Xplorer plc

Annual Report & Accounts
for the year
ended 31 March 2015

Contents

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Annual Report & Accounts
For the Year Ended 31 March 2015

Company information

Directors
John Davies *(Chairman & Non-Executive Director)*
Christopher McAuliffe *(Non-Executive Director)*
Jacqueline Lim *(Non-Executive Director)*
John Roddison FCA *(Non-Executive Director)*
Roger Tucker *(Chairman – resigned 23/12/2014)*

Company Secretary
John Roddison FCA

Registered Office
4th Floor
24 Hanover Square
London
W1S 1JD

Registered Number
07987393 (England and Wales)

Financial Adviser and Broker
Allenby Capital Limited
3 St Helen's Place
London
EC3A 6AB

Auditors
Crowe Clark Whitehill LLP
St Bride's House
10 Salisbury Square
London EC4Y 8EH

Solicitors
Hamlins LLP
Roxburghe House
273-287 Regent Street
London W1B 2AD

Principal Bankers
Royal Bank of Scotland plc
5 Church Street
Sheffield S1 1HF

Registrars
Share Registrars Limited
Suite E, First Floor
9 Lion and Lamb Yard
Farnham
Surrey GU9 7L

Chairman's Statement

The year to 31 March 2015 was a frustrating period, as the Board and their advisers worked hard to progress a transaction. The dramatic fall in oil prices during the year (the spot price of Brent Crude fell from $105.62 to $56.21 per barrel) made negotiations for any transaction very difficult, and the economics of prospective projects moved violently as a result. This hard work eventually bore fruit with the announcement on 21 July 2015 regarding the signing of the memorandum of understanding (the "MoU") for the acquisition of a significant working interest in five shallow offshore exploration permits off the coast of Morocco (the "Proposed Acquisition").

Xplorer has negotiated the acquisition from Teredo International Limited ("Teredo") of Teredo Morocco Limited, which holds a 36.75% working interest in the Boujdour permit ("Boujdour") in return for Teredo being issued 56% of the post-Proposed Acquisition but pre-fundraising enlarged share capital of the Company. Boujdour consists of five shallow offshore exploration permits off the coast of Morocco. Boujdour is prospective for both oil and gas, and is estimated to have mean net un-risked prospective resources of 463.4 MMBOE (millions of barrels of oil equivalent), of which 31.07 MMBOE are categorised P90 and 182.65 MMBOE are categorised P50 (Source: independent resource report produced by Sproule, a Canadian based oil and gas consultancy, dated 31 March 2014). The other working interest holders in Boujdour are Glencore plc (38.25%) who are our partner on the project and act as operator, and Office National des Hydrocarbures et des Mines (25%), a Moroccan government agency.

The Proposed Acquisition is conditional, inter alia, on Xplorer raising additional equity finance for which there is no certainty that the Company will be able to conclude successfully, and the Board are now working with its advisers to complete the fundraising. The Proposed Acquisition, if exchanged and completed, would constitute a reverse takeover ("RTO") under the Listing Rules. The Company continues to be unable to provide a full disclosure under Rule 5.6.15 of the Listing Rules at this time, and thus the Company's shares will remain suspended.

The Board expects to make further announcements shortly on the progress of the Proposed Acquisition.

John Davies
Chairman & Non-Executive Director

Operational Review

Xplorer plc was established for the purpose of acquiring a company, business or asset that has operations in the oil and gas exploration and production sector that it will then look to develop and expand.

The Company has not as yet traded and no material level of interest income has been received to date. Since incorporation, its expenses have related to professional and associated expenses related to the Standard Listing, Placing, Advisory and Consultancy Fees, along with general administration expenses. These expenses have been met from the proceeds of the issue of Shares which have been the only sources of cash for the Company to date.

The Board is responsible for the Company's business strategy and its overall supervision, including the identification and assessment of acquisition opportunities, the approval, structuring and execution of acquisitions and determination and execution of strategy for the acquired companies, businesses or assets. The Board has considerable experience in identifying acquisition targets and in executing such transactions.

Financial review

Loss for the year

In the year to 31 March 2015 the Company incurred expenditure in the assessment and appraisal of a number of opportunities in accordance with the Company's investment strategy, including legal advice and consultancy fees, in addition to general administrative expenditure.

The Company incurred a loss for the year to 31 March 2015 of £1,137,764 (31 March 2014 – loss of £1,026,010).

Cash flow

Cash used in operations totaled £728,815 (31 March 2014 - £418,792).

Closing cash

As at 31 March 2015, the Company held £10,453 in the bank account (31 March 2014 - £221,768).

John Roddison FCA
Non-Executive Director

Board of Directors and Senior Management

John Guy William Davenport Davies, Non-Executive Director & Chairman

John has over 30 years' experience in investment banking with Rowe and Pitman (1979-1981), Brown Brothers Harriman & Co (1981-1985) and Lehman Brothers where he became Co-Head of Institutional Equity Sales Europe (1985-1994). He was then appointed as a Managing Director of Bear Stearns International (1994-1996), before taking the role of Managing Director at Instinet (1996-1997), the electronic agency broker then owned by Reuters. In 1997 he joined Credit Lyonnais in London where he was Global Head of European Equity Sales. In 2001 he began his current specialist focus on hedge fund advisory and marketing, co-founding Altius Partners in partnership with Geneva based Mirabaud Group in 2001 and DNA Advisors in 2004. In 2006 he founded Davenport Capital Limited. He is currently a director of Davenport Capital. John holds an M.A. (Hons.) in Law from Emmanuel College, University of Cambridge.

Christopher John McAuliffe, Non-Executive Director

Chris is an experienced industrials and resources banker with significant relationships across Asia. Until February 2008, Chris was Managing Director and co-head of Asia Pacific Industrials Group for Citigroup (HK). Prior to which he worked for 13 years with CSFB (including BZW) including 5 years as Managing Director and Head of Asia Industrials Group at CSFB (Singapore). Chris has originated and advised on a large number of key mergers & acquisition, debt, equity capital markets and private equity transactions in Asia, including many deals in the natural resources sector.

Chris is a member and Vice Chairman of the Supervisory Board of Asian Bamboo AG, China's largest bamboo producer, which listed on the Frankfurt Stock Exchange in 2007. Asian Bamboo AG grows, processes and distributes bamboo products, and had total revenues in 2011 of €90m. Chris is also an advisory board member of Asiasons Capital Group, an alternative asset investment and management group (predominantly involving private equity) focused on opportunities in emerging East Asia.

Chris holds a Business Law Degree LLB (Hons.) from Huddersfield University and an MBA from Bradford Business School. He is a founder shareholder and Managing Director of Sprint Capital and Sprint Capital Management Limited. Sprint Capital is a Hong Kong based private equity investment manager, focused on undertaking investments in the mining and natural resources sector.

Board of Directors and Senior Management (cont'd)

Jacqueline Lim (Hui – Erh Lim), Non-Executive Director

Jacqueline has over 15 years of experience in London and Hong Kong focusing on corporate finance, cross-border mergers and acquisitions, equity capital market and private equity transactions. She started her career as a lawyer with Allen & Overy in London and was a Partner with Paul Hastings, Janofsky & Walker responsible for its equity capital markets practice in Hong Kong, advising on a number of landmark transactions in Hong Kong, including many deals in the natural resources sector, including Western Mining, Hidili, Titan Mining, SSRG, GMR and Dragon Power. Jacqueline then became a Partner and Head of China Investments at Asiasons Capital Group, an alternative asset investment and management group listed on the Singapore Stock Exchange. Jacqueline is a founder shareholder and Managing Director of Sprint Capital and Sprint Capital Management Limited. Jacqueline received her LL.B.(Hons.) and Masters Degree in Law from the University of Bristol, qualifying as a Barrister in England and a Solicitor in Hong Kong. She is fluent in Mandarin and Cantonese, as well as English.

John Roddison FCA, Non-Executive Director

John is a chartered accountant and is senior partner of Brown McLeod, a medium-sized accounting firm. John has built Brown McLeod into a specialist accounting firm with a select client base comprised of ultra high net worth individuals and a large number of clients in the Entertainment Industry covering Music, Film, Theatre and TV. His music clients include Pulp, Richard Hawley, Wretch 32 and The Kills and he has worked extensively in the film industry and acted as finance director for Parallel Pictures PLC, a film production company, which was admitted to AIM in 1998. He also previously served as Finance Director for AIM quoted Silvermere Energy PLC, which owns oil and gas activities in the Gulf of Mexico, off the coast of Texas, USA. He left following the successful reverse takeover of the Mustang Island assets in August 2011, which valued the enlarged group at £4.25m.

Directors Report

The Directors present their Report with the financial statements of the Company for the year ended 31 March 2015.

The Company's Ordinary Shares are listed on the London Stock Exchange, on the Official List pursuant to Chapters 14 of the Listing Rules, which sets out the requirements for Standard Listings.

Directors

The Directors of the Company during the year and their beneficial interest in the Ordinary shares of the Company at 31 March 2015 were as follows (audited):

Director	Position	Appointed	Ordinary shares	Options	Other
Jacqueline Lim*	Non-Executive Director	15/05/2012	1,875,050	-	-
Christopher McAuliffe*	Non-Executive Director	15/05/2012	1,875,050	-	-
John Roddison FCA**	Non-Executive Director	12/03/2012	2,063,300	-	-
John Davies ***	Non-Executive Director	07/12/2012	13,000		
Roger Tucker	Chairman	01/05/2014 *(resigned 23/12/2014*)	-	-	-

* 1,875,050 Ordinary Shares are held by Sprint Capital Management Limited, a company jointly controlled by Christopher McAuliffe and Jacqueline Lim, both Directors of the Company.

** 1,875,050 Ordinary Shares are held by Xplorer Capital Ltd (through Fitel Nominees Ltd), and 125,000 Ordinary Shares are held by Wednesday Limited; both companies are controlled by John Roddison, a Director of the Company. 53,250 shares are owned by John Roddison held in Whiston Corporate Services Ltd, and a further 10,000 owned by John Roddison held in WH Ireland (through Fitel Nominees Ltd).

*** 13,000 Ordinary Shares are owned by John Davies, a Director of the Company, held in Whiston Corporate Services Ltd

Qualifying Third Party Indemnity Provision

The Company has not obtained any third party indemnity for its Directors.

Directors Report (continued)

Substantial shareholders

As at 31 March 2015, the total number of issued Ordinary Shares with voting rights in the Company was 12,375,100.

The Company has been notified of the following interests of 3 per cent or more in its issued share capital as at 30 June 2015.

Party Name	Number of Ordinary Shares	% of Share Capital
John Roddison *	2,063,300	16.67%
Christopher McAuliffe **	1,875,050	15.15%
Jacqueline Lim **	1,875,050	15.15%
Nicholas Nelson	687,500	5.55%
Rathbone Brothers PLC	997,375	8.06%

* 1,875,050 Ordinary Shares are held by Xplorer Capital Limited and 125,000 Ordinary Shares are held by Wednesday Limited; both companies are controlled by John Roddison, a Director of the Company. 53,250 are owned by John Roddison and held in Whiston Corporate Services Ltd, and a further 10,000 owned by John Roddison are held in WH Ireland.

** 1,875,050 Ordinary Shares are held by Sprint Capital Management Limited, a company jointly controlled by Christopher McAuliffe and Jacqueline Lim, both Directors of the Company.

Financial instruments

Details of the use of financial instruments by the Company are contained in note 13 of the financial statements.

Dividends

The directors do not propose a dividend in respect of the year ended 31 March 2015 (2014: nil).

Auditors

The auditors, Crowe Clark Whitehill LLP, have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the Annual General Meeting.

Directors Report (continued)

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report, Strategic Report, Directors Report, Governance Report and Directors Remuneration Report along with the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union.

Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year. The directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies with a Standard Listing.

In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject
- to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

The maintenance and integrity of the Xplorer Plc website is the responsibility of the Directors; work carried out by the auditors does not involve the consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred in the accounts since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of the accounts and the other information included in annual reports may differ from legislation in other jurisdictions.

Directors Report (continued)

Statement as to Disclosure of Information to Auditors

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each 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 auditors are aware of that information.

We confirm to the best of our knowledge:

- The financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as whole;
- The strategic report includes a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- The annual report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the company's performance, business model and strategy.

Subsequent events

On 4 June 2015 a new share issue took place of 1,237,500 new ordinary shares at a price paid of £0.08 per share.

On 21 July 2015 the Company announced it has signed a memorandum of understanding for the acquisition of a significant working interest in five shallow offshore exploration permits off the coast of Morocco.

This responsibility statement was approved by the Board of Directors on 31st July 2015 and is signed on its behalf by;

Signed ………………………………………….
John Roddison FCA
Non-Executive Director

Strategic Report

The Directors present the Strategic Report of Xplorer PLC for the year ended 31 March 2015.

Principal Activities

The Company was formed for the purpose of acquiring a company, business or asset that has operations in the oil and gas exploration and production sector that it is looking to develop and expand.

Review of Business in the Year

Further details of the Company's business and expected future development are also set out in the Chairman's Statement and in the Operational and Financial Reviews on pages 3 - 4.

Key Performance Indicators

At this stage in its development, the Company is focusing on the evaluation of various oil and gas opportunities. As and when the Company executes its first substantial acquisition, financial, operational, health and safety and environmental KPIs will become relevant and will be measured and reported as appropriate. As such the only KPI the Company monitors is whether it can successfully identify and secure an investment opportunity.

Position of Company's Business at the Year End

The future plans of the company

The company has invested money raised from share issues in researching potential projects in areas that could perform operations in the oil and gas sector.

At the year end

At the year end the Company's Statement of Financial Position shows assets totaling £24,568 (2014 – £769,058) – a decrease of £744,490. There has been a further share issue since the year end and the company still believes it is in a strong position to move forward and develop its potential projects.

Environmental matters

Owing to the nature of the business being potential exploration/operations in the oil and gas sector this will have environmental concerns and implications. The Board contains personnel with extensive history in this area who are fully experienced in dealing with these matters and how to comply with the laws and regulations. The Company may need to obtain waivers or permits to commence or carry on activities in projects in which the Company has invested.

Employee information

Apart from the Chairman and Non-executive Directors there are no employees currently in the Company.

Strategic Report (continued)

Social/Community/Human rights matters

Owing to the nature of the business being in the oil and gas sector this may have social and community implications, particularly in the areas of operations, of which the Board will fully take into consideration and comply with any necessary local requirements, and obtain necessary authorisation and permits as required.

The Company operates a gender diverse business with one woman on the Board, and would ensure any future employment took into account the necessary diversity requirements and compliance with all employment law. The Board has experience in dealing with such issues and sufficient training/qualifications to ensure they would meet all requirements.

Principal Risks and Uncertainties

The Company operates in an uncertain environment and is subject to a number of risk factors. The Directors consider the following risk factors are of particular relevance to the Company's activities and to any investment in the Company. It should be noted that the list is not exhaustive and that other risk factors not presently known or currently deemed immaterial may apply.

The risk factors are summarised below:

Risks relating to the Company's business strategy

The Company will be dependent on the ability of the Directors to identify suitable investment opportunities and to implement the Company's strategy. There is no assurance that the Company's activities will be successful in acquiring a suitable investment that will ultimately be developed.

Environmental and other regulatory requirements

Conducting exploration, development of oil and gas activities has or will involve the requirement to comply with various procedures and approval formalities. It may not be possible to comply or obtain waivers of all such formalities. The Company may need to obtain waivers or permits to commence or carry on activities in projects in which the Company has invested. In certain cases where it is not possible for the Company to comply, or it cannot obtain a waiver, it may incur a temporary or permanent disruption to its activities and a loss of part of its interest in a lease or licence. In the event of a breach with any environmental or regulatory requirements this may give rise to reputational, financial or other sanctions against the company, and therefore the board considers these risks seriously and designs, maintains and reviews its policies and processes so as to mitigate or avoid these risks.

Financing

The development of the Company's properties may depend upon the Company's ability to obtain financing primarily through the raising of new equity capital, or through bringing in partners to assist funding exploration and development costs. The Company's ability to raise further funds maybe be affected by the success of existing and acquired investments. The Company may not be successful in procuring the requisite funds on terms which are acceptable to it (or at all) and, if such funding is unavailable, the Company may be required to reduce the scope of its investments or the anticipated expansion. Further, Shareholders' holdings of Ordinary Shares may be materially diluted if debt financing is not available.

Strategic Report (continued)

Market Conditions

Market conditions, including general economic conditions and their effect on exchange rates, interest rates and inflations rates, may impact the ultimate value of the company regardless of its operating performance. The Company also faces competition from other organisations, some of which may have greater resources or be more established in a particular territory. The board considers and reviews all market conditions to try and mitigate any risks that may arise from these.

Suspension of Trading in the Company's Shares

Trading in the Company's shares on the LSE Main Market has been suspended since 18 December 2014 pending a proposed acquisition which would constitute a reverse takeover under the Listing Rules.

On 21 July 2015, the Company announced it has signed a memorandum of understanding for the acquisition of a significant working interest in five shallow offshore exploration permits off the coast of Morocco.

Approved by the Board on 31st July 2015

Signed ………………………………………….
John Roddison FCA
Non-Executive Director

Governance Report

Introduction

The Company recognises the importance of, and is committed to, high standards of Corporate Governance and the following sections explain how the Company has applied the main and supporting principles set out in the UK Code of Corporate Governance published in 2012 (the Code).

The Company is a small company with a modest resource base. The Company has a clear mandate to optimise the allocation of limited resources to support its development plans. As such, the Company strives to maintain a balance between conservation of limited resources and maintaining robust corporate governance practices. As the Company evolves the Board is committed to enhancing the Company's corporate governance policies and practices deemed appropriate for the size and maturity of the organisation.

Set out below are Xplorer's corporate governance practices for the year ended 31 March 2015.

Leadership

The Company is headed by an effective Board which is collectively responsible for the long-term success of the Company. The acting Chief Executive is Mr John Roddison. The Chairman is Mr John Davies.

The Chairman is not independent and the meetings cannot be held without executives present, as this is not currently possible,– as there are a select few Board members at present, due to the Company not yet trading, however pending the acquisition taking place after the year end the Company intends to appoint new members and thus able to meet the criteria for having independent persons involved.

The role of the Board - The Board sets the Company's strategy, ensuring that the necessary resources are in place to achieve the agreed strategic priorities, and reviews management and financial performance. It is accountable to shareholders for the creation and delivery of strong, sustainable financial performance and long-term shareholder value. To achieve this, the Board directs and monitors the Company's affairs within a framework of controls which enable risk to be assessed and managed effectively. The Board also has responsibility for setting the Company's core values and standards of business conduct and for ensuring that these, together with the Company's obligations to its stakeholders, are widely understood throughout the Company. The Board has a formal schedule of matters reserved which is provided later in this report.

Board Meetings - The core activities of the Board are carried out in scheduled meetings of the Board and its Committees. These meetings are timed to link to key events in the Company's corporate calendar and regular reviews of the business are conducted. Additional meetings and conference calls are arranged to consider matters which require decisions outside the scheduled meetings. During 2015, the Board met on 4 occasions.

Outside the scheduled meetings of the Board, the Directors maintain frequent contact with each other to discuss any issues of concern they may have relating to the Company or their areas of responsibility, and to keep them fully briefed on the Company's operations.

Matters reserved specifically for Board - The board has a formal schedule of matters reserved that can only be decided by the Board. The key matters reserved are the consideration and approval of;

- The Company's overall strategy;
- Financial statements and dividend policy;
- Management structure including succession planning, appointments and remuneration (supported by the Nomination Committee);

Governance Report (continued)

- Material acquisitions and disposal, material contracts, major capital expenditure projects and budgets;
- Capital structure, debt and equity financing and other matters;
- Risk management and internal controls (supported by the Audit Committee);
- The Company's corporate governance and compliance arrangements;
- Corporate policies;

Certain other matters are delegated to the Board committees, namely the Audit, Remuneration and Nominations Committees.

Attendance at meetings;

Member	**Meetings attended**
John Davies	5
Jacqueline Lim	5
Christopher McAuliffe	5
John Roddison FCA	5
Roger Tucker	3

The Board is pleased with the high level of attendance and participation of Directors at Board and committee meetings.

Non-executive Directors - The non-executive Directors bring a broad range of business and commercial experience to the Company and have a particular responsibility to challenge independently and constructively the performance of the Executive management (where appointed) and to monitor the performance of the management team in the delivery of the agreed objectives and targets.

As Senior non-executive Director and Chief Executive, John Roddison is available to meet shareholders if they have concerns.

Non-executive Directors are initially appointed for a term of three years, which may, subject to satisfactory performance and re-election by shareholders, be extended by mutual agreement.

Delegations of authority

Board Committees - The Board has delegated matters to three committees namely Audit, Remuneration and Nomination Committees. The memberships, roles and activities of these committees are detailed in separate reports: the Audit Committee on pages 25-26, the Remuneration Committee on pages 20-24. Each committee reports to the Board and the issues considered at meetings of the committees are provided by the respective committee chairmen. The terms of reference of each committee is to be reviewed by the Board every other year.

Governance Report (continued)

Other governance matters - All of the Directors are aware that independent professional advice is available to each Director in order to properly discharge their duties as a Director. In addition, each Director and Board committee has access to the advice of the Company Secretary.

The Company Secretary - The Company Secretary is John Roddison who is retained on a consultancy basis. He is available to Directors and responsible for the Board complying with UK procedures.

Effectiveness

The Board currently comprises of a non-executive Chairman and three non-executive Directors. Biographical details of the Board members are set out on pages 5-6 of this report.

The Directors are of the view that the Board and its committees consist of Directors with an appropriate balance of skills, experience, independence and diverse backgrounds to enable them to discharge their duties and responsibilities effectively

Independence - The non-executive Directors bring a broad range of business and commercial experience to the Company. The Board considers each of the non-executive Directors to be independent in character and judgement. Currently due to the Company not yet trading there are only a few Board members at present, all of whom are shareholders, however despite this the Company considers them all to be independent in character and judgement. The Company intends to appoint new independent board members upon completion of the acquisition.

Appointments – the Nomination Committee is responsible for reviewing and the structure, size and composition of the Board and making recommendations to the board with regards to any required changes.

Commitments – All Directors have disclosed any significant commitments to the Board and confirmed that they have sufficient time to discharge their duties.

Induction - All new Directors received an induction as soon as practical on joining the Board.

Conflict of interest - A Director has a duty to avoid a situation in which he or she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with the interests of the Company. The Board had satisfied itself that there is no compromise to the independence of those Directors who have appointments on the Boards of, or relationships with, companies outside the Company. The Board requires Directors to declare all appointments and other situations which could result in a possible conflict of interest.

Board performance and evaluation - Xplorer has a policy of appraising Board performance annually. Having reviewed various approaches to Board appraisal, Xplorer has concluded that for a company of its current scale, an internal process in which all Board members submit answers to a questionnaire that considers the functionality of the Board and its committees is most appropriate at this stage.

Governance Report (continued)

Accountability

The Board is committed to providing shareholders with a clear assessment of the Company's position and prospects. This is achieved through this report and as required other periodic financial and trading statements. The Board has made appropriate arrangements for the application of risk management and internal control principles and these are detailed on pages 35-39. The Board has delegated to the Audit committee oversight of the relationship with the Company's auditors as outlined in the Audit committee report on pages 25-26.

Going concern - The Company's business activities, together with factors likely to affect its future operations, financial position, and liquidity position are set out in the Chairman's Statement, Operational Review and the Risks and Uncertainties section of the Annual Report. In addition, note 14 to the consolidated financial statements discloses the Company's financial risk management practices with respect to its capital structure, liquidity risk, interest rate risk, credit risk, and other related matters.

The Directors, having made due and careful enquiry, are of the opinion that the Company has adequate working capital to execute its operations and has the ability to access additional financing, if required, over the next 12 months. The Directors, therefore, have made an informed judgement, at the time of approving financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. As a result, the Directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements in accordance with Going Concern and Liquidity Risk: Guidance for Directors of UK Companies 2009.

Internal controls - The Board of Directors reviews the effectiveness of the Company's system of internal controls in line with the requirement of the Code. The internal control system is designed to manage the risk of failure to achieve its business objectives. This covers internal financial and operational controls, compliances and risk management. The Company has necessary procedures in place for the year under review and up to the date of approval of the Annual Report and Accounts. The Directors acknowledge their responsibility for the Company's system of internal controls and for reviewing its effectiveness. The Board confirms the need for an ongoing process for identification, evaluation and management of significant risks faced by the Company. A risk assessment for each project is carried out by the Directors before making any commitments

The Audit Committee once established will regularly review and report to the Board on the effectiveness of the system of internal control. Given the size of the Company and the relative simplicity of the systems, the Board considers that there is no current requirement for an internal audit function. The procedures that have been established to provide internal financial control are considered appropriate for a company of its size and include controls over expenditure, regular reconciliations and management accounts.

The Directors are responsible for taking such steps as are reasonably available to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Governance Report (continued)

Remuneration

The Board has delegated to the Remuneration Committee responsibility for agreeing the remuneration policy for senior executives. The Directors' remuneration report on pages 20-24 contains full details of the role and activities of the Remuneration Committee.

Nomination

Currently due to the size of the Company there is no Nomination Committee. This will be established following the acquisition and its current intended role and aims are detailed below. John Roddison and John Davies are expected to form the Committee with John Roddison being the Chairman.

Committee's Role

The Nomination Committee will review the composition and balance of the Board and senior management on a regular basis to ensure that the Board and senior management have the right structure, skills and experience in place for the effective management of the Company's business and is expected to meet 4 times a year.

Main responsibilities

The main duties of the Nomination Committee are expected to be;

- Review the structure, size and composition of the Board and make recommendations to the Board with regard to any changes;
- Succession planning for Directors and other senior executives;
- Identifying and nominating, for Board approval, candidates to fill Board vacancies as and when required;
- Reviewing annually the time commitment required of non-executive directors; and
- Making recommendations to the Board regarding membership of the Audit and Remuneration Committee in consultation with the Chairman of each Committee.

Shareholder relations

Communication and dialogue – Open and transparent communication with shareholders is given high priority and there is regular dialogue with institutional investors, as well as general presentations made at the time of the release of the annual and interim results. All Directors are kept aware of changes in major shareholders in the Company and are available to meet with shareholders who have specific interests or concerns. The Company issues its results promptly to individual shareholders and also publishes them on the Company's website: www.xplorerplc.co.uk. Regular updates to record news in relation to the Company and the status of its exploration and development programmes are included on the Company's website. Shareholders and other interested parties can subscribe to receive these news updates by email by registering online on the website free of charge.

The Directors are available to meet with institutional shareholders to discuss any issues and gain an understanding of the Company's business, its strategies and governance. Meetings are also held with the corporate governance representatives of institutional investors when requested.

Governance Reports (continued)

Annual General Meeting - At every AGM individual shareholders are given the opportunity to put questions to the Chairman, and Executive Directors and to other members of the Board that may be present. Notice of the AGM is sent to shareholders at least 20 working days before the meeting. Details of proxy votes for and against each resolution, together with the votes withheld are announced to the London Stock Exchange and are published on the Company's website as soon as practical after the meeting.

Until a further Independent Non-Executive Director is appointed, the Board will not comply with the provision of the Corporate Governance Code that at least half of the Board, excluding the Chairman, should comprise non-executive directors determined by the Board to be independent. The Company intends to appoint an additional Independent Non-Executive Director following the Acquisition so that the Board complies with this provision.

The UK Code of Corporate Governance can be found at www.frc.org.uk

Trading in the Company's shares on the LSE Main Market has been suspended since 18 December 2014 pending a proposed acquisition which would constitute a reverse takeover under the Listing Rules.

On 21 July 2015, the Company announced it has signed a memorandum of understanding for the acquisition of a significant working interest in five shallow offshore exploration permits off the coast of Morocco.

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John Roddison FCA
Non-Executive Director

Remuneration Committee Report

The Remuneration Committee

The Company's Remuneration Committee comprises of 2 non-executive Directors: John Roddison (Chairman), and John Davies.

Xplorer's Remuneration Committee operates within the terms of reference approved by the Board. The Remuneration Committee follows current ICSA guidelines and the UK Corporate Governance Code.

The items included in this report are unaudited unless otherwise stated.

Committee's main responsibilities

- The Remuneration Committee will consider the remuneration policy, employment terms and remuneration of the Executive Directors and review the remuneration of senior management;

- The Remuneration Committee's role is advisory in nature and it will make recommendations to the Board on the overall remuneration packages for Executive Directors and senior management in order to attract, retain and motivate high quality executives capable of achieving the Company's objectives;

- The Remuneration Committee will also review proposals for any share option plans and other incentive plans, make recommendations for the grant of awards under such plans as well as approving the terms of any performance-related pay schemes;

- The Board's policy is to remunerate the Company's executives fairly and in such a manner as to facilitate the recruitment, retention and motivation of suitably qualified personnel; and

- The Remuneration Committee, when considering the remuneration packages of Xplorer's executives, will review the policies of comparable Companies in the industry.

Committee advisors

The Company will consult with the Company's major investors and investor representative Companies as appropriate. No Director takes part in any decision directly affecting their remuneration.

Statement of Xplorer's policy on Directors' remuneration

The Company's policy is to maintain levels of remuneration so as to attract, motivate, and retain Directors and senior executives of the highest calibre who can contribute their experience to deliver industry leading performance with the Company's operations. The remuneration package for Executive Directors and senior executives will comprise of base salary, annual bonus, taxable benefits, pension payments and participation in the Company's share incentive arrangements.

A meaningful proportion of executive and senior managements' remuneration is structured so as to link rewards to corporate and individual performance, align their interests with those of shareholders and to incentivise them to perform at the highest levels. The Remuneration

Remuneration Report (continued)

Committee considers remuneration policy and the employment terms and remuneration of the Executive and makes recommendations to the Board of Directors on the overall remuneration packages for the Executives.

Remuneration Components

For the year ended 31 March 2015 base salaries were the sole component of remuneration. The board will consider the components of Director remuneration during the year and following this review these are likely to consist of:

- Base salaries
- Pension and other benefits
- Annual bonus
- Share Incentive arrangements

Service Agreements and Letters of Appointment

All of the service contracts with Directors are on an evergreen basis, subject to termination provisions. The Company may in lieu of notice terminate an Executive Directors' employment with immediate effect by making a payment which does not exceed a lump sum equal to basic salary, pension entitlement and other benefits at the rate prevailing at the date of termination for a period which does not exceed 12 months; and a bonus to the extent earned and awarded by the Company at the date of termination in lieu of the notice period. As a matter of Company policy, no bonuses shall accrue as a result of lapse of time in the event of termination. The appointments of Executive Directors are subject to termination of 12 months or less by either party. The appointments of non-executive Directors are subject to termination upon at least three months' notice.

The Directors who held office at 31 March 2015 and who had beneficial interests in the Ordinary Shares of the Company are summarised as follows:

Name of Director	Position
John Roddison	Non-executive director
Christopher McAuliffe	Non-executive director
Jacqueline Lim	Non-executive director
John Davies	Non-executive director

Details of these beneficial interests can be found in the Directors Report on page 7.

Remuneration Committee Report (continued)

Non-executive terms of appointment

The services of the non-executive Directors, provided under the terms of agreement with the Company dated as follows:

Director	Year of appointment	Number of years completed	Date of current engagement letter
Jacqueline Lim*	2012	3	27/06/2013
Christopher McAuliffe*	2012	3	27/06/2013
John Roddison FCA**	2012	3	27/06/2013
John Davies ***	2012	3	27/06/2013

Consideration of shareholder views

The Remuneration committee considers shareholder feedback received and guidance from shareholder bodies. This feedback, plus any additional feedback received from time to time, is considered as part of the Company's annual policy on remuneration.

Policy for new appointments

Base salary levels will take into account market data for the relevant role, internal relativities, there individual's experience and their current base salary. Where an individual is recruited at below market norms, they may be re-aligned over time (e.g. two to three years), subject to performance in the role. Benefits will generally be in accordance with the approved policy.

For external and internal appointments, the Committee may agree that the company will meet certain relocation and/or incidental expenses as appropriate.

Remuneration Committee Report (continued)

Directors’ emoluments and compensation (audited)

Set out below are the emoluments of the Directors for the year ended 31 March 2015 (GBP):

Name of Director	Short term employee benefits	Post employment benefits	Other long term benefits	Termination benefits	Other	Total
John Roddison**	**24,000**	**-**	**-**	**-**	**-**	**24,000**
Christopher McAuliffe*	**24,000**	**-**	**-**	**-**	**-**	**24,000**
Jacqueline Lim*	**24,000**	**-**	**-**	**-**	**-**	**24,000**
John Davies ***	**36,000**	**-**	**-**	**-**	**-**	**36,000**
Roger Tucker****	**87,500**	**-**	**-**	**-**	**-**	**87,500**

* Invoiced by Sprint Capital Management Limited, a company jointly controlled by Christopher McAuliffe and Jacqueline Lim.

** Invoiced by Brown McLeod Limited, a company in which John Roddison is a director and shareholder.

*** Invoiced by Davenport Capital Limited, a company in which John Davies is a director and shareholder.

**** Invoiced by Pale Rider Limited, a company in which Roger Tucker is a director and shareholder.

Set out below are the emoluments of the Directors for the year ended 31 March 2014 (GBP) (audited):

Name of Director	Short term employee benefits	Post employment benefits	Other long term benefits	Termination benefits	Other	Total
John Roddison**	**24,000**	**-**	**-**	**-**	**-**	**24,000**
Christopher McAuliffe*	**134,000**	**-**	**-**	**-**	**-**	**134,000**
Jacqueline Lim*	**134,000**	**-**	**-**	**-**	**-**	**134,000**
John Davies***	**27,000**	**-**	**-**	**-**	**-**	**27,000**

* Invoiced by Sprint Capital Management Limited, a company jointly controlled by Christopher McAuliffe and Jacqueline Lim.

** Invoiced by Brown McLeod Limited, a company in which John Roddison is a director and shareholder.

*** Invoiced by Davenport Capital Limited, a company in which John Davies is a director and shareholder.

None of the remuneration paid was subject to performance conditions.

Remuneration Committee Report (continued)

Other matters

The Company does not currently have any annual or long-term incentive schemes in place for any of the Directors and as such there are no disclosures in this respect.

The Company does not have any pension plans for any of the Directors and does not pay pension amounts in relation to their remuneration.

The Company has not paid out any excess retirement benefits to any Directors or past Directors.

The Company has not paid any compensation to past Directors.

The performance of the Remuneration Committee has yet to be assessed given the short time frame that it has been operational. Its performance will be assessed and its structure reviewed upon the completion of a successful acquisition.

As the Company currently has no trade and has been listed for less than one year, no performance graph and table has been included but will be included in future accounting periods.

The Company is currently in its infancy and exploring options in order to achieve its long term objectives. As such directors pay represents 17% of total spend.

No performance graph has been included here as the Company is not yet trading at present, and thus has nothing to measure against.

Approved on behalf of the Board of Directors.

……………………….
John Roddison FCA
Chairman of the Remuneration Committee
2015

Report from the Audit Committee

The Audit Committee was established during the year and comprises of two Non-Executive Directors (John Roddison and John Davies) and oversees the Company's financial reporting and internal controls, and provides a formal reporting link with the external auditors. The ultimate responsibility for reviewing and approving the Annual Report and Accounts and the half-yearly reports remains with the Board.

Main Responsibilities

The Audit Committee acts as a preparatory body for discharging the Board's responsibilities in a wide range of financial matters by:

- Monitoring the integrity of the financial statements and formal announcements relating to the Company's financial performance;
- Reviewing significant financial reporting issues and accounting policies and disclosures in financial reports;
- Overseeing that an effective system of internal control and risk management systems are maintained;
- Ensuring that an effective whistle-blowing, anti-fraud and bribery procedures are in place;
- Considering the Company's internal audit requirements and make recommendations to the Board;
- Overseeing the Board's relationship with the external auditors and, where appropriate, the selection of new external auditors;
- Approving non-audit services provided by the external auditors, or any other accounting firm, ensuring the independence and objectivity of the external auditors is safeguarded when appointing them to conduct non-audit services;
- Ensuring compliance with legal requirements, accounting standards and the Listing Rules and the Disclosure and Transparency Rules;

Governance

The Code requires that at least one member of the Audit Committee has recent and relevant financial experience. John Roddison, who was appointed as Chairman of the Audit Committee has been a Chartered Accountant for 36 years and has over 5 years of oil and gas sector experience. As a result the Board is satisfied that the Audit Committee has recent and relevant financial experience.

Members of the Audit Committee are appointed by the Board and all of its members despite whilst shareholders, the Company believes they are considered to be independent in both character and judgement.

The Company's external auditors are Crowe Clark Whitehill LLP and the Audit Committee will closely monitor the level of audit and non-audit services they provide to the Company. In the year ended 31 March 2015 Crowe Clark Whitehill LLP did not provide non-audit services to the Company.

Report from the Audit Committee (continued)

Meetings

In 2015, the Audit Committee met 4 occasions.

The key work undertaken by the Audit Committee is as follows;

- Consideration and review of full-year and half-yearly results.
- Audit planning and update on relevant accounting developments
- Consideration and approval of the risk management framework, appropriateness of key performance indicators
- Review of the Company's Code of Business Conduct
- Review the Audit Committee terms of reference
- Review of the effectiveness of the Audit Committee
- Internal controls

The Code states that the Audit Committee should have primary responsibility for making a recommendation on the appointment, reappointment or removal of the external auditors. As such a review of external audit effectiveness will take place annually.

External auditor

The Company's external auditors are Crowe Clark Whitehill LLP. The external auditors have unrestricted access to the Audit Committee Chairman. The Committee is satisfied that Crowe Clark Whitehill LLP has adequate policies and safeguards in place to ensure that auditor objectivity and independence are maintained. The external auditors report to the Audit Committee annually on their independence from the Company. In accordance with professional standards, the partner responsible for the audit is changed every five years. The current auditors, Crowe Clark Whitehill LLP were first appointed by the Company in 2013 and therefore the current partner is due to rotate off the engagement after completing the March 2017 audit. Having assessed the performance objectivity and independence of the Auditors, the Committee will be recommending the reappointment of Crowe Clark Whitehill LLP as auditors to the company at the 2015 annual general meeting.

Signed on 31st July 2015 by;

………………………
John Roddison FCA
Chairman of the Audit Committee

Independent Auditor’s Report to the Members of Xplorer plc

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 2(m) to the financial statements, as well as the audit scope section of this report concerning the company’s ability to continue as a going concern. The conditions, along with the other matters explained in note 2 (m) to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company’s ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion:

- the part of the Directors’ Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006; and

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Basis for opinions

We have audited the financial statements of Xplorer plc for the year ended 31 March 2015 which comprise the Statement of Financial Position, the Statement of Comprehensive Income, the Cash Flow Statement, the Statement of Changes in Equity and the related notes numbered 1 – 22.

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.

Independent Auditor’s Report for the Members of Xplorer Plc (continued)

Our assessment of risks of material misstatement

We identified the following risks that we believe to have had the greatest impact on our audit strategy and scope:

Going concern – The Company has no revenues and limited cash resources to finance its activities whilst it identifies and completes suitable acquisition opportunities. At 31 March 2015 it had not announced any such acquisitions. There is a risk that the company may be unable to secure suitable acquisition opportunities or to make a suitable acquisition or will have insufficient funds to secure a suitable acquisition.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements on our audit and on the financial statements. For the purposes of determining whether the financial statements are free from material misstatement we define materiality as the magnitude of misstatement that makes it probable that the economic decisions of a reasonably knowledgeable person, relying on the financial statements, would be changed or influenced. We also determine a level of performance materiality which we use to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole. When establishing our overall audit strategy, we determined a magnitude of uncorrected misstatements that we judged would be material for the financial statements as a whole. We determined planning materiality for the company to be £36,000, which is approximately 3% of adjusted pre-tax loss. Our objective in adopting this approach is to ensure that total detected and undetected audit differences do not exceed our planning materiality of £36,000 for the financial statements as whole. We agreed with the Audit and Risk Committee that we would report to the Committee all audit differences in excess of £1,800, as well as differences below that threshold that, in our view, warranted reporting.

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 explained more fully in the Statement of 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 Ethical Standards for Auditors.

Independent Auditor's Report for the Members of Xplorer Plc (continued)

The Scope of our audit

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

Our audit scope focused on the financial statements of the company and identified the material balances on the statement of financial position at 31 March 2015. These balances were subject to a full scope audit.

Xplorer plc is a single entity investing company that is in the process of identifying acquisition opportunities. The Company raised finance in the year through the issuance of its equity instruments and this is the most significant transaction in the year and therefore our audit focussed on the accounting entries for this.

The way in which we scoped our response to the significant risks identified above are as follows:

- Going Concern – We reviewed cash flow projections for the company for a period of at least 12 months from the date of approval of the financial statements and reviewed potential acquisition opportunities with the directors. We applied sensitivity analysis to the cash flow projections to identify potential short falls in funding in the event of scenarios involving a failure to identify and execute a suitable transaction and steps which the Directors are able to mitigate the impact of such scenarios and/or to defer or curtail discretionary expenditures should circumstances require such action. As set out in note 2 (m), the company will require additional funding to undertake the proposed acquisition and the Directors have concluded that it is appropriate to prepare the financial statements on a going concern basis.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the International Standards on Auditing (UK and Ireland), we are required to report to you if, in our opinion, information in the annual report is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the company acquired in the course of performing our audit; or
- is otherwise misleading

Independent Auditor's Report for the Members of Xplorer Plc (continued)

Matters on which we are required to report by exception (continued)

In particular, we are required to consider whether we have identified any inconsistencies between our knowledge acquired during the audit and the directors' statement that they consider the annual report is fair, balanced and understandable, and whether the annual report appropriately discloses those matters that we communicated to the audit committee which we consider should have been disclosed.

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

- certain disclosures of directors' remuneration specified by law are not made;
- we have not received all the information and explanations we require for our audit;
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of 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 an express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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. Out 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.

Stephen Bullock
Senior Statutory Auditor
For and on behalf of
Crowe Clark Whitehill LLP
Statutory Auditor
London

31st July 2015

Statement of Comprehensive Income

for the year from 1 April 2014 to 31 March 2015

	Note	Year ended 31 March 2015 £	Year ended 31 March 2014 £
Continuing operations			
Revenue		-	-
Administrative expenses		(1,137,764)	(1,025,454)
Operating loss		**(1,137,764)**	**(1,025,454)**
Interest payable and similar charges		**-**	**(556)**
Loss before taxation	3	**(1,137,764)**	**(1,026,010)**
Taxation	4	-	-
Loss for the year		**(1,137,764)**	**(1,026,010)**
Other comprehensive loss for the year		-	-
Total comprehensive loss for the year attributable to the equity owners		**(1,137,764)**	**(1,026,010)**
Earnings/(loss) per share			
Basic and diluted (£ per share)	5	**(0.09)**	**(0.11)**

The notes to the financial statements form an integral part of these financial statements

Statement of Financial Position

as at 31 March 2015

	Note	As at 31 March 2015 £	As at 31 March 2014 £
Assets			
Non-current assets			
Property, plant and equipment	6	388	517
Current assets			
Trade and other receivables	7	13,727	546,773
Cash and cash equivalents	8	10,453	221,768
Total current assets		**24,180**	**768,541**
Total assets		**24,568**	**769,058**
Equity and liabilities			
Capital and reserves			
Called up share capital	9	83,627	83,627
Share Premium	10	1,358,692	1,358,692
Retained earnings		(2,254,257)	(1,116,493)
Total equity		**(811,938)**	**325,826**
Liabilities			
Current liabilities			
Trade and other payables	11	836,506	443,232
Total liabilities		**836,506**	**443,232**
Total equity and liabilities		**24,568**	**769,058**

The notes to the financial statements form an integral part of these financial statements

This report was approved by the board and authorised for issue on and signed on its behalf by;

……………………..
John Roddison FCA
Director
31st July 2015

Company Registration Number: 07987393

Statement of Changes In Equity

for the year from 1 April 2014 to 31 March 2015

CURRENT YEAR	Called up share capital £	Share Premium £	Retained earnings £	Total £
Brought forward at 1 April 2014	83,627	1,358,692	(1,116,493)	325,826
Loss in year	-	-	(1,137,764)	(1,137,764)
Total comprehensive income for the year			(1,137,764)	(1,137,764)
Issue of share capital net of share issue costs	-	-	-	-
As at 31 March 2015	83,627	1,358,692	(2,254,257)	(811,938)

PRIOR PERIOD	Called up share capital £	Share Premium £	Retained earnings £	Total £
Brought forward at 1 April 2013	75,002	-	(90,483)	(15,481)
Loss in year	-	-	(1,026,010)	(1,026,010)
Total comprehensive income for the year			(1,026,010)	(1,026,010)
Issue of share capital net of share issue costs	8,625	1,358,692	-	1,367,317
As at 31 March 2014	83,627	1,358,692	(1,116,493)	325,826

Share capital comprises the ordinary and deferred issued share capital of the Company.

Retained earnings represent the aggregate retained earnings of the Company.

The notes to the financial statements form an integral part of these financial statements

Statement of Cash Flows

for the year from 1 April 2014 to 31 March 2015

	Note	Year ended 31 March 2015 £	Year ended 31 March 2014 £
Cash flow from operating activities			
Operating loss		(1,137,764)	(1,025,454)
Finance costs paid		-	-
Depreciation charges		129	173
Changes in working capital			
Decrease in trade and other receivables		15,546	180,757
Increase in trade and other payables		393,274	425,732
Net cash used in operating activities		**(728,815)**	**(418,792)**
Cash flows from financing activities			
Proceeds from issuance of shares net of issue costs		517,500	749,817
Convertible loan notes		-	-
Amount repaid to directors		-	(35,098)
Net cash generated from financing activities		**517,500**	**714,719**
Cash flows from investing activities			
Purchase of property plant and equipment		-	(690)
Interest paid		-	(556)
Net cash used in investing activities		-	(1,246)
Increase/(decrease) in cash and cash equivalents		**(211,315)**	**294,681**
Cash and cash equivalents at beginning of year		**221,768**	**(72,913)**
Cash and cash equivalents at end of year	**8**	**10,453**	**221,768**

The notes to the financial statements form an integral part of these financial statements

Notes to the Financial Information

1. General Information

The Company was incorporated in England and Wales on 12 March 2012 as a public limited company. The Company did not trade during the financial year ended 31 March 2015, however consultancy and legal fees as well as general administration expenses were incurred.

The Company's registered office is located at 4th Floor, 24 Hanover Square, London, W1S 1JD.

2. Summary of Significant Accounting Policies

The Board has reviewed the accounting policies set out below and considers them to be the most appropriate to the Company's business activities.

a) Basis of Preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted for use by the European Union, and effective, or issued and early adopted, as at the date of these statements. The financial statements have been prepared under the historical cost convention as modified for financial assets carried at fair value.

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the company. The Directors anticipate that all of the pronouncements will be adopted in the company's accounting policies for the first period beginning on or after the effective date of the pronouncement.

The Company has not early adopted amended standards and interpretations which are currently in issue but not effective for accounting periods commencing on 1 April 2014 as adopted by the EU. The Directors do not anticipate that the adoption of standards and interpretations will have a material impact on the Company's financial statements in the periods of initial application.

Notes to the Financial Information (continued)

b) Significant accounting judgements, estimates and assumptions

Management have considered the significant accounting judgements, estimates and assumptions used within the non-statutory financial statements and

The going concern basis of accounting have as been applied as Management are aware of activities since the year end which support the future of the Company (disclosed in events after the period).

Management do not consider there to be any other significant judgements and assumptions which would materially affect the financial statements.

c) Financial Instruments

Financial assets and liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument. The Company currently does not use derivative financial instruments to manage or hedge financial exposures or liabilities.

d) Trade and Other Receivables and Payables

Trade and other receivables and trade and other payables are initially recognised at fair value. Fair value is considered to be the original invoice amount, discounted where material, for short-term receivables and payables. Long term receivables and payables are measured at amortised cost using the effective interest rate method.

e) De-recognition and Impairment of Financial Assets and Liabilities

i. Financial Assets

A financial asset is derecognised where:
- the right to receive cash flows from the asset has expired;
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a pass-through arrangement; or
- the Company has transferred the rights to receive cash flows from the asset, and either has transferred substantially all the risks and rewards of the asset or has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

ii. Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of comprehensive income.

Notes to the Financial Information (continued)

f) Reserves

Retained earnings represent the cumulative retained losses of the company at the reporting date.

g) Taxation

Current Tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and the tax laws used to compute the amount are those that are enacted or substantively enacted by the statement of financial position date.

Deferred Tax

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting nor taxable profit or loss;
- in respect of taxable temporary differences associated with investment in subsidiaries, associates and joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future and
- deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the statement of financial position date.

The carrying amount of deferred income tax assets is reviewed at each statement of financial position date. Deferred income tax assets and liabilities are offset, only if a legally enforcement right exists to set off current tax assets against current tax liabilities, the deferred income taxes related to the same taxation authority and that authority permits the Company to make a single net payment.

Income tax is charged or credited directly to equity if it relates to items that are credited or charged to equity. Otherwise income tax is recognised in the statement of comprehensive income.

Notes to the Financial Information (continued)

h) Segmental Reporting

For the purpose of IFRS 8 the chief operating decision maker ("CODM") takes the form of the Directors. The Directors are of the opinion that the business comprises of a single economic activity, being the acquisition of businesses or assets in the Natural Resource sector and the currently this activity is undertaken solely in the United Kingdom. All of the income and non-current assets are derived from the United Kingdom. No single customer accounts for more than 10% of income. At meetings of the Directors, income, expenditure, cash flows, assets and liabilities are reviewed on a whole Company basis. Based on the above considerations there is considered to be one reportable segment only namely the acquisition of businesses or asset in the Natural Resources Sector.

Therefore the financial information of the single segment to the same as that set out in the company statement of comprehensive income, company statement of financial position, the company statement of changes to equity and the company statement of cashflows.

i) Financial Risk Management Objectives and Policies

The Company does not enter into any forward exchange rate contracts.

The main financial risks arising from the Company's activities are cash flow interest rate risk, liquidity risk, price risk (fair value) and credit risk. The Board reviews and agrees policies for managing each of these risks and they are summarised as:

Cash Flow Interest Rate Risk – the Company's exposure to the risk of changes in market interest rates relates primarily to the Company's overdraft accounts with major banking institutions.

The Company's policy is to manage its interest income, when received, using a mixture of fixed and floating rate deposit accounts.

Liquidity Risk – the Company raises funds as required on the basis of budgeted expenditure and inflows. When funds are sought, the Company balances the costs and benefits of equity and debt financing. When funds are received they are deposited with banks of high standing in order to obtain market interest rates.

Price Risk – the carrying amount of the following financial assets and liabilities approximate to their fair value due to their short term nature: cash accounts, accounts receivable and accounts payable.

Credit Risk – with respect to credit risk arising from other financial assets of the Company, which comprise cash and time deposits and accounts receivable, the Company's exposure to credit risk arises from default of the counterparty, with a minimum exposure equal to the carrying amount of these instruments. The credit risk on cash is limited as cash is placed with substantial financial institutions.

Notes to the Financial Information (continued)

j) Borrowings

Borrowings are recorded in accordance with IAS 32, which requires the separate recognition of the equity and debt portions of any convertible loans.

k) Events After the End of the Reporting Year

Post year-end events that provide additional information about the Company's position at the statement of financial position date and are adjusting events are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes when material.

On 4 June 2015, 1,237,500 shares of £0.001 each nominal value were issued at £0.08 paid per share, raising proceeds of £99,000 for the Company.

Following the year end on 21 July 2015 the Company announced it has signed a memorandum of understanding for the acquisition of a significant working interest in five shallow offshore exploration permits off the coast of Morocco.

l) Equity

Equity instruments issued by the Company are recorded net at proceeds after direct issue costs.

m) Going Concern

The Company's business activities and financial position, together with the factors likely to affect its future development, performance and position are set out in the front end of the financial statements.

The Directors have carried out a detailed assessment of going concern as part of the financial reporting process, taking into consideration a number of matters including forecast cash flows, medium and long term business plans and expectations.

Following the events since the year end, whereby the memorandum of understanding has been signed for the acquisition and further share issue raise, the Directors feel this has improved the company's prospects and on the basis of this assessment, the Directors have concluded that it is appropriate to prepare the financial statements on a going concern basis.

The directors recognize that additional funds will be required in order for the company to move forward with the recently announced memorandum of understanding with Teredo International Limited in relation to working interest in five shallow offshore exploration permits off the coast of Morocco. Brokers have been appointed to raise the necessary additional funding and the directors are confident that additional equity finance will be raised and that the going concern basis of preparation is appropriate. However, there is no certainty that the fundraising will be able to conclude successfully.

Notes to the Financial Information (continued)

3. Loss before income tax

The loss before income tax is stated after charging:

	Year ended 31 March 2015 £	Year ended 31 March 2014 £
Depreciation – owned assets	129	173
Fees payable to the company's auditor for the audit of the company's annual accounts	12,500	14,500
Bank charges	1,627	1,248

4. Income tax

Analysis of charge in the year

	Year ended 31 March 2015 £	Year ended 31 March 2014 £
Current tax:		
UK corporation tax on loss for the year	-	-
Deferred tax	-	-
Tax on loss on ordinary activities	-	-
Loss on ordinary activities before tax	(1,137,764)	(1,026,010)
Analysis of charge in the year		
Loss on ordinary activities multiplied by small companies rate of corporation tax in the UK of 20%	(227,553)	(205,202)
Tax losses carried forward	227,553	205,202
Current tax charge	-	-
Effects of:		
Loss brought forward	(1,116,493)	(90,483)
Loss in year	(1,137,764)	(1,026,010)
Loss carried forward	(2,254,257)	(1,116,493)
Current tax charge for the year as above	-	-

The Company has accumulated tax losses arising in the UK of approximately (£2,254,257) that are available, under current legislation, to be carried forward against future profits.

No deferred tax asset has been recognised in respect to these losses due to the uncertainty of future trading profits.

Notes to the Financial Information (continued)

5. Loss per share

The calculation of loss per share is based on the following loss and number of shares:

	Year ended 31 March 2015 £	Year ended 31 March 2014 £
Loss for the year from continuing operations	(1,137,764)	(1,026,010)
Weighted average shares in issue:		
Basic	12,375,100	9,187,225
Diluted	12,375,100	9,187,225
Loss per share		
Basic	(0.09)	(0.11)
Diluted	(0.09)	(0.11)

Basic loss per share is calculated by dividing the loss for the year from continuing operations of the company by the weighted average number of ordinary shares in issue during the year.

There are no potential dilutive shares in issue.

6. Fixed Assets

	Year ended 31 March 2015 £	Year ended 31 March 2014 £
Fixtures and Fittings		
Cost brought forward	690	-
Additions	-	690
Cost carried forward	690	-
Depreciation brought forward	173	-
Charge in year	129	173
Depreciation carried forward	302	173
Net Book Value	**388**	517

Depreciation Policy – assets are depreciated at 25% on a reducing balance basis over their expected useful lives.

Notes to the Financial Information (continued)

7. Trade and other receivables

	As at 31 March 2015 £	As at 31 March 2014 £
VAT receivable	10,157	12,200
Other receivables	2,025	2,025
Share & premium proceeds owing	-	517,500
Prepayments	1,545	15,048
	13,727	**546,773**

There are no material differences between the fair value of trade and other receivables and their carrying value at the year end.

No receivables were past due or impaired at the year end.

8. Cash and cash equivalents

	As at 31 March 2015 £	As at 31 March 2014 £
Bank accounts	10,453	221,768
	10,453	**221,768**

9. Called up share capital

On 11 July 2013 following the company's listing on the London Stock Exchange, 6,250,000 new Ordinary Shares of £0.001 nominal value were issued, fully paid at £0.16 per share.

Also on 11 July 2013 following the company's listing on the London Stock Exchange, the convertible loan notes of £100,000 were fully converted into 1,250,000 new Ordinary Shares of £0.001 nominal value, fully paid at of £0.08 per share.

On 28 March 2014 a further issue took place of 1,125,000 new Ordinary Shares of £0.001 nominal value, fully paid of £0.46 per share.

Following this year end a further share issue took place on 4 June 2015 of 1,237,500 of £0.001 nominal value, fully paid at of £0.08 per share.

The ordinary shares have attached to them full voting, dividend and capital distribution rights (including on a winding up). The ordinary shares do not confer any rights of redemption.

The deferred shares have attached to them no rights to dividends until the holders of the ordinary shares have received £100,000,000 for each ordinary share held by them. The right to partake in a capital distribution (including on a winding up) once the holders of the ordinary shares have received the sum of £1,000,000 per ordinary share. No right to attend or vote at a general meeting of the company.

Summary of Share Capital and Movements during the year

	Number of Shares Ordinary Shares	Number of Shares Deferred Shares	Share Capital £
Brought forward at 1 April 2014	12,375,100	75,002	83,627
Totals at 31 March 2015			
Ordinary Shares of £0.001	12,375,100	-	12,375
Deferred Shares of £0.950	-	75,002	71,252
Total:			83,627

10. Share Premium

Summary of Share Premium

	Share Premium Paid £	Less share issue costs £	Net Share Premium £
Brought forward at 1 April 2014	1,608,875	(250,183)	1,358,692
Carried forward at 31 March 2015	1,608,875	(250,183)	1,358,692

Notes to the Financial Information (continued)

11. Trade and other payables

Current:	As at 31 March 2015 £	As at 31 March 2014 £
Amounts owed to Related Parties	139,925	243,609
Other Creditors	576,581	114,749
Accruals	120,000	84,874
	836,506	**443,232**

12. Related party disclosures

Non-executive Director John Roddison is also a director of Brown McLeod Limited which has provided consulting services to the Company. The total fees charged for the year amounted to £24,000 (2014 - £24,000), all of which was for non-executive Director fees. Brown McLeod also provided accountancy services to Xplorer PLC, for which a total of £24,000 (2014 - £18,000) has been paid during the year.

Non-executive Director Christopher McAuliffe is also a director of Sprint Capital Management Limited which has provided consulting services to the Company. The total fees charged for the year amounted to £24,000 (2014 - £134,000), all of which was for non-executive Director fees.

Non-executive Director Jacqueline Lim is also a director of Sprint Capital Management Limited which has provided consulting services to the Company. The total fees charged for the year amounted to £24,000 (2014 - £134,000), all of which was for non-executive Director fees.

Non-executive Director John Davies is also a director of Davenport Capital Limited which has provided consulting services to the Company. The total fees charged for the year amounted to £36,000 (2014 - £27,000), all of which was for non-executive Director fees.

At the year end the following amounts were outstanding from related parties:

£55,925 included within other creditors was due to Brown McLeod Ltd in relation to accounting fees, share of rent and directors fees. Xplorer Plc director John Roddison is also a director of Brown McLeod Limited. (2014 - £4,800 re fees outstanding)

£48,000 included within other creditors was due to Sprint Capital Management Limited for unpaid director’s fees. Xplorer Plc directors Jacqueline Lim and Christopher McAuliffe are also directors of Sprint Capital Management Limited. (2014 - £237,316 re unpaid director’s fees and unpaid share capital outstanding)

£36,000 included within other creditors was due to Davenport Capital Limited for unpaid director’s fees. John Davies is also a director of Davenport Capital Ltd (2014 – nil).

Notes to the Financial Information (continued)

13. Directors emoluments

Details concerning Directors remuneration can be found below. The Directors are considered to be the key management.

31 March 2015

Name of Director	Short term employee benefits	Post employment benefits	Other long term benefits	Termination benefits	Other	Total
John Roddison	**24,000**	**-**	**-**	**-**	**-**	**24,000**
Christopher McAuliffe	**24,000**	**-**	**-**	**-**	**-**	**24,000**
Jacqueline Lim	**24,000**	**-**	**-**	**-**	**-**	**24,000**
John Davies	**36,000**	**-**	**-**	**-**	**-**	**36,000**
Roger Tucker	**87,500**	**-**	**-**	**-**	**-**	**87,500**
Total	**195,500**	**-**	**-**	**-**	**-**	**195,500**

31 March 2014 - Comparatives

Name of Director	Short term employee benefits	Post employment benefits	Other long term benefits	Termination benefits	Other	Total
John Roddison	**24,000**	**-**	**-**	**-**	**-**	**24,000**
Christopher McAuliffe	**134,000**	**-**	**-**	**-**	**-**	**134,000**
Jacqueline Lim	**134,000**	**-**	**-**	**-**	**-**	**134,000**
John Davies	**27,000**	**-**	**-**	**-**	**-**	**27,000**
Roger Tucker	**-**	**-**	**-**	**-**	**-**	**-**
Total	**319,000**	**-**	**-**	**-**	**-**	**319,000**

Further information concerning Directors remuneration can be found in the Directors Remuneration report.

Notes to the Financial Information (continued)

14. Financial instruments

As at 31 March 2015, the Company's financial assets comprised £24,180 of cash and trade and other receivables.

The Company's principal financial instruments comprise cash balances, accounts payable and accounts receivable arising in the normal course of its operations.

The financial instruments of the Company at year-end are:

	31 March 2015 £	**31 March 2014 £**
Loans and receivables - Cash and cash equivalents	10,453	221,768
Loans and receivables - Trade and other receivables	13,727	546,773
Financial liabilities		
Financial liabilities measured at amortised cost – Cash and cash equivalents	-	-
Financial liabilities measured at amortised cost - Trade and other payables	836,506	443,233

a) Interest rate risk

The Company has floating rate financial assets in the form of deposit accounts with major banking institutions; however, it is not currently subjected to any other interest rate risk.

Based on cash balances at the statement of financial position date, a rise in interest rates of 1% would not have a material impact on the profit and loss of the company.

b) Liquidity risk

The Company regularly reviews its major funding positions to ensure that it has adequate financial resources in meeting its financial obligations. The Company takes liquidity risk into consideration when deciding its sources of funds.

c) Credit risk

The Company had receivables of £13,727 at 31 March 2015. Company receivables of £13,727 at the year end were not past due, and the Directors consider there to be no credit risk arising from these receivables.

Notes to the Financial Information (continued)

d) Capital risk management

The Company defines capital as the total equity of the Company. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

e) Fair value of financial assets and liabilities

There are no material differences between the fair value of the Company's financial assets and liabilities and their carrying values in the financial information.

15. Borrowings Facilities

There are no borrowing facilities currently in use.

16. Capital Management Policy

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The capital structure of the Company consists of borrowings and equity attributable to equity holders of the Company, comprising issued share capital and reserves.

17. Pension Commitments

The Company has no pension commitments at the year end.

18. Dividends

No dividends have been proposed. There were nil dividends in the prior period (end 31 March 2014).

19. Staff Costs

During the year to 31 March 2015 there were no staff costs as no staff were employed by the company, other than the directors fees as disclosed in note 12.

20. Ultimate Controlling Party

The Directors have determined that there is no controlling party as no individual shareholder holds a controlling interest in the Company.

Notes to the Financial Information (continued)

21. Subsequent events

On 4 June 2015 there was a further share issue for 1,237,500 new shares of £0.001 nominal value at a price paid of £0.08 per share, raising a further £99,000 for the company.

On 21 July 2015, the Company announced it has signed a memorandum of understanding for the acquisition of a significant working interest in five shallow offshore exploration permits off the coast of Morocco.

22. Copies of the Annual Report

Copies of the annual report will be available on the Company's website at www.xplorerplc.co.uk and from the Company's registered office, 24 Hanover Square, London, W1S 1JD