

# Dominion Energy plc

Annual Report and Accounts

30 June 2013

# DOMINION ENERGY PLC

HEAD OFFICE  
6 Derby Street  
London  
W1J 7AD

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## DOMINION ENERGY PLC

### DIRECTORS AND ADVISERS

Directors	M Alikhani K Sodha M Ala	Executive Chairman Non-Executive Director Non-Executive Director
Secretary and Registered Office	K Sodha 6 Derby Street London W1J 7AD	
Auditors	Cameron & Associates Limited 35-37 Lowlands Road Harrow-on-the-Hill Middlesex HA1 3AW	
Registrars	Neville Registrars Limited Neville House 18 Laurel Lane Halesowen West Midlands B63 3DA	
Company number	03986182	

## **DOMINION ENERGY PLC**

### **CHAIRMAN'S STATEMENT**

For the year ended 30 June 2013

#### **FAWAR AND MEZZOUNA PERMITS, TUNISIA**

We previously reported that Dominion Energy Plc ("the Company" or "Dominion") had extended the term of the two licences, Fawar and Mezzouna, held by Dominion's wholly-owned subsidiary First African Petroleum Consortium Limited ("FAPCO") with assistance of its branch office in Tunisia, to 4 April 2013. The licence extensions were subject to FAPCO completing certain seismic acquisition and drilling programming. Subsequently the Company was not able to move the project forward despite significant efforts by the management to source finance, seek potential companies as farm in partners or to sell the project. As a result the licences reverted back to the Tunisian authorities.

#### **OUTLOOK**

The Company has spent £3.3 million (2012: £3.3 million) in completing a detailed Master Development Plan ("MDP") on a sizeable project in a Persian Gulf. During the process the Company acquired valuable seismic (2D and 3D) information on the field. In conjunction with partners, the Company anticipates eventual participation in this project. Because of the signs of a thaw in the political situation in the region, the project is now being considered actively with a view to taking it forward. As part of this process, the Company will use its best endeavours for the Admission of its share capital to trading on the Alternative Investment Market ("AIM") operated by the London Stock Exchange and complete an associated fund-raising.

#### **GOING CONCERN**

The Group's ability to meet its forecast expenditure requirements and meet its liabilities and obligations is dependent on raising additional funds. The Directors believe that additional funding can be raised to move the Company forward.

#### **RESULTS FOR THE YEAR**

For the year ended 30 June 2013, the Group results show a loss of £11.74 million compared to a loss of £0.24 million for the same period in the prior year.

The results include the impairment of £10.6 million (2012: nil) arising as a result of the reversion of Tunisian permits, aborted costs of fund raising and Admission to AIM of £0.36 million (2012: nil)

The results also include interest due on a trade payable and borrowing costs of £0.53 million (2012: 0.01 million) and other costs comprising salaries of oil and gas executives, overseas staff, costs of consultants, administrative expenses of overseas and UK offices.

#### **GENERAL MEETING – SERIOUS LOSS OF CAPITAL**

Directors are actively pursuing the opportunity in the Persian Gulf (see above) which, if successful, may deal with the serious loss of capital issue.

#### **FUNDING AND SHARE LISTING**

As announced on 6 April 2011, the Company delisted its shares on ISDX with effect from 19 April 2011 and has continued to offer shareholders an interim matched share facility described in that Announcement. It is the intention of the Directors to raise funds to launch the Persian Gulf project and relist its shares on the AIM market; shareholders will be kept informed of developments.

## **DOMINION ENERGY PLC**

### **ANNUAL GENERAL MEETING**

The Annual General Meeting of the Company will be held at 4.00pm on 23 December 2013 at 6 Derby Street, London W1J 7AD. The resolutions proposed can be found in the Notice of Annual General Meeting on pages 39 and 40.

Masoud Alikhani  
*Chairman*

29 November 2013

## DOMINION ENERGY PLC

### DIRECTORS' REPORT

The Directors present their report and financial statements of the Company for the year ended 30 June 2013.

#### PRINCIPAL ACTIVITY

The Company is engaged in the exploration of oil and natural gas.

#### REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

These are described in the Chairman's Statement on page 3.

#### GOING CONCERN

These financial statements are prepared on a going concern basis.

As at 30 June 2013 the Group had net liabilities of £5,686,462 and net current liabilities of £6,695,277, whilst the Company had net liabilities of £523,533 and net current liabilities of £1,532,348.

Additionally as disclosed in note 21 a claim has been issued in the Commercial Court of the High Court against the Company by CGG Veritas Services S.A. ("CGG"). In the event the Company is unable to reach agreement with CGG and settle the amounts outstanding, CGG may seek to liquidate the Company.

Based on current forecasts, at the date of approval of the financial statements the Company will need to raise additional funds in order to settle existing liabilities and meet its obligations as they fall due.

The Directors are seeking to raise further funds to advance the Persian Gulf Assets and meet the Company's obligations as they fall due, however there are no binding offers of funding currently in place.

Should the Company not be able to raise further funds and reach agreement with its creditors, the Company will not be able to continue as a going concern.

There can be no guarantee over the outcome of these discussions and as a consequence there is a material uncertainty of the Company's ability to raise additional funds and reach agreement with its creditors, which casts significant doubt on the Group's ability to continue as a going concern.

The Directors believe that the necessary funds will be raised to enable the Company to meet its requirements and accordingly they expect the Company to continue as a going concern and have prepared the financial statements on that basis.

The financial statements do not include the adjustments that would result if the Group was not able to continue as a going concern.

#### RESULTS AND DIVIDENDS

The results for the year are set out in the Consolidated Statement of Comprehensive Income on page 12.

## DOMINION ENERGY PLC

### DIRECTORS' REPORT (CONTINUED)

Key performance indicators for the Group are as follows:-

	Year ended 30 June 2013	Year ended 30 June 2012
	£	£
Intangible assets	<b>3,383,819</b>	13,671,052
Tangible assets	–	11,211
Cash and cash equivalents	<b>12,925</b>	9,860
Creditors	<b>(9,089,727)</b>	(7,697,761)
Loss for the year from continuing operations	<b>(648,885)</b>	(241,187)
Loss for the year from discontinued operations	<b>(11,086,750)</b>	–
Loss per share	<b>(4.77)p</b>	(0.10)p

The Directors do not recommend the payment of a dividend on the ordinary shares (2012: nil).

#### DIRECTORS AND THEIR INTERESTS

The Directors in office during the year were as follows:

M Alikhani (Executive Chairman)  
K Sodha (Non-Executive Director)  
M Ala (Non-executive Director)

In accordance with the Articles of Association, M Ala 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 of the Directors holding office at 30 June 2013 in the share capital of the Company are shown below:

	No of ordinary at shares 30 June 2013	No of ordinary shares at 30 June 2012
M Alikhani	<b>3,072,999</b>	3,072,999
K Sodha	<b>1,583,333</b>	1,583,333
M Ala	<b>416,667</b>	416,667

Details of the Directors' share options are provided in Note 18.

#### TRANSACTIONS WITH DIRECTORS AND RELATED PARTIES

Details of transactions with Directors are set out in Note 20 to the accounts. There were no other related party transactions.

#### ISSUE OF SHARES

No shares were issued during the year.

#### ANNUAL GENERAL MEETING

Resolutions will be proposed at the Annual General Meeting as set out in the formal notice on pages 39 to 42. The following explanatory notes relate to Resolutions numbered 4 to 5 which will constitute special business.

- (1) Resolution 4 – The Directors currently have a general authority to allot unissued shares of the Company, but this expires on the conclusion of the Annual General Meeting. Resolution 4 is proposed as an Ordinary resolution to provide the Directors with authority to

## DOMINION ENERGY PLC

issue ordinary shares (see the detailed resolution and notes on page 41 of this document).

- (2) Resolution 5 – is to authorise the Directors to allot relevant securities up to a nominal value of £20m. This will provide the Directors with the authority to issue ordinary shares of 1 pence each for cash when the Board considers it to be in the best interest of shareholders (see the detailed resolution on pages 39 to 40 of this document).
- (3) Item 6 – to consider what, if any, measures should be taken to deal with the serious loss of capital.

### SUPPLIER PAYMENT POLICY

The Company's policy is to settle terms of payment with suppliers when agreeing the terms of each transaction, ensure that suppliers are made aware of the terms of payment and abide by the terms of payment. Trade payables of the Company at 30 June 2013 were equivalent to 171 (2012: 249) days' purchases, based on the average daily amount invoiced by suppliers during the year.

### PRINCIPAL RISKS AND UNCERTAINTIES

The Group is subject to various risks relating to political, economic, legal, industry and financial conditions financial, not all of which are within its control. The Group identifies and monitors the key risks and uncertainties affecting the Group and runs its business in a way that minimises the impact of such risks where possible. The following risks factors, which are not exhaustive, are particularly relevant to the Group's business activities:

- Commodity risk – The economic viability of the Group's oil and gas assets is dependent on the underlying price. Management produce financial models of the assets based upon conservative long term oil prices and regularly revise these estimates.
- Exploration risk and permitting regulations - the future value of the Group is largely dependent on the success or otherwise of the Group's activities, which are directed towards the search, evaluation and development of oil and gas reserves. Exploration for and development of resources is speculative and involves a significant degree of risk. While the rewards can be substantial, there is no guarantee that exploration by the Group will lead to commercial discovery or, if there is such discovery, that the Group will be able to realise such reserves as intended. If at any stage the Group is precluded from pursuing its exploration or production programmes, or decides not to continue with any of these, this is likely to have an adverse effect on the value of investors' holdings. Moreover, if the Group does not meet its work and/or expenditure obligations under its existing or future Permits, licences or production sharing agreements in which it has a participating interest this may lead to dilution of its interest in, or the loss of, such production sharing agreements, Permits or licences.
- Political – the group recognises political risks and opportunities associated with parts of the globe where it conducts business. Lower degree of political stability and less developed legal systems than in the United Kingdom may result in loss of title to Group's assets and restrictions on operations. The Group's management and advisory network have considerable experience in conducting business in areas where it operates and apply this knowledge to regularly assess and monitor this aspect of activities. The Group uses local experts in order to ensure compliance with relevant regulations and to maintain close contact with the local government in the area where it operates. The Group continually monitors and reviews the fiscal regime for any developments.
- Acquisitions and Disposals – the Group and its advisors have considerable experience in the business environment in which the Group operates. This experience is applied regularly and carefully to assess potential acquisition and disposal opportunities.



## DOMINION ENERGY PLC

### DIRECTORS' REPORT (CONTINUED)

- Environmental and other regulatory requirements - existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditure, restrictions and delays in the activities of the Group, the extent of which cannot be predicted. No assurance can be given that the new rules and regulation will not be enacted or existing legislation will not be applied in a manner which could limit or curtail the Group's activities. Management monitors developments in relevant legislations and ensures compliance.
- Financing risks – the group's ability to continue as a going concern is reliant on raising additional funding. Management is confident that necessary funding will be raised as described in note 3.

Risks arising from financial instruments are detailed in note 20 in the financial statements.

#### ENVIRONMENTAL MATTERS

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

#### CHARITABLE AND POLITICAL DONATIONS

During the year the Company made no charitable or political donations (2012: £nil).

#### DISCLOSURE OF INFORMATION TO THE AUDITORS

Each of the persons who is a Director at the date of approval of this Annual Report confirms that:

- ▶ so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- ▶ the Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006

#### AUDITORS

Cameron & Associates Limited have expressed their willingness to continue in office as auditors. A resolution proposing the appointment of Cameron & Associates Limited 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  
*Chairman*

6 Derby Street  
London  
W1J 7AD

Company registered in England and Wales 03986182

29 November 2013

## DOMINION ENERGY PLC

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 Group and Company financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS's). 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 Group and of the profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether they have been prepared in accordance with IFRSs as adopted by th EU; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that Company and Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group 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 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 corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## DOMINION ENERGY PLC

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DOMINION ENERGY PLC

FOR THE YEAR ENDED 30 JUNE 2013

We have audited the consolidated and parent Company financial statements ("the financial statements") which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Balance Sheets, the Consolidated and Company Cash Flow Statement, the Consolidated and Company Statements of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards ("IFRSs") as adopted by the European Union and, as regards the parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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

### **Respective responsibilities of directors and auditors**

As more fully explained in the Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit 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 ("APB's") Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **Opinion on financial statements**

In our opinion

- the financial statements give a true and fair view of the state of the Group's and the parent Company's affairs as at 30 June 2013 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent Company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

### **Emphasis of matter – going concern**

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the going concern disclosure made in note 3 to the financial statements concerning the Group's and the Company's ability to continue as a going concern. The Group's ability to meet its forecast expenditure requirements on development of the exploration asset is dependent on raising additional funds. While the directors are confident that additional funding can be raised in order to meet its commitments and working capital requirements, there is an inherent uncertainty that this funding may not be raised. This condition indicates the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern.

These financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

## DOMINION ENERGY PLC

### **Emphasis of matter – recoverability of assets**

In forming our opinion we have considered the adequacy of the disclosures made in the financial statements concerning the uncertainty related to the political situation in the Middle Eastern Gulf. The recovery of the Middle Eastern Gulf exploration and evaluation assets included in the consolidated balance sheet of £3,383,819 (2012: £3,323,090) are dependent on the resolution of the regional political issues affecting the project area and its timing. No adjustment has been made to the carrying value of these assets. We draw your attention to the further details given in notes 4 and 11.

### **Emphasis of matter – litigation**

In forming our opinion we have considered the adequacy of the disclosures made in the financial statements concerning the claim issued by CGG Veritas Services S.A. ("CGG") against the Company. The claim is in respect of unpaid sums CGG claim as due from the Company pursuant to a parent company guarantee. The ability of the Company to settle the claimed amounts is dependent on the Company's ability to raise additional funds. The full amount outstanding to CGG, including the interest accrued under the Settlement Agreement are included within trade payables and accruals in the consolidated balance sheet as at the year end amount to £4.8 million (2012: £4.3 million). In the event that the Company is unable to reach agreement with CGG and settle the amounts outstanding, CGG may seek to liquidate the Company. While the directors are confident that additional funding can be raised, there is an inherent uncertainty that this funding may not be raised. This condition indicates the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern.

### **Opinion on other matters prescribed by the Companies Act 2006 statement**

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.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following:

Under where the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received; or
- the Company financial statements and the part of the Directors' remuneration report to be audited 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.

We reviewed:

- the Directors' statement contained within the Directors' Report in relation to going concern.

Rajinder Basra (*Senior Statutory Auditor*)

For and on behalf of

Cameron & Associates Limited (Statutory Auditor)

35-37 Lowlands Road, Harrow-on-the-Hill Middlesex HA1 3AW

29 November 2013

**DOMINION ENERGY PLC**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2013**

	Notes	2013 £	2012 £
<b>CONTINUING OPERATIONS</b>			
Administrative expenses		<b>(454,280)</b>	(228,555)
Finance expense		<b>(194,605)</b>	(12,632)
Loss before tax	6	<b>(648,885)</b>	(241,187)
Taxation	9	—	—
Loss for the year from continuing operations attributable to equity holders of the parent		<b>(648,885)</b>	(241,187)
Loss for the year from discontinued operations attributable to equity holders of the parent	5	<b>(11,086,750)</b>	—
<b>LOSS FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT</b>		<b>(11,735,635)</b>	(241,187)
<b>Other comprehensive income:</b>			
Exchange translation difference on foreign operations		<b>(6,618)</b>	61,005
<b>TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT</b>		<b>(11,742,253)</b>	(180,182)
<b>LOSS PER ORDINARY SHARE</b>			
Basic and diluted Loss per ordinary share from continuing operations		<b>(4.51)p</b>	(0.10)p
Basic and diluted Loss per ordinary share from discontinued operations	10	<b>(0.26)p</b>	—
Loss		<b>(4.77)p</b>	(0.10)p

The notes on pages 19 to 38 form part of these financial statements.

**DOMINION ENERGY PLC**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

**AS AT 30 JUNE 2013**

Company No. 03986182

	Notes	2013 £	2012 £
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible exploration and evaluation assets	11	<b>3,383,819</b>	13,671,052
Property, plant and equipment	12	–	11,211
		<u><b>3,383,819</b></u>	<u>13,682,263</u>
<b>Current assets</b>			
Trade and other receivables	14	<b>6,521</b>	61,429
Cash and cash equivalents	14	<b>12,925</b>	9,860
		<u><b>19,446</b></u>	<u>71,289</u>
<b>Total assets</b>		<u><b>3,403,265</b></u>	<u>13,753,552</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	16b	<b>2,132,050</b>	–
other payables		<b>242,954</b>	–
		<u><b>2,375,004</b></u>	<u>–</u>
<b>Current liabilities</b>			
Trade and other payables	16a	<b>6,714,723</b>	7,697,761
		<u><b>6,714,723</b></u>	<u>7,697,761</u>
<b>Total liabilities</b>		<u><b>9,089,727</b></u>	<u>7,697,761</u>
<b>Net (liabilities)/assets</b>		<u><b>(5,686,462)</b></u>	<u>6,055,791</u>
<b>EQUITY</b>			
Share capital	17	<b>2,461,207</b>	2,461,207
Share premium account		<b>6,554,838</b>	6,554,838
Retained earnings		<b>(14,958,734)</b>	(3,223,099)
Cumulative translation reserve		<b>256,227</b>	262,845
		<u><b>(5,686,462)</b></u>	<u>6,055,791</u>
<b>Equity attributable to equity holders of the parent</b>		<u><b>(5,686,462)</b></u>	<u>6,055,791</u>

These financial statements were approved by the Board of Directors and authorised for issue on 29 November 2013 and signed on its behalf by

M Alikhani  
Director

**DOMINION ENERGY PLC**

**CONSOLIDATED CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 30 JUNE 2013**

	2013	2012
	£	£
Loss before tax	(11,735,635)	(241,187)
Adjustments for:		
Depreciation of property, plant and equipment	3,179	–
Impairment of property plant and equipment	8,227	–
Impairment of exploration and evaluation asset	10,649,369	–
Finance expense	194,605	12,632
	<hr/>	<hr/>
Operating cash flow before movements in working capital	(880,255)	(228,555)
(Increase)/Decrease in receivables	(5,270)	(1,965)
Increase in payables	1,059,733	573,158
	<hr/>	<hr/>
<b>Net cash inflow from operating activities</b>	<b>174,208</b>	<b>342,638</b>
	<hr/>	<hr/>
<b>Investing activities</b>		
Purchases of intangible exploration and evaluation assets	(171,139)	(345,554)
Purchases of property, plant and equipment	–	(182)
	<hr/>	<hr/>
<b>Net cash used in investing activities</b>	<b>(171,139)</b>	<b>(345,736)</b>
	<hr/>	<hr/>
<b>Net increase in cash and cash equivalents</b>	<b>3,068</b>	<b>(3,098)</b>
Effect of foreign exchange rate changes	(3)	(307)
<b>Cash and cash equivalents at beginning of year</b>	<b>9,860</b>	<b>13,265</b>
	<hr/>	<hr/>
Cash and cash equivalents at end of year	<b>12,925</b>	<b>9,860</b>
	<hr/>	<hr/>

**DOMINION ENERGY PLC**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEAR ENDED 30 JUNE 2013**

	Share capital £	Share premium account £	Retained earnings £	Cumulative translation reserve £	Total £
<b>As at 1 July 2011</b>	2,461,207	6,554,838	(2,981,912)	201,840	6,235,973
Total comprehensive loss for the year	—	—	(241,187)	61,005	(180,182)
<b>As at 1 July 2012</b>	2,461,207	6,554,838	(3,223,099)	262,845	6,055,791
Total comprehensive loss for the year	—	—	(11,735,635)	(6,618)	(11,742,253)
<b>As at 30 June 2013</b>	<b><u>2,461,207</u></b>	<b><u>6,554,838</u></b>	<b><u>(14,958,734)</u></b>	<b><u>256,227</u></b>	<b><u>(5,686,462)</u></b>

\* These amounts arose on monetary items that formed part of the net investment in a foreign operation.

**Reserves Description and purpose**

- Share capital - amount subscribed for share capital at nominal value
- Share premium account- amounts subscribed for share capital in excess of nominal value
- Retained earnings – cumulative net gains and losses recognized in the consolidated income statement
- Cumulative translation reserve – exchange gains/losses arising on retranslating of foreign operations into presentational currency



**DOMINION ENERGY PLC**

**COMPANY STATEMENT OF FINANCIAL POSITION**

**AS AT 30 JUNE 2013**

Company No. 03986182

	Notes	2013 £	2012 £
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible exploration and evaluation assets	11	<b>3,383,819</b>	3,323,090
Investment in subsidiary	13	–	3,364,167
		<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
		<b>3,383,819</b>	<b>6,687,257</b>
<b>Current assets</b>			
Trade and other receivables	14	<b>800</b>	3,224,268
Cash and cash equivalents	14	<b>9,776</b>	855
		<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
		<b>10,576</b>	<b>3,225,123</b>
<b>Total assets</b>		<b>3,394,395</b>	<b>9,912,380</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	16b	<b>2,132,050</b>	–
other payables		<b>242,954</b>	–
		<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
		<b>2,375,004</b>	–
<b>Current liabilities</b>			
Trade and other payables	16a	<b>1,542,924</b>	3,055,711
		<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
		<b>1,542,924</b>	–
<b>Total liabilities</b>		<b>3,917,928</b>	<b>3,055,711</b>
<b>Net (liabilities)/assets</b>		<b>(523,533)</b>	<b>6,856,669</b>
<b>EQUITY</b>			
Share capital	17	<b>2,461,207</b>	2,461,207
Share premium account		<b>6,554,838</b>	6,554,838
Retained earnings		<b>(9,539,578)</b>	(2,159,376)
		<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
<b>Total equity</b>		<b>(523,533)</b>	<b>6,856,669</b>

These financial statements were approved by the Board of Directors and authorised for issue on 29 November 2013 and signed on its behalf by

M Alikhani  
Director

**DOMINION ENERGY PLC**

**COMPANY CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 30 JUNE 2013**

	2013	2012
	£	£
Loss before tax	<b>(7,380,202)</b>	(140,092)
Adjustments for:		
Impairment of investment in subsidiaries	<b>3,364,167</b>	–
Impairment of receivables due from subsidiaries	<b>3,186,163</b>	–
Finance expense	<b>194,605</b>	–
	<hr/>	<hr/>
Operating cash flow before movements in working capital	<b>(635,267)</b>	(140,092)
Increase in receivables	<b>(37,306)</b>	(336,632)
Increase in payables	<b>667,611</b>	476,408
	<hr/>	<hr/>
<b>Net cash inflow/(outflow) from operating activities</b>	<b>69,650</b>	(316)
	<hr/>	<hr/>
<b>Investing activities</b>		
Purchases of intangible exploration and evaluation assets	<b>(60,729)</b>	–
	<hr/>	<hr/>
<b>Net cash used in investing activities</b>	<b>(60,729)</b>	–
	<hr/>	<hr/>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>8,921</b>	(316)
<b>Cash and cash equivalents at beginning of year</b>	<b>855</b>	1,171
	<hr/>	<hr/>
Cash and cash equivalents at end of year	<b><u>9,776</u></b>	<b><u>855</u></b>

**DOMINION ENERGY PLC**

**COMPANY STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEAR ENDED 30 JUNE 2013**

	Share capital £	Share premium account £	Retained earnings £	Total £
<b>As at 1 July 2011</b>	2,461,207	6,554,838	(2,019,284)	6,996,761
Total comprehensive loss for the year	—	—	(140,092)	(140,092)
<b>As at 1 July 2012</b>	2,461,207	6,554,838	(2,159,376)	6,856,669
Total comprehensive loss for the year	—	—	(7,380,202)	(7,380,202)
<b>As at 30 June 2013</b>	<b><u>2,461,207</u></b>	<b><u>6,554,838</u></b>	<b><u>(9,539,578)</u></b>	<b><u>(523,533)</u></b>

**Reserves Description and purpose**

- Share capital - amount subscribed for share capital at nominal value
- Share premium account – amounts subscribed for share capital in excess of nominal value
- Retained earnings – cumulative net gains and losses recognized in the consolidated income statement

## DOMINION ENERGY PLC

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR TO 30 JUNE 2013

##### 1a). GENERAL INFORMATION

Dominion Energy Plc (the 'Company'), is incorporated and domiciled in the United Kingdom. The address of the registered office is 6 Derby Street, London, W1J 7AD.

The nature of the Group's operations and its principal activity is the exploration, evaluation and development of oil and gas exploration targets.

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### 1b). SERIOUS LOSS OF CAPITAL

The Directors are actively pursuing the opportunity in the Persian Gulf which, if successful, may deal with the serious loss of capital.

#### 2. ADOPTION OF NEW AND REVISED STANDARDS

The financial statement have been drawn up on the basis of accounting policies consistent with those applied in the financial statements for the year to 30 June 2012.

In the current year, the following new and revised Standards have been adopted. The adoption of these standards, interpretations and amendments did not materially impact the Group.

##### **International Financial Reporting Interpretations (IFRIC)**

IFRIC 19	Extinguishing financial liability with equity instruments
IFRIC 14	Limit on a Defined Benefit Asset, Minimum Funding Requirement and their interaction

The following Standards and Interpretations which have not been applied in the financial statements were in issue but not yet effective (and in some cases had not yet been endorsed by the EU). The Directors do not expect that the adoption of these Standards or Interpretations in future periods will have a material impact on the financial statements of the Company or the Group.

IFRS 1 (amended)	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
IFRS 1 (amended)	Government Loans
IFRS 7 (amended)	Disclosures – Transfers of Financial Assets,
IFRS 7 (amended)	Offsetting Financial Assets and Financial Liabilities
IFRS 9	Financial Instruments
IFRS 10	Consolidated Financial Statements
IFRS 11	Joint Arrangements
IFRS 12	Disclosure of Interests in Other Entities
IFRS 13	Fair Value Measurement
IAS 12 (amended)	Deferred Tax: Recovery of Underlying Assets
IAS 1 (amended)	Presentation of Items of Other Comprehensive Income
IAS 19 (amended)	Employee benefits
IAS 27	Separate Financial Statements
IAS 28	Investments in Associates and Joint Ventures
IAS 32 (amended)	Presentation – Offsetting Financial Assets and Financial Liabilities
IFRIC 20	Stripping costs in the production phase of a surface mine

## DOMINION ENERGY PLC

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

#### 3. SIGNIFICANT ACCOUNTING POLICIES

##### **Basis of preparation**

The financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRSs') as issued by the International Accounting Standards Board ('IASB') and as adopted by the European Union ('EU'), and those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The Group financial information is presented in Pounds Sterling ("£"). Foreign operations are included in accordance with the policies set out in "Foreign currencies" below.

For reference the year end exchange rate from Pound Sterling to US Dollars was 1.52.

As permitted by Section 408 of the Companies Act 2006, the Company has elected not to present its Income Statement for the year. The Company reported a loss for the financial year ended 30 June 2013 of £7,380,202 (2012: loss £140,092).

##### **Going concern**

These financial statements are prepared on a going concern basis.

As at 30 June 2013 the Group had net liabilities of £5,686,462 and net current liabilities of £6,695,277, whilst the Company had net liabilities of £523,533 and net current liabilities of £1,532,348.

Additionally as disclosed in note 21 a claim has been issued in the Commercial Court of the High Court against the Company by CGG Veritas Services S.A. ("CGG"). In the event the Company is unable to reach agreement with CGG and settle the amounts outstanding, CGG may seek to liquidate the Company. The claim is currently stayed.

Based on current forecasts, at the date of approval of the financial statements the Company will need to raise additional funds in order to settle existing liabilities and meet its obligations as they fall due.

The Directors are seeking to raise further funds to advance the Persian Gulf Assets and meet the Company's obligations as they fall due, however there are no binding offers of funding currently in place.

Should the Company not be able to raise further funds and reach agreement with its creditors, the Company will not be able to continue as a going concern.

There can be no guarantee over the outcome of these discussions and as a consequence there is a material uncertainty of the Company's ability to raise additional funds and reach agreement with its creditors, which casts significant doubt on the Group's ability to continue as a going concern.

The Directors believe that the necessary funds will be raised to enable the Company to meet its requirements and accordingly they expect the Company to continue as a going concern and have prepared the financial statements on that basis.

The financial statements do not include the adjustments that would result if the Group was not able to continue as a going concern.

##### **Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 30 June each year. 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.

## DOMINION ENERGY PLC

The results of subsidiaries acquired or disposed of during the year 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 accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

### **Segmental reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision maker has been identified as the Board of Directors.

### **Foreign currencies**

The individual financial statements of each group company are prepared 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 £, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual companies, transactions in currencies other than the functional currency of each Group company ('foreign currencies') are recorded in the functional currency 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 into the functional currency at the rates prevailing on the balance sheet date. Non-monetary assets and liabilities 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.

Exchange differences are recognised in the income statement in the period in which they arise except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur, which form part of the net investment in a foreign operation, and which are recognised in the foreign currency translation reserve and recognised in the income statement on disposal of the net investment.

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 classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised as income or as expenses in the period in which the operation is disposed of.

### **Taxation**

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

Deferred tax is the tax expected to be payable or recoverable on differences between the

## DOMINION ENERGY PLC

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

#### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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 tax 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 period 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**

Property, plant and equipment ('PP&E') are carried at cost less accumulated depreciation and any recognised impairment loss.

Depreciation and amortisation is charged so as to write off the cost or valuation of assets over their estimated useful lives, using the straight-line method, on the following bases:

Vehicles	20%
Office equipment	20%

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

#### **Intangible exploration and evaluation assets – oil and gas**

The Group applies the full cost method of accounting for Exploration and Evaluation ('E&E') costs, having regard to the requirements of IFRS 6 Exploration for and Evaluation of Mineral Resources. Such E&E costs include licence acquisition costs, geological and geophysical costs, costs of drilling exploration and appraisal wells and an appropriate share of overheads. E&E costs are capitalised and accumulated in cost pools which are no larger than a segment. The Group currently has two such cost pools (Persian Gulf and Tunisia).

Expenditures incurred before the Group has obtained the legal rights to explore a specific area are expensed in the year that they are incurred, unless these expenditures meet definition of an asset and the Directors expect these expenditures to be recovered.

Tangible assets used in E&E activities are classified as property, plant and equipment.

## DOMINION ENERGY PLC

However, to the extent that such a tangible asset is consumed in developing an intangible E&E asset, the amount reflecting that consumption is recorded as part of the cost of the intangible asset. Such intangible costs include directly attributable overheads, including the depreciation of property plant and equipment utilised in E&E activities, together with the cost of other materials consumed during the exploration and evaluation phases.

Costs less any impairment relating to the exploration and evaluation of oil and gas interests are carried forward until the existence or otherwise of commercial reserves has been determined.

E&E costs are not amortised prior to the conclusion of appraisal activities.

Where commercial reserves are discovered, the related E&E assets are assessed for impairment and resultant carrying value is then reclassified as oil and gas assets within property, plant and equipment on a field by field basis.

E&E assets that are determined not to have resulted in the discovery of commercial reserves remain capitalised as intangible E&E asset at cost, subject to the relevant cost pool meeting an impairment test as set out below.

Under the full cost method, impairment test on E&E assets are conducted on an individual cost pool basis, including any development or producing assets, when facts and circumstances suggest that the carrying amount in the pool may exceed its recoverable amount. Such indicators include the point at which a determination is made as to whether or not commercial reserves exist. Where the E&E assets concerned fall within the scope of established full cost pool, the E&E assets are tested for impairment together with all development and production assets associated with that cost pool, as a single cash-generating unit. The aggregate carrying value is compared against the expected recoverable amount of the pool, generally by reference to the present value of the future cash flows expected to be delivered from production of commercial reserves. Where the E&E assets to be tested fall outside the scope of any established cost pool, there will generally be no commercial reserves and if the E&E is determined as unsuccessful the E&E assets concerned will be written off in full. Any impairment loss is separately recognised within the income statement.

### **Capitalised borrowing costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use or sale, form part of that asset and are therefore capitalised as part of that asset.

### **Related party transactions**

IAS 24, 'Related Party Disclosures', requires the disclosure of the details of transactions between the reporting entity and related parties. In the consolidated financial statements, all transactions between Group companies are eliminated.

### **Financial instruments**

Recognition of financial assets and financial liabilities

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

### **Derecognition of financial assets and financial liabilities**

The Group derecognises a financial asset only when the contractual rights to cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and 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 the amount it has 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



## DOMINION ENERGY PLC

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

#### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

also recognises a collateralised borrowing for the proceeds received.

The Group derecognises financial liabilities when the Group's obligations are discharged, cancelled or expired.

##### **Trade and other receivables**

Trade and other receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost less any provision for impairment.

##### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash with three months or less remaining to maturity and are subject to an insignificant risk of changes in value.

##### **Trade and other payables**

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

##### **Provisions**

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic resource will result and that outflow can be reliably measured.

##### **Rehabilitation**

Provisions are made for the estimated rehabilitation costs relating to areas disturbed during exploration activities up to reporting date but not yet rehabilitated. Changes in estimates are dealt with on a prospective basis as they arise.

##### **Share-based payments**

The Group has applied IFRS 2 Share-based Payment for all grants of equity instruments.

The Group issues equity-settled share-based payments to its directors, staff and consultants. Equity-settled share-based payments are measured at fair value at the date of grant. 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 the shares that will eventually vest.

Fair value is measured using the Black Scholes model. 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 inputs to the model include: the share price at the date of grant, exercise price expected volatility, risk free rate of interest.

##### **Share capital**

Financial instruments issued by the Group are treated as equity only to the extent that they do not meet the definition of a financial liability. The Groups ordinary shares are classified as equity instruments.

For the purposes of the disclosures given in note 17, the Group considers its capital to be total equity. There have been no changes in what the Group considers to be capital since the previous period.

The Group is not subject to any externally imposed capital requirements.

## DOMINION ENERGY PLC

### 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 the 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 ongoing 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 the current and future periods.

The following are the critical judgements and estimations 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:

#### *ij) Recoverability of exploration and evaluation assets*

Determining whether an exploration and evaluation asset is impaired requires an assessment of whether there are any indicators of impairment, including by reference to specific impairment indicators prescribed in IFRS 6 Exploration for and Evaluation of Mineral Resources. If there is any indication of potential impairment, an impairment test is required based on value in use of the asset. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. The carrying amount of the Group's exploration and evaluation assets at the balance sheet date was £3,383,819 (2012: £13,671,052) and an impairment was identified relating to the assets in Tunisia of £10,649,369.

#### *ii) Persian Gulf assets*

The Persian Gulf exploration and evaluation assets consist of amounts paid towards the Master Development Plan for the Soroush Field in the Persian Gulf where the company acquired valuable 2D and 3D seismic data on the field and their carrying value amounts to £3,383,819 (2012: £3,323,090). In conjunction with partners, the company anticipates eventual participation in this sizeable project. However due to the current political situation in the region (which includes various international trade and financial sanctions), the project has previously been postponed. It is now being considered actively due to the signs of a thaw in the political situation in the region and is expected to be reactivated and brought to a conclusion in due course on resolution of the regional political issues impacting upon the project area. Until such time as the regional political issues impacting upon the project area have been resolved significant uncertainty exists over the recoverability of these assets. Should it become apparent that the company is unlikely to eventually participate in this project then this asset will need to be written down to its realisable value.

### 5. SEGMENTAL REPORTING AND DISCONTINUED OPERATIONS

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments and making strategic decision, has been identified as the Board of Directors.

The Group has three reportable segments:

- Tunisia (discontinued operations) – this segment was involved in exploration for oil in Tunisia where the Group held the Fawar permit and the Mezzouna permits. During the year the exploration permits were reverted back to the Tunisian authorities and accordingly this segment is a discontinued operation (also see note 11).

## DOMINION ENERGY PLC

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

#### 5. SEGMENTAL REPORTING AND DISCONTINUED OPERATIONS (CONT'D)

- Persian Gulf – this segment is involved in exploration for oil in the Persian Gulf.
- Head office – this segment is the head office of the Group, located in the United Kingdom.

The segments results for the year ended 30 June 2013 are as follows:

	Tunisia (discontinued) £	Persian Gulf £	Head Office £	Group £
Year ended 30 June 2013				
Revenue	–	–	–	–
Operating loss	(10,746,983)	–	(454,280)	(11,201,263)
Finance expense	(339,767)	–	(194,605)	(534,372)
Finance income	–	–	–	–
Loss before taxation	(11,086,750)	–	(648,885)	(11,735,635)
Taxation	–	–	–	–
Loss for the year	(11,086,750)	–	(648,885)	(11,735,635)

The segments results for the year ended 30 June 2012 are as follows:

	Tunisia (discontinued) £	Persian Gulf £	Head Office £	Group £
Year ended 30 June 2012				
Revenue	–	–	–	–
Operating loss	–	–	(228,555)	(228,555)
Finance expense	–	–	(12,632)	(12,632)
Finance income	–	–	–	–
Loss before taxation	–	–	(241,187)	(241,187)
Taxation	–	–	–	–
Loss for the year	–	–	(241,187)	(241,187)

Other segment items included in the income statement are as follows:

	Tunisia (discontinued) £	Persian Gulf £	Head Office £	Group £
Year ended 30 June 2013				
Impairment of intangible exploration and evaluation assets	10,649,369	–	–	10,649,369
Depreciation	–	–	3,179	–

## DOMINION ENERGY PLC

	Tunisia (discontinued) £	Persian Gulf £	Head Office £	Group £
Year ended 30 June 2012				
Depreciation	–	–	–	–

Depreciation of £2,646 that relates to property, plant and equipment used in exploration and evaluation activities in Tunisia was capitalised within intangible exploration and evaluation asset.

The segment assets and liabilities at 30 June 2013 and capital expenditure for the year then ended are as follows:

	Tunisia (discontinued) £	Persian Gulf £	Head Office £	Inter- segmental eliminations £	Group
Year ended 30 June 2013					
Segment assets	8,871	3,383,819	10,576	–	3,403,266
Segment liabilities	(5,171,798)	(115,220)	(3,802,707)	–	(9,089,725)
Segment net assets/liabilities	(5,162,927)	3,268,599	(3,792,131)	–	(5,686,459)
Capital expenditure	110,410	60,729	–	–	171,139

The segment assets and liabilities at 30 June 2012 and capital expenditure for the year then ended are as follows:

	Tunisia (discontinued) £	Persian Gulf £	Head Office £	Inter- segmental eliminations £	Group
Year ended 30 June 2012					
Segment assets	10,385,099	3,323,090	3,225,123	(3,179,760)	13,753,552
Segment liabilities	(7,821,810)	(115,220)	(2,940,491)	3,179,760	(7,697,761)
Segment net assets	2,563,289	3,207,870	284,632	–	6,055,791
Capital expenditure*	578,869	–	–	–	578,869

\*Capital expenditure includes £489,516 of capitalised finance costs.

Geographical information of non-current assets, other than financial instruments:

	2013 £	2012 £
Tunisia (discontinued)	–	10,347,962
Persian Gulf	<b>3,383,819</b>	3,323,090
	<b><u>3,383,819</u></b>	<b><u>13,671,052</u></b>

## DOMINION ENERGY PLC

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

#### 5. SEGMENTAL REPORTING (CONT'D)

The net cash flows from discontinued operations during the year were:

	2013	2012
	£	£
Net cash used in investing activities	(6,556)	(11,267)
Net cash from financing activities	(110,410)	(89,353)
	(116,966)	(100,620)

#### 6. LOSS FOR THE YEAR

The loss for the year has been arrived at after charging:

	2013	2012
	£	£
Depreciation of property, plant and equipment (note 12)	3,179	–
Staff costs (note 8)	59,625	69,625
Net foreign exchange (gains)/losses	(75,722)	303
	(11,918)	69,928

In addition to the depreciation of property, plant and equipment of £3,179 (2012: £nil), depreciation of £nil (2012: £2,646) was capitalised to intangible exploration and evaluation assets being depreciation of property, plant and equipment used in exploration and evaluation activities.

#### 7. AUDITORS' REMUNERATION

Amounts payable in respect of audit of the Company's annual accounts were £8,000 (2012: £10,000). No other services were provided by Company's auditors.

#### 8. STAFF COSTS

The average monthly number of employees (including Directors) was:

	2013	2012
	Number	Number
Staff	4	4
Directors	3	3
	7	7

Their aggregate remuneration comprised:

	2013	2012
	£	£
Wages and salaries	53,000	53,000
Social security costs	6,625	6,625
	59,625	59,625

Within wages and salaries, £32,625 (2012: £32,625) relates to Directors remuneration for services rendered (See Note 20).

#### 9. TAXATION

	2013	2012
	£	£
<b>Current tax</b>		
UK corporation tax	–	–
Overseas taxation	–	–
	–	–

## DOMINION ENERGY PLC

### Deferred tax (note 15)

UK corporation tax	-	-
Overseas taxation	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

The taxation charge for each year can be reconciled to the loss per the consolidated income statement as follows:

	2013 £	2012 £
<b>Loss before tax</b>	<b>(11,735,635)</b>	<b>(241,187)</b>
Tax credit at the standard rate of tax in the UK 23% (2012: 24%)	<b>2,699,196</b>	62,709
Tax effect of non-deductible items not subject to tax	<b>(2,165,141)</b>	(1,855)
Deferred tax asset not recognised	<b>(534,055)</b>	(60,854)
Tax expense for the year	<u>-</u>	<u>-</u>

### 10 LOSS PER ORDINARY SHARE

Basic loss per ordinary share is calculated by dividing the consolidated net loss for the year attributable to ordinary equity holders of the parent company by the weighted average number of ordinary shares outstanding during the year. The calculation of the basic and diluted loss per share is based on the following data:

	2013 £	2012 £
<b>Losses</b>		
Loss for the purposes of basic loss per share being consolidated net loss attributable to equity holders of the parent		
From continued operations	(648,885)	(241,187)
From discontinued operations	(11,086,750)	-
	<b>(11,735,635)</b>	<b>(241,187)</b>
	<b>2013 Number</b>	<b>2012 Number</b>
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purposes of basic loss per share	<u>246,120,623</u>	<u>246,120,623</u>
	<b>2013</b>	<b>2012</b>
<b>Basic and diluted Loss per ordinary share</b>		
From continuing operations	0.26p	0.10p
From discontinued operations	4.51p	-
	<u>4.77p</u>	<u>0.10p</u>

At the balance sheet date there were 31,182,352 (2012: 31,182,352) potentially dilutive Ordinary Shares. Potentially dilutive ordinary shares relate to share options issued to directors, staff and consultants.

## DOMINION ENERGY PLC

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

#### 11 INTANGIBLE EXPLORATION AND EVALUATION ASSETS

Group Cost	Exploration & Evaluation Assets £	Total £
<b>At 1 July 2011</b>	12,952,651	12,952,651
Additions	578,869	578,869
Exchange differences	139,532	139,532
	13,671,052	13,671,052
<b>At 1 July 2012</b>	13,671,052	13,671,052
Additions	171,139	171,139
Impairment	(10,649,369)	(10,649,369)
Exchange differences	190,997	190,997
	3,383,819	3,383,819
<b>At 30 June 2013</b>	<b>3,383,819</b>	<b>3,383,819</b>

The exploration and evaluation ("E&E") assets as at 30 June 2012 relate to Tunisian E&E assets with carrying value of £10,347,962 and Persian Gulf E&E assets with carrying value of £3,323,090.

The Tunisian E&E assets related to cost of acquiring the Fawar and Mezzouna exploration permits, together with subsequent exploration and evaluation of these assets. The initial period of validity of the permits was five years from April 2006. Both permits had been extended for two one year periods and were valid until 4 April 2013. During the year, the Company intended to apply for an additional one year extension to each permit. The licence extensions were subject to the Company completing certain seismic acquisition and drilling programme. The Company was not able to move the project forward despite significant efforts by the management to source finance, seek potential farm in partners or sell the project. As a result the permits were reverted back to the Tunisian authorities. Accordingly, the costs capitalised in relation to these permits were fully written down, giving rise to impairment loss of £10,649,369 (2012: £nil), and the Tunisia business segment became a discontinued operation (see note 5).

Additions to intangible exploration and evaluation assets during the year ended 30 June 2013 include £nil (2012:£2,646) of capitalised depreciation of property, plant and equipment used in exploration and evaluation activities and £nil (2012:£489,516) of capitalised borrowing costs directly attributable to exploration activities.

The Persian Gulf exploration and evaluation assets consist of amounts paid towards the Master Development Plan for the Soroush Field in the Persian Gulf where the company acquired valuable 2D and 3D seismic data on the field and their carrying value amounts to £3,383,819 (2012: £3,323,090). In conjunction with partners, the company anticipates eventual participation in this sizeable project. However due to the political situation in the region (which includes various international trade and financial sanctions), the project has been previously postponed, because of the signs of a thaw in the political situation in the region, the project is now being considered actively and is expected to be reactivated and brought to a conclusion in due course on resolution of the regional political issues impacting upon the project area. Until such time as the regional political issues impacting upon the project area have been resolved significant uncertainty exists over the recoverability of these assets. Should it become apparent that the company is unlikely to eventually participate in this project then this asset will need to be written down to its realisable value.

## DOMINION ENERGY PLC

	Evaluation & Exploration Assets £	Total £
<b>Company Cost</b>		
<b>At 30 June 2011</b>	3,386,537	3,386,537
Reclassification	(85,268)	(85,268)
Additions	21,821	21,821
	3,323,090	3,323,090
<b>At 30 June 2012</b>	60,729	60,729
	<b>3,383,819</b>	<b>3,383,819</b>

### 12. PROPERTY, PLANT AND EQUIPMENT

	Motor vehicles £	Office equipment £	Total £
<b>Group Cost</b>			
At 30 June 2011	70,602	72,915	143,517
Additions	–	182	182
Foreign exchange difference	791	1,777	2,568
	71,393	74,874	146,267
At 30 June 2012	–	–	–
Additions	828	1,866	2,694
Foreign exchange difference			
	<b>72,221</b>	<b>76,740</b>	<b>148,961</b>
	Motor vehicles £	Office equipment £	Total £
<b>Accumulated depreciation</b>			
At 30 June 2011	69,789	60,359	130,148
Charge for the year	–	2,646	2,646
Foreign exchange difference	770	1,492	2,262
	70,559	64,497	135,056
At 30 June 2012	829	2,350	3,179
Charge for the year	–	8,227	8,227
Impairment	833	1,666	2,499
Foreign exchange difference			
	<b>72,221</b>	<b>76,740</b>	<b>148,961</b>
<b>Carrying amount</b>			
<b>At 30 June 2013</b>	–	–	–
At 30 June 2012	834	10,377	11,211



**DOMINION ENERGY PLC**

**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**

**13. INVESTMENT IN SUBSIDIARY**

<b>Company</b>	<b>Tunisia</b>
	£
At 1 July 2011	3,183,053
*Reclassification	85,268
Additions during the year	95,846
	<hr/>
At 1 July 2012	3,364,167
Impairment	(3,364,167)
	<hr/>
At 30 June 2013	–
	<hr/>

Investment in subsidiary was fully impaired, as the subsidiary no longer has title to the exploration and evaluation assets in Tunisia. The recoverable amount of the Company's investment in subsidiary was estimated to be nil.

The Company had an investment in the following subsidiary undertaking as at 30 June 2012:

<b>Name</b>	<b>Country of incorporation</b>	<b>Proportion of voting interest %</b>	<b>Activity</b>
First African Petroleum Consortium Ltd	Bermuda	100	Exploration for oil and gas

**14 TRADE AND OTHER RECEIVABLES**

<b>Group</b>	<b>2013</b>	<b>2012</b>
	£	£
Other receivables	5,721	53,534
VAT recoverable	800	7,895
	<hr/>	<hr/>
	<b>6,521</b>	<b>61,429</b>
	<hr/>	<hr/>
<b>Company</b>		
Receivable due from subsidiary	–	3,186,163
Other receivable	–	30,210
VAT recoverable	800	7,895
	<hr/>	<hr/>
	<b>800</b>	<b>3,224,268</b>
	<hr/>	<hr/>

The fair value of trade and other receivables is not significantly different from the carrying value and none of the balances are past due.

**Cash and cash equivalents**

The Group's cash and cash equivalents as at 30 June 2013 of £12,925 (2012: £9,860) comprise cash at bank and in hand.

The Company's cash and cash equivalents as at 30 June 2013 of £9,776 (2012: £855) comprise cash at bank and in hand.

The Directors consider that the carrying amount of these assets approximates their fair value.

## DOMINION ENERGY PLC

### 15 DEFERRED TAX

Differences between IFRS and statutory tax rules (in the United Kingdom and elsewhere) give rise to temporary differences between the carrying values of certain assets and liabilities for financial reporting purposes and for income tax purposes.

At 30 June 2013, the Group and company had carried forward estimated tax losses of £4.4 m (2012: £2.1m) in respect of UK and overseas tax losses. No deferred tax asset has been recognised in respect of this amount due to the unpredictability of future profit streams.

### 16a TRADE AND OTHER PAYABLES

	2013 £	2012 £
<b>Group</b>		
Trade payables	3,606,084	3,066,914
Other taxes and social security	2,240	56,760
Other payables	887,903	2,649,709
Accruals	2,218,496	1,924,378
	<b>6,714,723</b>	<b>7,697,761</b>

Interest of 12% per annum is being charged on a balance outstanding of £2.8m (2012: £2.8m) included within trade creditors due to a company assisting the Group with exploration work in Tunisia. Interest on this balance is included within accruals and amounts to £2.0m (2012: £1.6m).

Interest of 7% per annum is payable on a balance of £0.6m (2012: £2.1m) included within other payables.

	2013 £	2012 £
<b>Company</b>		
Trade payables	243,359	81,383
Other taxes and social security	59,040	53,665
Other payables	1,038,269	2,629,709
Accruals	202,256	290,954
	<b>1,542,924</b>	<b>3,055,711</b>

Interest of 7% per annum is payable on a balance of £0.6m (2012: £2.1m) included within other payables.

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs.

The fair value of payables is not significantly different from the carrying value.

## DOMINION ENERGY PLC

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

#### 16b NON-CURRENT LIABILITIES

	2013	2012
	£	£
<b>Group and Company</b>		
<b>Borrowing</b>		
Loans at amortised cost	2,132,050	–
Accruals	242,954	–
	<b>2,375,004</b>	–

At the year end 30 June 2012, other payables included (within current liabilities in 16a above) amounts of £2,132,050 due on demand and related interest of £242,954

During the year, the Company entered into a loan agreement in relation to these amounts outstanding, deferring the repayment of the loan and the interest until 1 January 2015.

The loan is unsecured with interest payable at 7% per annum.

#### 17. SHARE CAPITAL

As permitted by the Companies Act 2006, the Company does not have an authorised share capital.

Issued equity share capital

	2013		2012	
	Number	£	Number	£
<b>Issued and fully paid</b>				
Ordinary shares of £0.01 each	246,120,623	2,461,207	246,120,623	2,461,207

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

#### 18. SHARE OPTIONS AND SHARE BASED PAYMENTS

The Company granted share options to directors, employees and consultants.

##### EQUITY-SETTLED SHARE OPTIONS

Name	Price	Note	30 June 2012 or date of appointment	Granted during the year	Exercised during the year	30 June 2013 or date of resignation
M Alikhani	3p	A	6,000,000	–	–	6,000,000
M Ala	3p	A	2,000,000	–	–	2,000,000
M Ala	3p	B	2,000,000	–	–	2,000,000
K Sodha	3p	A	4,000,000	–	–	4,000,000
Staff and consultants	3p	A	11,882,352	–	–	11,882,352
Staff and consultants	3p	B	5,300,000	–	–	5,300,000
Total share options			31,182,352	–	–	31,182,352

Note A – Granted 7 May 2009 and exercisable at any time before 7 May 2014

Note B – Granted 6 May 2011 and exercisable at any time before 6 May 2014

There were no share options granted during the year to 30 June 2013. All of the share options were outstanding at the end of 2012 and 2013.

## DOMINION ENERGY PLC

### 19. FINANCIAL INSTRUMENTS

#### **Capital risk management**

The Group seeks to manage its capital to ensure that entities in the Group will be able to continue as a going concern, while maximising the return to shareholders.

The capital resources of the Group consists of cash and cash equivalents arising from equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings as disclosed in the Consolidated Statement of Changes in Equity.

#### **Externally imposed capital requirement**

The Group is not subject to externally imposed capital requirements.

#### **Significant accounting policies**

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3 to the Consolidated Financial Statements.

#### **Categories of financial instruments**

	2013 £	2012 £
<b>Group</b>		
<b>Financial assets</b>		
Cash and cash equivalents	12,925	9,860
Other receivables classified as loans and receivables at amortised cost	6,521	61,429
	<b>19,446</b>	<b>71,289</b>
<b>Financial liabilities classified as held at amortised cost</b>		
Trade payables	3,606,084	3,066,914
Other payables	890,143	2,706,469
Borrowings	2,132,050	-
	<b>6,628,277</b>	<b>5,773,383</b>
	2013 £	2012 £
<b>Company</b>		
<b>Financial assets</b>		
Cash and cash equivalents	9,776	855
Other receivables classified as loans and receivables at amortised cost	800	3,224,268
	<b>10,576</b>	<b>3,225,123</b>
<b>Financial liabilities classified as held at amortised cost</b>		
Trade payables	243,359	81,383
Other payables	1,097,934	2,683,374
Borrowings	2,132,050	-
	<b>3,473,343</b>	<b>2,764,757</b>

## DOMINION ENERGY PLC

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

#### 19. FINANCIAL INSTRUMENTS (CONT'D)

##### ***Fair value of financial assets and liabilities***

Fair value is the amount at which a financial instrument could be exchanged in an arm's length transaction between informed and willing parties, other than a forced or liquidation sale and excludes accrued interest. Where available, market values have been used to determine fair values.

##### ***Financial risk management objectives***

Management provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risks reports which analyse exposures by degree and magnitude of risks. These risks include foreign currency risk, credit risk, liquidity risk and cash flow interest rate risk.

The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

As the Group has no committed borrowings, the Group is not exposed to any risks associated with fluctuations in interest rates on loans. Fluctuation in interest rates applied to cash balances held at the balance sheet date would have minimal impact on the Group.

##### ***Foreign exchange risk and foreign currency risk management***

The Group undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise.

The Group to date has elected not to hedge its exposure to the risk of changes in foreign currency exchange rates.

There are no significant non-functional currency denominated financial assets and liabilities at the reporting dates. Hence the group's income statement is not sensitive to movements in the foreign exchange.

##### ***Credit risk management***

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group does not have any significant credit risk exposure on trade receivables.

The Group makes allowances for impairment of receivables where there is an identified event which, based on previous experience, is evidence of a reduction in the recoverability of cash flows.

The credit risk on liquid funds (cash) is considered to be limited because the counterparties are financial institutions with high credit ratings assigned by international credit-rating agencies.

The carrying amount of financial assets recorded in the financial statements represents the Group's maximum exposure to credit risk.

##### ***Liquidity risk management***

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The Group aims to maintain appropriate cash balance in order to meet its liabilities as they fall due. As disclosed in note 3, the Group is reliant on raising further funding in order to be able to meet its current obligations.

## DOMINION ENERGY PLC

Maturity analysis

### Group 2013

	Total £	On demand £	Between In 1 month £	Between 1 and 6 months £	Between 6 and 12 months £	Between 1 and 3 year £
Trade and other payables	4,496,227	4,306,378	189,849	-	-	-
Borrowings	2,132,050	-	-	-	-	2,132,050
	<u>6,628,277</u>	<u>4,306,378</u>	<u>189,849</u>	<u>-</u>	<u>-</u>	<u>2,132,050</u>

### 2012

	Total £	On demand £
Trade and other payables	5,773,383	5,773,383
	<u>5,773,383</u>	<u>5,773,383</u>

### Company 2013

	Total £	On demand £	Between In 1 month £	Between 1 and 6 months £	Between 6 and 12 months £	Between 1 and 3 year £
Trade and other payables	1,340,668	1,150,819	189,849	-	-	-
Borrowings	2,132,050	-	-	-	-	2,132,050
	<u>3,472,718</u>	<u>1,150,819</u>	<u>189,849</u>	<u>-</u>	<u>-</u>	<u>2,132,050</u>

### 2012

	Total £	On demand £
Trade and other payables	2,764,757	2,764,757
	<u>2,764,757</u>	<u>2,764,757</u>

## 20. RELATED PARTY TRANSACTIONS

### Remuneration of key management personnel

The remuneration of the Directors, 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.

	2013 £	2012 £
<b>Group and Company</b>		
<b>Financial assets</b>		
Short-term employee benefits	29,000	29,000
Social Security costs	3,625	3,625
	<u>32,625</u>	<u>32,625</u>

## DOMINION ENERGY PLC

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

#### 21. LITIGATION

On 14 April 2011 CGG Veritas Services S.A. ("CGG"), FAPCO, the Branch and the Company entered into the settlement agreement (the "Settlement Agreement") pursuant to which FAPCO agreed to pay the outstanding sum of US\$5,763,989.23 (as at 4 April 2011) due for seismic work undertaken by CGG plus accrued interest at a rate of 1% per 30 days of delay and CGG agreed to release the data, which it had withheld from the Group, to enable the CPR to be produced. The balance outstanding after certain agreed payments was due to be paid on the 120th calendar day after the remittance of the CPR to the Group. The Group agreed that funds raised in connection with Admission or any other fundraising mechanism would be affected in priority to the repayment of the sum outstanding and transferred to CGG until full repayment. In addition the Company agreed to give a parent company guarantee (the "Guarantee") to secure repayment. The Settlement Agreement would terminate when the debt was repaid in full.

On 28 May 2012 a claim was issued by CGG against the Company in the Commercial Court of the High Court (the "Claim"). The Claim is for the sum of US\$7,094,756.90 (including contractual interest of US\$1,360,809.05 as at 10 May 2012) plus contractual interest at 1% per 30 days additional delay in payment. The Claim is in respect of unpaid sums CGG claim as due from the Company pursuant to the Guarantee

The Company has issued a defense to the Claim and is seeking a declaration from the court that the Company is entitled to avoid or rescind the Guarantee or that the Guarantee is not binding or enforceable against the Company.

The full amount outstanding to CGG, including the interest accrued under the Settlement Agreement are included within trade payables in the consolidated balance sheet as at the year end amount to £4.8m (2011: £ 4.4m).

The claim is currently stayed, however it is open to CGG to lift the stay of the proceedings. The Company is not aware of any intention of CGG to do so.

The ability of the Company to settle the amounts outstanding to CGG is dependent on raising additional funds. In the event that the Company is unable to reach agreement with CGG and settle the amounts outstanding, CGG may seek to liquidate the Company.

## DOMINION ENERGY PLC

# NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Company will be held at 4:00 pm on 23 December 2013 at 6 Derby Street, London W1J 7AD for the purpose of considering and if thought fit, passing the following resolutions, of which Resolutions 1 to 4 will be proposed as Ordinary Resolutions and Resolution 5 will be proposed as a Special Resolution.

1. To receive and adopt the Company's annual accounts for the financial year ended 30 June 2013 together with the directors' report and auditors' report on those accounts.
2. To re-appoint Cameron & Associates Limited as Auditors 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 M Ala as a Director of the Company.

### Special Business

To consider and, if thought fit, pass Resolution 4, which will be proposed as an Ordinary Resolution, and Resolution 5 which will be proposed as a Special Resolution:

The matter under 6 below is to consider what, if any, measures are being taken to deal with the serious loss of capital.

4. That, in accordance with section 551 of the Companies Act 2006 (the "2006 Act") the Directors of the Company be and are generally and unconditionally authorised to allot Relevant Securities (as defined in the notes to this resolution):
  - 4.1 up to a maximum nominal amount of £311,823.52 (in pursuance of the exercise of outstanding share options granted by the Company prior to the date hereof but for no other purpose);
  - 4.2 up to an aggregate nominal amount of £20 million (in addition to the authorities conferred in sub-paragraphs 4.1),

provided that these authorities, unless duly renewed, varied or revoked by the Company, will expire on the date being fifteen months from the date of 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, save that the Company may, before such expiry, make offers or agreements which would or might require Relevant Securities to be allotted after such expiry and, the Directors may allot Relevant Securities in pursuance of such an offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This resolution revokes and replaces all unexercised powers previously granted to the Directors to allot relevant securities under section 551 of the 2006 Act but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

5. That, subject to the passing of Resolution 4, the Directors be given the general power to allot equity securities (as defined by section 560 of the 2006 Act) for cash, pursuant to the authority conferred by Resolution 4, as if section 561(1) of the 2006 Act did not apply to any such allotment, provided that this power shall be limited to:
  - 5.1 the allotment of equity securities in connection with an offer by way of a rights issue:
    - 5.1.1 to the holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and
    - 5.1.2 to holders of other equity securities as required by the rights of those



## DOMINION ENERGY PLC

securities or as the Directors otherwise consider necessary, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any applicable regulatory body or stock exchange;

5.2 the allotment (otherwise than pursuant to sub-paragraph 5.1 above) of equity securities on the exercise of outstanding warrants and share options granted by the Company prior to the date hereof;

5.3 the allotment (otherwise than pursuant to sub-paragraphs 5.1, and 5.2 above) of equity securities up to an aggregate nominal amount of £20 million;

provided that the power granted by this resolution will expire on the date being fifteen months from the date of 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 (unless renewed, varied or revoked by the Company prior to or on such date), save that the Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted after such expiry and, the Directors may allot equity securities in pursuance of such an offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This resolution revokes and replaces all unexercised powers previously granted to the Directors to allot equity securities as if section 561(1) of the 2006 Act did not apply but without prejudice to any allotment of equity securities already made or agreed to be made pursuant to such authorities.

6. To consider what, if any, measures should be taken to deal with the serious loss of capital.

Registered office  
6 Derby Street  
London  
W1J 7AD

By order of the Board

M A Alikhani  
29 November 2013

### 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 21 December 2013; 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.

## DOMINION ENERGY PLC

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 refer to the notes on the proxy form.

### 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 Neville Registrars Limited, Neville House 18 Laurel Lane, Halesowen, West Midlands B63 3DA; and
- received by Neville Registrars no later than 4:00 pm on 21 December 2013.

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 Neville Registrars Limited, Neville House 18 Laurel Lane, Halesowen, West Midlands B63 3DA.

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 Neville Registrars Limited, Neville House 18 Laurel Lane, Halesowen, West Midlands B63 3DA.

- 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 Neville Registrars Limited, Neville House 18 Laurel Lane, Halesowen, West Midlands B63 3DA no later than 10:30 am on 29 December 2012.
- 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 28 November 2013, the Company's issued share capital comprised 246,120, 623 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 28 November 2013 is 246,120, 623.

### Definition of Relevant Securities

Shares in the Company other than shares allotted pursuant to:

- an employee share scheme (as defined by section 1166 of the 2006 Act);
- a right to subscribe for shares in the Company where the grant of the right itself constituted a Relevant Security; or

## **DOMINION ENERGY PLC**

- a right to convert securities into shares in the Company where the grant of the right itself constituted a Relevant Security.

Any right to subscribe for or convert any security into shares in the Company other than rights to subscribe for or convert any security into shares allotted pursuant to an employee share scheme (as defined by section 1166 of the 2006 Act). References to the allotment of Relevant Securities in the resolution include the grant of such rights.