

# **GOLD OIL PLC (the “Company”)**

## **INTERIM ANNOUNCEMENT**

### **CHAIRMAN’S STATEMENT**

#### **OVERVIEW**

At the date of the balance sheet the Company had net current assets of £3,201,000, of which £3,076,000 was in cash.

#### **FINANCIAL OVERVIEW**

For the six months to 31 October 2005, a loss of £251,000 has been incurred by the Company, which on a weighted average equates to a loss of 0.07p per share. No dividend is being declared.

#### **CASH FLOW AND FUNDING**

As stated above, the Company effectively had £3,076,000 cash at 31 October 2005 for acquisitions and routine expenses.

#### **OUTLOOK**

A licence for Block XI, renamed Block XXI, has been confirmed by PeruPetro and thus the company is ordering equipment to allow the first well to commence in April 2006.

The Board is actively pursuing further opportunities and acquisitions and hope to report favourable developments in the near future.

**Director**

**26 January 2006**

# GOLD OIL PLC

## Profit and Loss Account

For the Six Months to 31 October 2005

|  | Note | 6 Months<br>to<br>31 October 2005<br>Unaudited<br>£'000 | 8 April 2004<br>to<br>30 April 2005<br>Audited<br>£'000 | 8 April 2004 to<br>31 October<br>2004<br>Unaudited<br>£'000 |
|--|------|---|---|---|
| Turnover                                       |      | -   | -   | -   |
| Administration expenses                        |      | <u>(334)</u>  | <u>(383)</u>  | <u>(113)</u>  |
| Operating Loss                                 |      | <u>(334)</u>  | <u>(383)</u>  | <u>(113)</u>  |
| Interest received                              |      | <u>83</u>   | <u>9</u>  | <u>1</u>  |
| Loss on ordinary activities<br>before taxation |      | (251)   | (374)   | (112)   |
| Taxation                                       |      | <u>-</u>  | <u>-</u>  | <u>-</u>  |
| Loss on ordinary activities after<br>taxation  |      | (251)   | (374)   | (112)   |
| Dividends                                      |      | <u>-</u>  | <u>-</u>  | <u>-</u>  |
| Deficit for the period                         |      | <u><u>(251)</u></u>                                     | <u><u>(374)</u></u>                                     | <u><u>£(112)</u></u>  |
| Loss per share: Basic                          | 2    | <u>(0.07p)</u>  | <u>(0.18p)</u>  | <u>(0.05p)</u>  |
| Diluted  |      | <u>(0.07p)</u>  | <u>(0.15p)</u>  | <u>(0.05p)</u>  |

The Company's turnover and operating loss arise from continuing operations.

There were no recognised gains or losses other than those recognised in the profit and loss account above.

# GOLD OIL PLC

## Balance Sheet as at 31 October 2005

|  | Note | 6 Months<br>to<br>31 October 2005<br>Unaudited<br>£'000 | 8 April 2004<br>to<br>30 April 2005<br>£'000 | 8 April 2004 to<br>31 October 2004<br>Unaudited<br>£'000 |
|--|------|---|--|--|
| <b>FIXED ASSETS</b>                                      |      |   |  |  |
| Equipment  |      | 25  | 25   | 4  |
| Investment in Northern Petroleum<br>Exploration Limited  |      | <u>150</u>  | <u>-</u>                                     | <u>-</u>   |
|  |      | 175   | 25   | 4  |
| <b>CURRENT ASSETS</b>                                    |      |   |  |  |
| Debtors  |      | 194   | 39   | 7  |
| Cash at bank and in hand                                 |      | <u>3,076</u>  | <u>3,632</u>                                 | <u>302</u>   |
|  |      | 3,270   | 3,671  | 309  |
| <b>CREDITORS:</b> amounts falling<br>due within one year |      | <u>(69)</u>   | <u>(116)</u>                                 | <u>(8)</u>   |
| Net current assets                                       |      | <u>3,201</u>  | <u>3,555</u>                                 | <u>301</u>   |
| Total assets less current liabilities                    |      | <u>3,376</u>  | <u>3,580</u>                                 | <u>305</u>   |
| <b>CAPITAL AND RESERVES</b>                              |      |   |  |  |
| Called up share capital                                  | 3    | 87  | 86   | 59   |
| Share premium account                                    |      | 3,906   | 3,868  | 358  |
| Profit and loss account                                  |      | <u>(617)</u>  | <u>(374)</u>                                 | <u>(112)</u>   |
| Equity shareholders' funds                               |      | <u>£3,376</u>   | <u>£3,580</u>                                | <u>£305</u>  |

# GOLD OIL PLC

## Cash Flow Statement

**for the Six Months to 31 October 2005**

|  | Note | 6 Months<br>to<br>31 October 2005<br>Unaudited<br>£'000 | 8 April 2004<br>to<br>30 April 2005<br>Audited<br>£'000 | 8 April 2004<br>to 31 October<br>2004<br>Unaudited<br>£'000 |
|--|------|---|---|---|
| Cash outflow from operating activities                   | 4    | (527)   | (306)   | (112)   |
| Return on investment and servicing of finance            |      | 83  | 9   | 1   |
| Purchase of fixed assets                                 |      | (1)   | (25)  | (4)   |
| Net investment in Northern Petroleum Exploration Limited |      | (150)   | -   | -   |
| Management of liquid resources                           |      | -   | (1,800)   | -   |
| Financing – Issue of shares net of expenses              |      | <u>39</u>   | <u>3,954</u>  | <u>417</u>  |
| Cash(decrease)/increase in the period                    |      | <u>£(556)</u>   | <u>£1,832</u>   | <u>£302</u>   |

### Reconciliation of movements in shareholders' funds

|   | £'000             | £'000           | £'000           |
|---|-------------------|-----------------|-----------------|
| Loss for the period                           | (251)             | (374)           | (112)           |
| New share capital subscribed, net of expenses | 39                | 3,954           | 417             |
| Exchange movement on overseas net assets      | <u>8</u><br>(204) | <u>-</u><br>3,5 | <u>-</u><br>305 |
| Opening shareholders' funds                   | <u>3,580</u>      | <u>-</u>        | <u>-</u>        |
| Closing shareholders' funds                   | <u>£3,376</u>     | <u>£3,580</u>   | <u>£305</u>     |



## GOLD OIL PLC NOTES TO THE INTERIM REPORT

### 1. Accounting Policies

The interim report has been prepared using accounting policies consistent with those set out in the company's Annual Report and Accounts for the period ended 30 April 2005. They have been prepared on a going concern basis.

The interim report for the six months to 31 October 2005 was approved by the Board on 26 January 2006.

### 2. Loss per Share

|                                      | 6 Months to<br>31 October 2005 | 8 April 2004 to<br>30 April 2005 | 8 April 2004 to<br>31 October<br>2004 |
|--------------------------------------|--------------------------------|----------------------------------|---------------------------------------|
|                                      | Pence                          | Pence                            | Pence                                 |
| Earnings per ordinary shares - basic | (0.07p)                        | (0.18p)                          | (0.05p)                               |
| - diluted                            | (0.07p)                        | (0.15p)                          | (0.05p)                               |

The loss per ordinary share is based on the Company's loss for the period of £251,000 (30 April 2005 - £374,000; 31 October 2004 - £112,000) and a weighted average number of shares in issue of 347,766,033 (30 April 2005 – 212,791,361; 31 October 2004 236,750,000).

The potentially dilutive warrants issued were 16,450,723 ( 30 April 2005 – 39,305,624; 31 October 2004 – Nil).

### 3. Called up Share Capital

On 29 June 2005 and 28 September 2005, 3,750,000 and 100,000 ordinary shares were issued respectively for 1 pence each on the exercise of warrants.

### 4. Reconciliation of operating loss to net cash outflow from operating activities

|  | 6 Months to<br>31 October 2005 | 8 April 2004 to<br>30 April 2005 | 8 April 2004 to<br>31 October<br>2004 |
|--|--------------------------------|----------------------------------|---------------------------------------|
|  | £'000                          | £'000                            | £'000                                 |
| Operating loss                             | (334)                          | (383)                            | (113)                                 |
| Depreciation                               | 1                              | -                                | -                                     |
| Exchange rate movement on overseas assets  | 8                              | -                                | -                                     |
| (Increase) in debtors                      | (155)                          | (39)                             | (7)                                   |
| (Decrease)/Increase in creditors           | <u>(47)</u>                    | <u>116</u>                       | <u>8</u>                              |
| Net cash outflow from operating activities | <u>£(527)</u>                  | <u>£(306)</u>                    | <u>£(112)</u>                         |

## **GOLD OIL PLC**

### **NOTES TO THE INTERIM REPORT**

#### **5. Financial information**

The information for the year ended 30 April 2005 has been extracted from the audited accounts for that period which have been delivered to the Registrar of Companies and received an unqualified audit opinion. The unaudited results for the six months have been prepared on a basis consistent with the accounting policies disclosed in the Company's 2005 accounts and do not constitute statutory accounts within the meaning of Section 240 of the Companies Act 1985.

#### **6. Accounts**

Copies of the Interim Report are available for collection at the offices of the Company, Finsgate, 5-7 Cranwood Street, London EC1V 9EE during normal office hours.