
CARIBX (UK) LIMITED

DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS

for the year ended 31 March 2012

These statements replace the unaudited statements dated 20 December 2012



CARIBX (UK) LIMITED

COMPANY INFORMATION

DIRECTORS	Christopher Matchette-Downes Stuart Lawrenson (resigned 7 February 2012) Christopher Atkinson Mark Enfield (appointed 6 April 2011 & resigned 5 February 2013)
COMPANY SECRETARY	R.G.Godson
REGISTERED NUMBER	6888428
REGISTERED OFFICE	6/7 Pollen Street London W1S 1NJ England
TRADING ADDRESS	43 High Street Marlow SL7 1BA England
INDEPENDENT AUDITORS	Haslers Chartered Accountants & Statutory Auditors Old Station Road Loughton Essex IG10 4PL

CARIBX (UK) LIMITED

CHAIRMAN'S STATEMENT for the year ended 31 March 2012

The chairman presents his statement for the period.

Review

Since submitting its first Shareholder report CaribX for the year ending 31 March 2011 CaribX has further consolidated its position within Honduras and Nicaragua.

CaribX finalised key Terms with BG Group in March to explore the offshore Mosquitia basin.

BG approached CaribX at the beginning of 2011 after their Exploration manager's success in entering in East Africa in part related to projects JEBCO then BMEL were involved in and related technical discussions and presentations. The alternatives in Honduras were then REPSOL or PDVSA, however the area has now attracted the interest of Noble and others.

The CaribX deal involves carry through the first phase and refund of back costs and the funding of 80% of all costs thereafter related to BG Group's equity position.

BG has recently finished its review of the 2010 PGS speculative 20 seismic data in the area and has concluded that the CaribX application area does contain significant hydrocarbon potential. The main aim now is to secure the acreage as quickly as possible.

BG Group elected not to explore the onshore due to concerns regarding cross border trafficking, however since the majority of CaribX's initial programme involves airborne and remote surveillance it was decided to carve out the onshore from the original bid, subject to Honduran approval and partner with a second company on better terms to explore the onshore.

At the time of writing we have revisited our 2010 applications with a stronger financial footing and local representation and are back on track to secure the on and offshore southern Mosquitia (Moskito) basin and adjacent basins.

During a visit to Managua at the end of last year we were able to visit the Pacific margin, specially the Sandino basin and collected oil samples. This, coupled with our studies over the summer period, allowed us to dismiss several myths and as a consequence we are in the process of securing additional exploration rights along the Pacific margin and investigating the Norwood re-entry opportunity in their blocks west of Managua.

Application status

We therefore have 5 key applications ongoing for assets /projects in our area of interest:

- Honduras, Mosquitia Basin offshore (Main Cape block) with BG Group
- Honduras, Onshore Mosquitia basin (Coco-Caratasca)
- Nicaragua, Onshore Mosquitia basin
- Nicaragua, Cabezas-Prinzapolca block
- Nicaragua, Pacific Coast blocks

Background activity

In the background we are progressing the Pacific margin project, Guatemalan applications, a Barbados application opportunity, our southern Cuba opportunity and the Hispaniola nation/island-wide survey.

CaribX as a start up with no financial track record or clout had to bow to BG pressure and accept a much reduced position, however a BG Group endorsement and return of back costs put CaribX in a very strong position to build on this success, both in terms of securing acreage and leveraging successively better deals at each juncture.

The two years period of zero costs related to the BG deal also allows CaribX time to seek funds for the future MWP phases.

CARIBX (UK) LIMITED

CHAIRMAN'S STATEMENT
for the year ended 31 March 2012

Once Nicaragua is secured we will then extend the thinking into San Salvador and Pacific Guatemala and Columbia. The Guatemalan government have already been visited and are ready to discuss our interest.

Name C.J.Matchette Downes
Chairman



Date

1/12/14

CARIBX (UK) LIMITED

DIRECTORS' REPORT for the year ended 31 March 2012

The directors present their report and the financial statements for the year ended 31 March 2012.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITY

The company's principal activity during the period was exploration for oil and gas in the Caribbean and mainland Central America.

DIRECTORS

The directors who served during the year and their interests in the company's issued share capital were:

	Ordinary fully paid shares of £1 each	
	31/3/12	1/4/11
Christopher Matchette-Downes	79,200	72,000
Stuart Lawrenson (resigned 7 February 2012)	24,000	24,000
Christopher Atkinson	60,500	55,000
Mark Enfield (appointed 6 April 2011 & resigned 5 February 2013)	34,100	31,000 *
	-	-

(* held on date of appointment)

CARIBX (UK) LIMITED

DIRECTORS' REPORT
for the year ended 31 March 2012

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

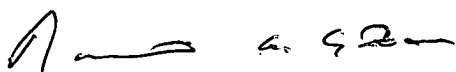
- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Haslers, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 1 December 2014 and signed on its behalf.



R.G. Godson
Secretary

CARIBX (UK) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CARIBX (UK) LIMITED

We have audited the financial statements of CaribX (UK) Limited for the year ended 31 March 2012, set out on pages 7 to 13. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2012 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

CARIBX (UK) LIMITED

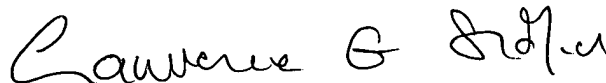
INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CARIBX (UK) LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies' exemption in preparing the Directors' report.

We have not audited the comparative figures in the accounts.



Laurence E Shafier (Senior statutory auditor)

for and on behalf of
Haslers

Chartered Accountants
Statutory Auditor

Old Station Road
Loughton
Essex
IG10 4PL

8 December 2014

CARIBX (UK) LIMITED

PROFIT AND LOSS ACCOUNT
for the year ended 31 March 2012

	Note	2012 \$	2011 \$
TURNOVER	1,2	16,591	-
Cost of sales		(27,611)	-
		<hr/>	<hr/>
GROSS LOSS		(11,020)	-
Distribution costs		(17,898)	-
Administrative expenses		(260,833)	(469,590)
		<hr/>	<hr/>
OPERATING LOSS	3	(289,751)	(469,590)
Interest receivable and similar income		-	39
Interest payable and similar charges		(1,342)	-
		<hr/>	<hr/>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(291,093)	(469,551)
Tax on loss on ordinary activities	4	-	-
		<hr/>	<hr/>
LOSS FOR THE FINANCIAL YEAR	9	(291,093)	(469,551)
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 9 to 13 form part of these financial statements.

CARIBX (UK) LIMITED
Registered number: 6888428

BALANCE SHEET
as at 31 March 2012

	Note	\$	2012 \$	\$	2011 \$
FIXED ASSETS					
Investments	5		102		2
CURRENT ASSETS					
Debtors	6	26,031		26,063	
Cash at bank		34,050		117,682	
		<u>60,081</u>		<u>143,745</u>	
CREDITORS: amounts falling due within one year	7	(167,141)		(47,314)	
NET CURRENT (LIABILITIES)/ASSETS			(107,060)		96,431
NET (LIABILITIES)/ASSETS			(106,958)		96,433
CAPITAL AND RESERVES					
Called up share capital	8		634,200		576,104
Share premium account	9		29,606		-
Profit and loss account	9		(770,764)		(479,671)
SHAREHOLDERS' (DEFICIT)/FUNDS			(106,958)		96,433

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 1 December 2014.


Christopher Matchette-Downes
Director

The notes on pages 9 to 13 form part of these financial statements.

CARIBX (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2012

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 TURNOVER

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.3 INTANGIBLE FIXED ASSETS AND AMORTISATION

Oil and gas costs

The Group follows a successful efforts based accounting policy for oil and gas assets.

Costs incurred prior to obtaining the legal rights to explore an area are expensed immediately to the Profit and Loss Account.

Expenditure incurred on the acquisition of a licence interest is initially capitalised on a licence by licence basis. Costs are held, undepleted, within exploration assets until such a time as the exploration phase on the licence area is complete or commercial reserves have been discovered.

Exploration expenditure incurred in the process of determining exploration targets is capitalized initially within exploration assets and subsequently allocated to drilling activities. Exploration drilling costs are initially capitalised on a well by well basis until the success or otherwise of the well has been established. The success or failure of each exploration effort is judged on a well by well basis. Drilling costs are written off on completion of a well unless the results indicate that hydrocarbon reserves exist and there is a reasonable prospect that these reserves are commercial.

Following appraisal of successful exploration wells, if commercial reserves are established and technical feasibility for extraction demonstrated, then the related capitalised exploration and appraisal costs are transferred into a single field cost centre within development/producing assets after testing for impairment (see below). Where results of exploration drilling indicate the presence of hydrocarbons which are ultimately considered not commercially viable, all related costs are written off to the Profit and Loss Account.

All costs incurred after the technical feasibility and commercial viability of producing hydrocarbons have been demonstrated are capitalised within development/producing assets on a field by field basis. Subsequent expenditure is capitalised only where it either enhances the economic benefits of the development/producing asset or replaces part of the existing development/producing asset. Any costs remaining associated with the replaced asset part are expensed.

CARIBX (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2012

1. ACCOUNTING POLICIES (continued)

1.4 INVESTMENTS

Investments held as fixed assets are shown at cost less provision for impairment.

1.5 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into dollars at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into dollars at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

2. TURNOVER

100.0% of the company's turnover (2011 - NIL) is attributable to geographical markets outside the United Kingdom.

3. OPERATING LOSS

The operating loss is stated after charging:

	2012	2011
	\$	\$
Research and development expenditure written off	27,611	-

During the year, no director received any emoluments (2011 - \$NIL).

4. TAXATION

	2012	2011
	\$	\$
UK corporation tax charge on loss for the year	-	-

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

The Company has losses of \$770,000 available for offset against future profits.

CARIBX (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2012

5. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies \$
COST OR VALUATION	
At 1 April 2011	2
Additions	100
At 31 March 2012	102
NET BOOK VALUE	
At 31 March 2012	102
<i>At 31 March 2011</i>	2

SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
CaribX Limited	Ordinary	100 %
CaribX Oil & Gas Honduras S.A. de C.V.	Common	100 %

Name	Business	Registered office
CaribX Limited	Dormant	British Virgin Islands
CaribX Oil & Gas Honduras S.A. de C.V.	Dormant	Honduras

The aggregate of the share capital and reserves as at 31 March 2012 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves \$	Profit/(loss) \$
CaribX Limited	2	-
CaribX Oil & Gas Honduras S.A. de C.V.	100	-
	102	-

CARIBX (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2012

6. DEBTORS

	2012	2011
	\$	\$
Amounts owed by group undertakings	4,520	-
Other debtors	20,642	26,063
Called up share capital not paid	869	-
	26,031	26,063
	26,031	26,063

**7. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2012	2011
	\$	\$
Trade creditors	16,789	44,165
Amounts owed to group undertakings	2	2
Amounts owed to associates	128,337	-
Other creditors	22,013	3,147
	167,141	47,314
	167,141	47,314

8. SHARE CAPITAL

	2012	2011
	\$	\$
ALLOTTED, CALLED UP AND FULLY PAID		
404,800 (2011 - 368,000) Ordinary fully paid shares of £1 each	634,200	576,104
	634,200	576,104

During the year, 34,400 ordinary shares were issued at a price of £1.54933 including a premium of £0.54933 and 3,400 shares were issued at their par value of £1.00.

9. RESERVES

	Share premium account	Profit and loss account
	\$	\$
At 1 April 2011		(479,671)
Loss for the financial year		(291,093)
Premium on shares issued during the year	29,606	
	29,606	(770,764)
At 31 March 2012	29,606	(770,764)

CARIBX (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2012

10. RELATED PARTY TRANSACTIONS

MD Oil Limited, a company controlled by C.J.Matchette-Downes, a director, supplied geochemical, accounting, logistic, management, and other related services during the year for an aggregate consideration (including disbursements for travel expenses) of \$39,279 (2011 - \$nil). \$3,007 was outstanding at the end of the year.

PDF Limited, a company controlled by Dr Mark Enfield, a director, supplied technical, management, and related services during the year for an aggregate consideration (including disbursements for travel expenses) of \$nil (2011 - \$238).

C.J. Matchette Downes, a director, advanced \$28,339.50 to the Company. At the end of the year this amount was still outstanding.

Worldwide Petroleum Services Pte, a company controlled by C.D.Atkinson, a director, advanced \$100,000 to the Company interest-free. The loan was outstanding at the end of the year.

Godson & Co, a business owned by R.G.Godson, the Company Secretary, provided secretarial and other related professional services for an aggregate consideration of \$1,645 of which \$1,096 was outstanding at the end of the year