2.34 years). All share options issued to Directors and employees are recognised as an expense in the income statement over the vesting period of the options.
On 12 September 2012 173 million warrants were issued to Cenkos Securities in part settlement of professional fees incurred assisting in the Tiger Resource PLC share placing. These warrants can be exercised immediately; therefore the estimated fair value of these warrants, which is £78K, has been recognised in the income statement for the year.

26. Share-based payments (continued
In September 2011 the Group acquired all outstanding share capital in Elko Energy Inc not already owned. All existing share option holders in Elko Energy Inc received replacement share options in Xtract Energy Plc on the basis of seven Xtract options for each Elko option held . These replacement options were issued with the sole intention of preserving the existing rights of the option holders.

All terms and conditions relating to the original share options remain the same. The new exercise prices were calculated as the exercise prices payable under the Elko options converted to Pounds Sterling at the rate of exchange quoted by the Bank of Canada at noon on the 13 September 2011, divided by seven. The aggregate estimated fair value of the replacement options was £795K, of which £270K had already been recognised in the Group share based payment reserve in 2010.

19.5 million share options were granted on 13 December 2011. The aggregate estimated fair value of the options granted on that date was £177K.

During the year 172,957,884 warrants were issued with an exercise price of £0.0015 per warrant in exchange for services received from Cenkos Securities Limited ('Cenkos') in exchange for professional services received surrounding the issue of shares to Tiger Resource Finance PLC (see note 22). The share based payment expense associated with this issues of warrants has been measured directly by reference to the professional fees which were waived by Cenkos. The resulting share-based payment expense recognised was £78,000 (2011: £nil).

26. Share-based payments (continued)

Share-options have been valued using the Black-Scholes model, or where indicated the 'direct' method as follows:

Date of issue	**13/12/11**	**13/12/11**	**30/09/10**	**15/07/10**	**15/07/10**	**07/12/10**
No. share options /warrants issued (000s)	**9,750**	**9,750**	**1,312**	**6,160**	**21,700**	**26,400**
Share price	**£0.0188**	**£0.0188**	**£0.0135***	**£0.0138***	**£0.0138***	**£0.0165**
Strike price	**£0.022**	**£0.03**	**£0.037**	**£0.037**	**£0.018**	**£0.025**
Expected volatility	**97.47%**	**97.47%**	**100%**	**100%**	**100%**	**87.06%**
Expected life	**5.5 years**	**6 years**	**5 years**	**5 years**	**5 years**	**3 years**
Risk free rate	**1.38%**	**1.38%**	**1.99%**	**2.57%**	**2.57%**	**1.04%**
Expected dividends yield	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**

Date of issue	**01/07/09**	**01/07/09**	**21/12/07**	**12/11/07**	**12/06/07**	**15/05/07**
No.share options/warrants issued (000s)	**5,880**	**14,000**	**4,025**	**840**	**2,100**	**1,400**
Share price	**£0.046***	**£0.023***	**£0.046***	**£0.046***	**£0.046***	**£0.046***
Strike price	**£0.046**	**£0.023**	**£0.046**	**£0.046**	**£0.046**	**£0.046**
Expected volatility	**100%**	**100%**	**95%**	**95%**	**95%**	**955**

Expected life	5 years	5 years	5 years	5 years	5 years	5 years
Risk free rate	**2.53%**	**2.53%**	**3.93%**	**4.07%**	**4.69%**	**4.69%**
Expected dividends yield	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**

*Being the replacement share options issued as part of the Elko transaction. The original CAD $ share price used has been translated at the same exchange rate as the strike price for comparison.
** Options have been valued using the direct method.

26. Share-based payments (continued)

Expected volatility was determined by calculating the historical volatility of the Group's share price over the previous year. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.
The total charge in the year to the income statement was £163K (2011: £12K). The total amount recognised in equity by the Group relating to share-based payments at the Balance Sheet date is £871K in the share based payments reserve after the reversal of expired and lapsed share options, and £78K in the warrants reserve. The total amount recognised in equity at 31 December 2011 was £1,202K in the share based payments reserve and Nil in the warrants reserve.

27. Financial instruments

Capital risk management
The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns. The Group is not subject to externally imposed capital requirements. The capital structure of the Group consists of cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings.

The Group manages its liquidity through orderly and planned realisation of existing investments in order to fund investment in new opportunities and provide working capital for operating costs and overheads.
The Group currently has no debt and as such does not review its gearing ratio at present.

Significant accounting policies
Details of the significant accounting policies and methods adopted (including the criteria for recognition, the basis of measurement and the basis for recognition of income and expenses) for each class of financial asset, financial liability and equity instrument are disclosed in note 3.

Categories of financial instruments
The Group calculates the fair value of assets and liabilities by reference to amounts considered to be receivable or payable at the balance sheet date.

The Group's financial assets and liabilities, together with their fair values are as follows:

	Book value		Fair value	
Group	December 2012 £'000	December 2011 £'000	December 2012 £'000	December 2011 £'000
Financial assets				
Cash and cash equivalents	215	4,488	215	4,488
Available-for-sale financial assets	1,223	-	1,223	-
Loans and receivables	181	1,472	181	1,472
	1,619	5,960	1,619	5,960
Financial liabilities				
Other	247	395	247	395

27. Financial instruments (continued)

The Company's financial assets and liabilities, other than trade receivables and payables, together with their fair values are as follows:

	Book value		Fair value	
Company	December 2012 £'000	December 2011 £'000	December 2012 £'000	December 2011 £'000
Financial assets				
Cash and cash equivalents	170	425	170	425
Available-for-sale financial assets	720	-	720	-
Loans and receivables	88	129	88	129
	978	554	978	554

Financial liabilities

Other	149	197	149	197
Intercompany loans	10,431	9,870	10,431	9,870
	10,580	10,067	10,580	10,067

Market risk

The Group's activities expose it primarily to the financial risks of changes in the market prices of equities and changes in foreign currency exchange rates. The Group applies a continuous review process to manage its exposure to foreign currency and equity price risk:

· Equity prices of the Group's holdings are monitored by senior management on a daily basis;

· The Board has established strategies for each of the respective holdings based on their expectations of likely movements in equity prices and the desired balance of the Group's investment portfolio;

· These strategies are updated on a regular basis to reflect actual market data and the changing needs of the business;

· The respective exchange rates of the currencies for which the Group holds significant balances are monitored on a daily basis; and

· Known cash requirements in the respective currencies in which the Group transacts are matched against cash reserves and any shortfalls are addressed through transfers throughout the longest practical timeframes in order to minimise as best as possible foreign currency risk.

There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured.

27. Financial instruments (continued)

Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies and consequently exposures to exchange rate fluctuations arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including tax liabilities) at the reporting date are as follows:

	Liabilities 31 December 2012	31 December 2011	Assets 31 December 2012	31 December 2011
	£'000	£'000	£'000	£'000
Australian dollar	1	31	504	63
US dollar	-	-	24	3,836
Danish Krone	68	146	7	31
Euro	58	15	103	82
Mexican peso	2	2	6	6
Moroccan dirham	-	-	-	23
Canadian dollar	4	1	-	40

Foreign currency sensitivity analysis

The Group is mainly exposed to the Euro and US Dollar currency risk. (2011: US Dollar currency risk exposure).

The following table details the Group's sensitivity to a 10% increase and decrease in Sterling against the Euro and US dollar. 10% represents management's assessment of a realistic potential increase or decrease in both exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 10% change in foreign currency rates. A positive number below indicates an increase in the profit and other equity where the Sterling strengthens against the relevant currency. For a 10% weakening there would be an equal and opposite impact on the profit and other equity.

	US Dollar impact		Euro impact	
	Dec 2012	Dec 2011	Dec 2012	Dec 2011
	£'000	£'000	£'000	£'000
Loss	(2)	(384)*	(4)	-

*This is mainly attributable to the cash reserves being held predominately in United States dollars and the reporting currency being Pounds Sterling.

27. Financial instruments (continued)

Interest rate risk management

The Group's exposure to interest rate risk is limited to its cash and cash equivalents held and is immaterial.

Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group's principal financial assets are cash deposits and the credit risk on these liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

An allowance for impairment is made where there is an identified loss event, which is evidence of a reduction in the recoverable cash flows.

28. Related party transactions

Group

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation.

Director Transactions

Lion Mining Finance Limited, a company in which Colin Bird is a Director and shareholder has provided administrative and technical services to the Company amounting to £14K plus VAT in the year. This amount was no longer outstanding as at 31 December 2012 (2011: None)

The emoluments of the Directors are disclosed in the Directors Report.

The Directors' shareholding and options are disclosed in the Report of the Directors.

Remuneration of key management personnel

The remuneration of the directors and other staff members, who are the key management personnel of the Group, is set out below in aggregate for each of the categories specified in IAS 24 *Related Party Disclosures*. Further information about the remuneration of individual directors is provided in the Directors' Remuneration section of the Directors' Report on page 14.

	Year ended 31 December 2012 £'000	Year ended 31 December 2011 £'000
Salaries and other short-term employee benefits	468	831
Post-employment benefits	7	11
Termination payments	47	22
Share-based payments	164	12
	686	876

28. Related party transactions (continued)

Company

The company extends and receives intra-group balances in line with its central treasury management policies. The aggregate amount payable to subsidiary undertakings is disclosed in note 21. The largest three balance arising under these arrangements were as follows: -

Company	Year ended 31 December 2012 £'000	Year ended 31 December 2011 £'000
Xtract Energy Holding Limited	117	108
Xtract International Limited	(9,896)	(9,833)
Elko Energy Inc	(543)	67

29. Events after the balance sheet date

On the 6 February 2013, Xtract Energy PLC announced its intention to relinquish Danish Licences 01/11 and 02/05 and having concluded the recent agreements with Global Oil Shale Limited which were announced to shareholders on 17th December 2012, to seek appropriate new opportunities in the conventional oil and gas energy sector from which to develop the Company. The current geographical focus is Sub-Saharan Africa.

Xtract Energy PLC originally received 140 million shares in Caspian Oil & Gas Limited, an Australian listed company which has since changed its name to Equus Mining Limited following a 10 to 1 share consolidation. The shares in Equus were classified by the Company as an asset held-for-sale and were originally acquired on 3 May 2012 when an agreement was signed with Santos International Holdings ("Santos") releasing Santos from certain funding obligations which formed part of the original Farm-in Subscription Agreements executed between Santos and Xtract.

On 14 February 2013 the Company disposed of its entire holding in Equus Mining Limited ("Equus"). The Company's 14 million shares in Equus were sold at a price of 7 Australian cents per share, resulting in a gross consideration of AUS$ 980K (GBP 650K) before dealing costs.

The financial information set out in this announcement is abridged and does not constitute statutory accounts for the year ended 31 December 2012 but is derived from those financial statements. The financial information is not audited. The auditors have reported on the statutory accounts for the year ended 31 December 2012 their report was unqualified and did not contain statements under sections 498(2) or (3) of the Companies Act 2006. These statutory financial statements will be delivered to the Registrar of Companies following the Company's annual general meeting. The financial information has been prepared using the recognition and measurement principle of IFRS as set out above.

The comparative financial information for the year ended 31 December 2011 was derived from information extracted from the annual report and accounts for that period, which was prepared under IFRS and which has been filed with the UK Registrar of Companies. The auditors have reported on those accounts their report was unqualified and did not contain statements under sections 498 (2) or (3) of the Companies Act 2006.

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