Dominion Energy plc

Annual Report and Accounts

30 June 2007

DOMINION ENERGY PLC

HEAD OFFICE
2nd Floor, 19/20 Grosvenor Street
London
W1K 4QH

Contents

Directors and Advisers

Directors	M Alikhani K Sodha G Verspyck M Ala	Executive Director Executive Director Non-Executive Director Non-Executive Director
Secretary and Registered Office	A Carr 2nd Floor 19/20 Grosvenor Street London W1K 4QH	
Advisers	Hichens Harrison & Co plc Bell Court House 11 Blomfield Street London EC2M 1LB	
Auditors	Henderson & Co 87 Devonshire Road London N13 4QU	
Registrars	Capita Registrars The Registry 34 Beckenham Road Beckenham Kent BR3 4TU	
Company number	03986182	

Directors' Report

The Directors present their report and financial statements of the Company for the year ended 30 June 2007.

PRINCIPAL ACTIVITY

The Company is engaged in the exploration of oil and natural gas in Tunisia, North Africa.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

Fawar and Mezzouna permits - Tunisia

Both these permits are adjacent to other fields already producing oil and gas. The exploration update on the permits since acquisition is as follows:

a) about 1400 km of 2D seismic data have been reprocessed in the onshore Fawar permit and about 1500 km of 2D seismic data are under reprocessing in the onshore Mezzouna permit

b) new 2D / 3D seismic data will be acquired commencing about end of Q4 – 2007

c) new reservoir evaluation on Fawar indicate oil shows in both wells

d) the original processed and reprocessed data interpretation indicates prospects and leads in both Fawar and Mezzouna permits

e) 2008 interpretation of the new 2D / 3D seismic survey is expected and may modify exploration strategy at Fawar and Mezzouna.

Based on the results of the integration of 3D seismic and geoscience data, the first well will be spudded in the Fawar permit in Q1 of 2009. The second well will be drilled back to back within the permit.

The scheduled activities for 2008, in addition to the continuation of the above mentioned evaluation, will include new 2D and 3D seismic acquisition, processing and integrated interpretation, which will create the basis for refining prospect definition and future well locations in both permits, and for assessing the initial prospects and economic risk reduction.

The results of the new evaluations are encouraging. Both permits are being worked simultaneously to reduce the duration of the initial exploration program. This will be in keeping with the Company's philosophy of maximizing the chances of discovery while keeping costs as low as possible.

The planned work program is on schedule and all attempts will be made to minimise time and cost factors. In addition, the new 3D seismic data will further reduce the field development costs and duration in the Fawar permit. Subsequent to the GBP3.37m fund raising in May 2006, the Company's exploration program is fully financed for 2008.

Further prospects

The Company has reviewed and continues to review opportunities to expand operations.

Certain returnable deposits amounting to GBP3.1million (2006: GBP1.6million) have been made to maintain participation in Iranian projects under consideration, for which no contracts have been signed.

The Group results for the year show a loss of GBP635,952 compared with a loss of GBP222,095 for the prior year. The results include salaries of oil and gas executives, overseas staff, costs of consultants and administrative expenses of overseas and UK offices. Administrative expenses include GBP34,551 (2006:GBP59,517) for undrawn remuneration payable to Dominion Directors.

Directors' Report (cont'd)

Board changes

We announced the appointment of Dr Michael Ala. Mr Henk Jelsma, Mr Graham Burgess and Mr Robert Stubbs resigned from the Company to pursue their respective business activities.

RESULTS AND DIVIDENDS

The results for the year are set out in the group profit and loss account on page 7.

The directors do not recommend the payment of a dividend on the ordinary shares.

DIRECTORS AND THEIR INTERESTS

The Directors in office during the year were as follows:

M Alikhani (Executive Director)
K Sodha (Executive Director)
G Verspyck (Non-executive Director)
Dr M Ala (Non-executive Director) (Appointed 17 May 2007)
R Stubbs (Executive Director) (Resigned 10 January 2007)
G Burgess (Non-executive Director) (Resigned 17 May 2007)
H Jelsma (Executive Director) (Resigned 1 November 2006)

In accordance with the Articles of Association, Mr. Verspyck retires and, being eligible, offers himself for re-election. None of the directors standing for re-election has a service contract with the Company.

The interests (as defined in the Companies Act 1985) of the Directors holding office at 30 June 2007 in the share capital of Dominion Energy PLC are shown below:

	Ordinary shares of 1p	
	at 30 June 2007 or date of resignation	at 30 June 2006 or date of appointment
M Alikhani	573,000	573,000
K Sodha	1,166,666	1,166,666
H Jelsma	1,382,200	1,382,200
R Stubbs	416,667	416,667

Issue of shares and warrants

During the year 3,000,000 (2006:111,793,622) ordinary shares of nominal value 1 pence each were issued to provide working capital of £150,000 (2006: £4,103,608).

A number of share warrants for key directors, employees and consultants have been approved for which no contracts have been issued.

ENVIRONMENTAL MATTERS

The Group undertakes a review of the environmental matters prior to deciding to proceed with an investment in a new operation. Once an investment is made the environmental implications are monitored on a regular basis and where necessary improvements are proposed.

CREDITOR PAYMENT POLICY

The Company does not follow any formal payment code but agrees terms with suppliers when opening an account, to ensure the supplier is made aware of these terms and to comply with payment terms agreed.

DIRECTORS' RESPONSIBILITIES

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit and loss of the Company for that period. In preparing those financial statements, the Directors confirm:

- suitable accounting policies have been selected and are applied consistently;
- judgments and estimates made are reasonable and prudent;
- applicable accounting standards have been followed;
- the financial statements have been prepared on a going concern basis.

The Directors are also responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and of the Group to enable them to ensure that the financial statements comply with the stated accounting policies. They are also responsible for safeguarding the assets of the Company and of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the Company website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements differs from legislation in other jurisdictions.

AUDITORS

A resolution proposing the re-appointment of Henderson & Co. as auditors will be put to the shareholders at the Annual General Meeting.

Approved by the Board of Directors and signed on its behalf by:

M Alikhani
Director

2nd Floor, 19/20 Grosvenor Street
London
W1K 4QH

30 November 2007

Independent auditors' report to The Shareholders of Dominion Energy PLC

For the Year Ended 30 June 2007

We have audited the financial statements on pages 7 to 17 which have been prepared under the historical cost convention in accordance with the accounting policies as set out in pages 11 and 12.

This report is made solely to the Company's members, as body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors
The Directors' responsibility for preparing the financial statements in accordance with applicable laws, and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities, on page 5.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and transactions with the Company is not disclosed.

We read the Directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we consider necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion
In our opinion:

* the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the Company and the Group as at 30 June 2007 and of its loss and cash flow of the Group for the year then ended;
* the financial statements have been properly prepared in accordance with the Companies Act 1985; and
* the information given in the Directors' Report is consistent with the financial statements for the year ended 30 June 2007.

Henderson & Co
Chartered Accountants and Registered Auditor
87 Devonshire Road
London N13 4 QU

30 November 2007

DOMINION ENERGY PLC

Group Profit and Loss Account for the year ended 30 June 2007

	Notes	30.06.07 £	30.06.07 £	30.06.06 £	30.06.06 £
TURNOVER	2		–		130,230
Depreciation and amortisation		(26,833)		(16,287)	
Goodwill on consolidation written back		–	(26,833)	9,299	(6,988)
Other cost of sales			–		(145,379)
GROSS LOSS			(26,833)		(22,137)
Administrative expenses			(610,509)		(253,970)
OPERATING LOSS	3		(637,342)		(276,107)
Interest receivable and similar income			1,390		–
Profit on sale of subsidiary			–		54,012
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION			(635,952)		(222,095)
Tax on loss on ordinary activities	4		–		–
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION			(635,952)		(222,095)
LOSS PER SHARE	5		(0.290)p		(0.202)p

The above results all relate to continuing operations.

Statement of Total Recognised Gains and Losses

	Note	30.06.07 £	30.06.06 £
Loss for the financial year		(635,952)	(222,095
Exchange differences on translation into sterling of net assets of subsidiary undertaking		110,706	56,768
Total gains and losses recognised in the financial year	14	(525,246)	(165,327)

Group Balance Sheet
As at 30 June 2007

	Notes	30.06.07 £	30.06.06 £
FIXED ASSETS			
Intangible assets	7	**3,260,121**	3,260,121
Tangible assets	8	**436,204**	51,098
Investment	9	**50,000**	50,000
		3,746,325	3,361,219
CURRENT ASSETS			
Debtors	10	**3,366,540**	1,634,764
Cash at bank and in hand		**39,409**	2,570,801
		3,405,949	4,205,565
CREDITORS			
Amounts falling due within one year	11	**(408,578)**	(447,842)
NET CURRENT ASSETS		**2,997,371**	3,757,723
TOTAL ASSETS LESS CURRENT LIABILITIES		**6,743,696**	7,118,942
CAPITAL AND RESERVES			
Called up share capital	12	**2,194,540**	2,164,540
Share premium account	13	**6,121,505**	6,001,505
Exchange reserve	13	**–**	(110,706)
Profit and loss account	13	**(1,572,349)**	(936,397)
SHAREHOLDERS' FUNDS	14	**6,743,696**	7,118,942

These financial statements were approved by the Board of Directors on 30 November 2007 and signed on behalf of the Board of Directors.

M Alikhani

DOMINION ENERGY PLC

Company Balance Sheet
As at 30 June 2007

	Notes	**30.06.07**	30.06.06
		£	£
FIXED ASSETS			
Tangible assets	8	**1,812**	2,622
Investment in subsidiary undertakings	9	**3,183,053**	3,183,053
Investment	9	**50,000**	50,000
		3,234,865	3,235,675
CURRENT ASSETS			
Debtors	10	**4,070,134**	1,882,021
Cash at bank and in hand		**13,830**	2,529,293
		4,083,964	4,411,314
CREDITORS			
Amounts falling due within one year	11	**(343,570)**	(431,910)
NET CURRENT ASSETS		**3,740,394**	3,979,404
TOTAL ASSETS LESS CURRENT LIABILITIES		**6,975,259**	7,215,079
CAPITAL AND RESERVES			
Called up share capital	12	**2,194,540**	2,164,540
Share premium account	13	**6,121,505**	6,001,505
Profit and loss account	13	**(1,340,786)**	(950,966)
SHAREHOLDERS' FUNDS		**6,975,259**	7,215,079

These financial statements were approved by the Board of Directors on 30 November 2007 and signed on behalf of the Board of Directors.

M Alikhani

Group Cash Flow Statement
for the year ended 30 June 2007

	Notes	**30.06.07**	30.06.06
		£	£
Net cash outflow from operating activities	15	**(2,272,799)**	(1,594,616)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		**1,390**	–
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		**1,390**	–
NET CASH OUTFLOW FOR EXPENDITURE AND FINANCIAL INVESTMENTS			
Purchase of tangible fixed assets		**(409,983)**	51,723
Purchase of investment		**–**	(3,112,268)
		(409,983)	(3,060,545)
CASH OUTFLOW BEFORE FINANCING		**(2,681,392)**	(4,655,161)
FINANCING ACTIVITIES			
Issue of ordinary shares		**150,000**	7,215,876
NET CASH INFLOW FROM FINANCING		**150,000**	7,215,876
(DECREASE)/INCREASE IN CASH	16	**(2,531,392)**	2,560,715

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT (note 16)

	£	£
(DECREASE)/ INCREASE IN CASH	**(2,531,392)**	2,560,715
Movement in net funds during the year	**(2,531,392)**	2,560,715
Net funds at 1 July 2006	**2,570,801**	10,086
NET FUNDS AT 30 JUNE 2007	**39,409**	2,570,801

Notes to the Financial Statements

For the year to 30 June 2007

1. Accounting Policies

Basis of Accounting

The financial statements have been drawn up under the historic cost convention, in accordance with applicable accounting standards and on a going concern basis since the Directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which demonstrate that the Company will be able to continue to trade and to meet its liabilities as they fall due.

Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and its operating subsidiary undertaking. No profit and loss account is presented for the Company as permitted by Section 230 of the Companies Act 1985.

Foreign Exchange

Transactions of UK company denominated in foreign currencies are translated into sterling and recorded at the rate of exchange ruling at the date of transaction. Any foreign exchange differences are taken to the profit and loss account. Balances at the year end denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date.

Assets and liabilities of foreign currency subsidiary undertakings are translated into sterling at closing rates of exchange; profit and loss financial statements are translated at average rates of exchange. The exchange differences resulting from the translation at closing rates of net investments in foreign currency subsidiary undertakings, together with the differences between profit and loss statements translated at average rates and at closing rates, are taken to reserves and separately identified as an exchange reserve.

Investments

Investments held as fixed assets are stated at cost less provision for any impairment to their carrying values.

Tangible fixed asset

Costs of acquiring undeveloped acreage and of successful exploration and appraisal activity are capitalised. Unsuccessful exploration and appraisal activity and geology and geophysical costs are expensed.

Costs of acquiring developed acreage, drilling and equipping productive wells, including development dry holes, related production facilities and related pre-production interest are capitalised. All capitalised exploration and development costs are classified as tangible assets.

Depreciation and amortisation

The acquisition costs of acreage for which there are no developed plans are amortised over the lives of the related leases or such shorter periods as necessary to fully depreciate the acreage. Depreciation and amortisation of successful exploration and appraisal acreage, wells and oil and gas production equipment is determined under the unit of production method based on the estimated proven producing oil and gas reserves by field. Under the unit of production method, the effects of any changes in estimates are dealt with prospectively. Additional depreciation charges are provided for field assets where the Directors consider that there has been an indicator of impairment and the test, carried out in accordance with FRS11, results in an impairment of the assets.

Depreciation of other fixed assets is determined under the straight line method using various rates up to 20 per cent, designed to write off assets over their estimated useful lives.

Notes to the Financial Statements (cont'd)

Deferred taxation

Deferred taxation is provided at the anticipated tax rates on differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements to the extent that it is probable that a liability or asset will crystallise in the future.

2. TURNOVER AND SEGMENTAL INFORMATION

Turnover represents the amount of goods sold and services provided during the year stated net of any value added tax or any royalty interests to external customers. There was no turnover for the year ended 30 June 2007. In the year ended 30 June 2006, all of the Group's turnover was derived from the production and sale of oil and natural gas in the United States of America.

	Profit (Loss) analysis		Asset (liability) analysis	
	30.06.07	30.06.06	**30.06.07**	30.06.06
	£	£	**£**	£
Tunisian activities	**(117,511)**	(94,678)	**(117,511)**	(94,678)
Bermudan activities	**(32,911)**	–	**(32,911)**	–
US activities (discontinued activity from 01 January 2006)	**–**	(55,173)	**–**	–
UK head office	**(486,920)**	(70,695)	**6,854,709**	4,642,819
	(637,342)	(220,546)	**6,704,287**	4,548,141
UK net interest income/(expense)	**1,390**	(1,549)		
Loss on ordinary activities before taxation	**(635,952)**	(222,095)		
Total operating assets			**6,704,287**	4,548,141
Cash			**39,409**	2,570,801
Total net assets			**6,743,696**	7,118,942

3. OPERATING LOSS

		30.06.07	30.06.06
		£	£
Operating loss is stated after charging:			
In cost of sales:			
Depreciation		**26,833**	16,287
Goodwill written back		**–**	(9,299)
In administrative expenses:			
Auditors' remuneration	- audit services	**5,500**	4,500
	- non audit services	**4,500**	5,500

4. TAXATION

No liability to U.K. Corporation Tax or Tunisian Tax arises based on the results for the year. The Group is carrying tax losses in UK and Tunisia which are available for relief against future taxable profits.

5. LOSS PER ORDINARY SHARE

The loss per share of 0.290 pence (2006:loss 0.202 pence) has been calculated on the loss of £635,952(2006:loss £222,095) and on 219,223,821 (2006:109,770,937) ordinary shares, being the weighted average number of ordinary shares issued during the year ended 30 June 2007.

6. DIRECTORS AND STAFF

The emoluments and remunerations for the year for Directors and staff is as follows:

	30.06.07	30.06.06
	£	£
Highest paid director	**15,000**	16,972
Staff costs including directors		
Wages and salaries	**36,551**	149,832
Social Security costs	**4,678**	5,504
	41,229	155,336

The average monthly number of persons employed by the Group during the year, including executive directors

	30.06.07	30.06.06
	£	£
Management	**2**	2

7. INTANGIBLE ASSETS - GOODWILL

Group	**30.06.07**	30.06.06
Cost:	**£**	£
At 1 July 2006	**3,260,121**	(9,299)
Goodwill arising on acquisition of FAPCO	**–**	3,260,121
Released to profit and loss account	**–**	9,299
As at 30 June 2007	**3,260,121**	3,260,121

Exploration work is ongoing in Tunisia, and hence goodwill has not been amortised.

The negative goodwill for the year ended 30 June 2006 arose as a result of the price paid for acquiring the USA subsidiary being less than the aggregate fair value of the subsidiary's net total assets. Negative goodwill arose in respect of non-monetary assets. The final balance has been released to profit and loss account.

During the year ended 30 June 2006, the USA subsidiary was sold, and the Company acquired the entire share capital of First Africa Petroleum Consortium Ltd, a company registered in Bermuda. The Company owns the concession of oil and gas rights in Fawar and Mezzouna areas of Tunisia.

Notes to the Financial Statements (cont'd)

8. TANGIBLE ASSETS

	Subsidiary Exploration Costs	Subsidiary Office equipment & software	Subsidiary Motor Vehicles	Company Office equipment	Group Total
Cost:	£	£	£	£	£
At 1 July 2006	–	10,814	39,950	4,050	54,814
Additions	342,910	42,600	24,472	–	409,982
At 30 June 2007	**342,910**	**53,414**	**64,422**	**4,050**	**464,796**
Depreciation and amortisation:					
At 1 July 2006	-	1,622	666	1,428	3,716
Charge for the period	-	10,729	13,337	810	24,876
At 30 June 2007	**-**	**12,351**	**14,003**	**2,238**	**28,592**
Net book value:					
At 30 June 2007	**342,910**	**41,063**	**50,419**	**1,812**	**436,204**
At 30 June 2006	-	9,192	39,284	2,622	51,098

As exploration costs are ongoing in Tunisia, no depreciation has been provided.

9. INVESTMENTS

Group & Company

Cost:	£
At 1 July 2006 and at 30 June 2007	50,000

The investment comprises the cost of company's investment in shares of 10p each in Cape Diamonds Plc (formerly Dominion Mining Plc).

Company

Cost:	£
At 1 July 2006 and at 30 June 2007	3,183,053

Subsidiary undertakings:

The Company owns 100 per cent of share capital of First Africa Petroleum Consortium Ltd, company registered in Bermuda. The Company owns the concession of oil and gas rights in Fawar and Mezzouna areas of Tunisia.

10. DEBTORS

	Group		Company	
	30.06.07	30.06.06	**30.06.07**	30.06.06
	£	£	**£**	£
Amount due from parent undertaking	**–**	2	**–**	2
Amount due from subsidiary	**–**	-	**707,657**	254,870
Other debtors*	**3,362,602**	1,625,778	**3,359,573**	1,620,649
Prepayments	**3,938**	8,984	**2,904**	6,500
	3,366,540	1,634,764	**4,070,134**	1,882,021

* Other debtors include

1. £3,174,482 due from OEID company, Iran. £1,564,615 was received in July 2007.
2. At 30 June 2006, £1,268,000 due from Sasadja, Iran. This amount was received in November 2006.

11. CREDITORS

- amounts falling due within one year

	Group	Group	**Company**	Company
	30.06.07	30.06.06	**30.06.07**	30.06.06
	£	£	**£**	£
Trade creditors	**89,873**	22,727	**51,954**	17,196
Other taxes and social security	**34,054**	27,872	**32,550**	27,872
Other creditors	**238,293**	376,070	**238,293**	376,069
Accruals	**46,358**	21,173	**20,773**	10,773
	408,578	447,842	**343,570**	431,910

12. SHARE CAPITAL

	30.06.07	**30.06.07**	30.06.06	30.06.06
	No.	**£**	No.	£
Ordinary shares of 1p each	**300,000,000**	**3,000,000**	300,000,000	3,000,000
	300,000,000	**3,000,000**	300,000,000	3,000,000
Issued and fully paid:				
Ordinary shares of 1p each	**219,453,958**	**2,194,540**	216,453,958	2,164,540
	219,453,958	**2,194,540**	216,453,958	2,164,540

Share warrants and options

A number of share warrants for key directors, employees and consultants have been approved for which no contracts have been issued.

Notes to the Financial Statements (cont'd)

13. RESERVES

Group	Share premium	Exchange reserve	Profit and loss account
	£	£	£
At 1 July 2006	6,001,505	(110,706)	(936,397)
Foreign currency translation differences	–	110,706	–
Retained loss for the year	–	–	(635,952)
Issue of shares	120,000	–	–
At 30 June 2007	**6,121,505**	**–**	**(1,572,349)**

Company	Share premium	Profit and loss account
	£	£
At 1 July 2006	6,001,505	(950,966)
Issue of shares	120,000	–
Retained loss for the year	–	(389,820)
At 30 June 2007	**6,121,505**	**(1,340,786)**

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	30.06.07	30.06.06
	£	£
At 1 July 2006	**7,118,942**	183,488
Issue of shares	**150,000**	7,215,876
Adjustment re disposal of subsidiary	**–**	(115,095)
Total recognised gains and losses	**(525,246)**	(165,327)
At 30 June 2007	**6,743,696**	7,118,942

15. RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

		2007	2006
		£	£
Operating loss		**(637,342)**	(222,095)
Depreciation	- ordinary	**26,833**	16,287
	- goodwill amortisation	**-**	(9,299)
Increase in debtors		**(1,731,776)**	(1,500,618)
(Decrease)/increase in creditors		**(39,264)**	19,495
Foreign currency translation differences		**108,750**	101,614
Net cash outflow from operating activities		**(2,272,799)**	(1,594,616)

16. ANALYSIS OF CHANGE IN NET FUNDS

	1 July 2006	Cash flow	**30 June 2007**
	£	£	**£**
Cash at bank	2,570,801	(2,531,392)	**39,409**
Net funds	2,570,801	(2,531,392)	**39,409**

17. FINANCIAL INSTRUMENTS

In reporting financial instruments, the Group has taken advantage of the exemption available under FRS13 not to provide numerical disclosures in relation to short term debtors and creditors.

The Group's financial instruments comprise cash. The main purpose of those financial instruments is to provide financing for the Group's operations. The Group has various other financial instruments such as trade debtors and trade creditors that arise directly from its operations.

It is, and has been throughout the year under review, the Group's policy that no dealing in financial instruments shall be undertaken, except for the purpose of hedging the Group's financial risks.

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk and foreign currency risk. The Board considers each of these risks on a regular basis and the Group's policy stance towards each of these risks has remained unchanged during the year.

Interest rate and liquidity risks

The Group finances its operations through a mixture of equity capital and cash. The Group has financed its acquisitions primarily through the issue of shares and share warrants.

Foreign currency risk

Although the Group is based in the UK, it has significant investment in Tunisia, and had significant investment in USA. As a result, the Group's sterling balance sheet can be affected by movements in the US Dollar as well as the Tunisian Dinars exchange rate. The movements in the year have been material.

DOMINION ENERGY PLC

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Company will be held at 11.00am on 18 March 2008 at 19-20 Grosvenor Street, London W1K 4QH for the purpose of considering and if thought fit, passing the following resolutions, of which Resolutions 1 to 6 will be proposed as Ordinary Resolutions and Resolution Number 7 will be proposed as a Special Resolution.

1. To receive the Company's annual accounts for the financial year ended 30 June 2007 together with the directors' report and auditors' report on these accounts.

2. To re-appoint Henderson & Co to hold office from the conclusion of the meeting to the conclusion of the next meeting at which the accounts are laid before the Company and to authorise the Directors to agree their remuneration.

3. To re-elect Gijsbrecht Verspyck as a Director of the Company.

4. To elect Michael Ala as a Director of the Company.

5. To increase the authorised share capital of the Company to £5,000,000 by the creation of 200,000,000 ordinary shares of 1 pence each, such ordinary shares to rank pari passu with the existing ordinary shares of 1 pence each in the capital of the Company.

6. THAT subject to the passing of the previous resolution, for the purposes of section 80 of the Companies Act 1985 as amended (the "Act") (and so that the expressions used in this resolution shall bear the same meanings as in the said section 80) the Directors of the Company be and are generally and unconditionally authorised to allot relevant securities (within the meaning of section 80 (2) of the Act):

   6.1 up to an aggregate nominal amount of £2,805,460 representing 100 per cent. of the authorised but as yet unissued share capital of the Company at the date hereof, provided that the authorities, unless duly revoked, varied or revoked prior to their expiry date, shall expire fifteen months from the passing of this resolution or, if earlier, the conclusion of the next annual general meeting of the Company to be held after the passing of this resolution, but such authority shall allow the Company to make an offer or agreement which would or might require relevant securities to be allotted after the authority expires and, in that event, the Directors may allot relevant securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired and such authorities shall be in substitution for any authorities conferred upon the Directors in accordance with the said section prior to the passing of this resolution, which authorities (to the extent they remain in force and unexercised) are hereby revoked.

7. THAT subject to the passing of the previous resolution, the Directors of the Company be hereby empowered pursuant to section 95 of the Act (within the meaning of section 94(2) of the Act) wholly for cash to allot or make offers or agreements to allot equity securities pursuant to the authority conferred by the previous resolution as if section 89 (1) of the Act did not apply to any such allotment, provided that this power shall be limited to:

   7.1 the allotment of equity securities in connection with any invitation made to the holders of ordinary shares to subscribe by way of rights in the same proportions (as nearly as maybe) to their respective holdings but subject to such exclusions or other arrangements as the Directors consider necessary or expedient in connection with ordinary shares representing fractional entitlement or on account of either legal or practical problems arising in connection with the laws of any territory or of the requirements of any applicable regulatory body or stock exchange in any territory;

7.2 the allotment (otherwise than pursuant to sub-paragraph 5.1 above) of equity securities pursuant to warrants granted by the Company prior to the date hereof;

7.3 the allotment (otherwise than pursuant to sub-paragraphs 4.1 and 4.2 above) of equity securities up to an aggregate nominal amount of £2,805,460 representing 100 per cent. of the authorised but as yet unissued share capital of the Company at the date hereof;

provided that the authorities, unless duly revoked, varied or revoked prior to their expiry date, shall expire fifteen months from the passing of this resolution or, if earlier, the conclusion of the next annual general meeting of the Company to be held after the passing of this resolution, but such authority shall allow the Company to make an offer or agreement which would or might require relevant securities to be allotted after the authority expires and, in that event, the Directors may allot relevant securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired and such authorities shall be in substitution for any authorities conferred upon the Directors in accordance with the said section prior to the passing of this resolution , which authorities (to the extent they remain in force and unexercised) are herby revoked.

Registered office
19/20 Grosvenor Street
London
W1K 4QH

By order of the Board

M A Alikhani

30 January 2008

Notes to the Notice of Annual General Meeting

Entitlement to attend and vote

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Company's register of members at:
   - 6 p.m. on 16 March 2008; or,
   - if this Meeting is adjourned, at 6 p.m. on the day two days prior to the adjourned meeting,

   shall be entitled to attend and vote at the Meeting.

Appointment of proxies

2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy please contact the Company's registrars, Capita Registrars at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

Appointment of proxy using hard copy proxy form

5. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

   To appoint a proxy using the proxy form, the form must be:

   - completed and signed;
   - sent or delivered to Capita Registrars at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU; and
   - received by Capita Registrars no later than 11.00am on 16 March 2008

   In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

   Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

Appointment of proxy by joint members

6. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

7. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

   Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Capita Registrars, at The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU.

   If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

8. In order to revoke a proxy instruction you will need to inform the Company using the following method:

   By sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Capita Registrars, Proxy Department, PO Box 25, Beckenham, Kent, BR3 4TU

   - In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

     In either case, the revocation notice must be received by Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU no later than 11.00am on 16 March 2008 .

     If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

     Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

Issued shares and total voting rights

9. As at 12 noon on 30 January 2008, the Company's issued share capital comprised 219,453,958 ordinary shares of 1 pence each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 12 noon on 30 January 2008 is 219,453,958.

Documents on display

10. Copies of the service contracts and letters of appointment of the directors of the Company will be available:

    - for at least 15 minutes prior to the Meeting; and
    - during the Meeting.