GOLD OIL PLC

ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 30 APRIL 2008

CONTENTS

1. HIGHLIGHTS

2007 and 2008 have been a period of frustration on the physical operations side of the business but with very good results on the deal side of the business. The increase in activity brought about by higher oil prices in Perú and Colombia without a concomitant increase of staff in the states' environmental departments has led to extensive delays in the Company's activities in both countries

- DNME and Gravimetric surveys were acquired on Block XXI to define the follow up well, SA-2X. The well reached its planned total depth of 5,200 feet on 18 August 2008. The Verdun and Palaeozoic were perforated and tested but there were no producible hydrocarbons from either
- On 9 October 2008 the company acquired the whole of Plectrum Petroleum Limited from Cairn Energy plc. Cairn paid the Company $1.5 million with the Company now owning 100% of Z34. The Environmental Approval for Z34 was obtained in August 2008 and 2,000 kms of 2D seismic will be acquired before the deadline of May 2009. Interest in the area has increased with PetroTech announcing a gas discovery immediately to the south of Z34 and Shell farming into BPZ´s block to the north of Z34
- On 15 August 2008. The Company acquired the 18.05% working interest of Inversiones Petroleras in the Nancy-Burdine-Maxine fields to give a total interest to the Company of 58.5% for a total consideration of $4 million. Inversiones Petroleras was appointed Operator of the Group: now Gold
- On 11 April 2008. The Company disposed of its remaining 11.25% interest in the onshore Ayoluengo oil field in Northern Spain to Leni Gas & Oil plc for €315,211
- The Company acquired a 20% working interest in the Azar Block in the Putamayo Basin of Colombia. The Company was carried through the Palmera-1 work over and will be carried for half of its 20% working interest in the first exploration well on the Block. The work over on the Palmera-1 well tested 15^{o}API oil at 45 bopd on natural flow and will be put on production in October this year and later a pump will be installed
- The Environmental Permit for the Rosa Blanca well was received in August 2008. Construction of a 3 well drilling platform was started in August. The Company expects to spud the first exploration well early December 2008. The Company is carried by Osage through drilling and testing of this first well
- In October 2007, Minmet plc agreed to terminate the contractual arrangements relating to Gold's Cuban oil exploration interests between Gold and Minmet leaving Gold free to pursue its plans without the involvement of Minmet. In a separate transaction, the Company disposed of its shares in Minmet to a third party for a consideration of £2,601,000
- On 11 August 2007, the Company disposed its equity interest in Ascent Resources plc for £101,850
- In May 2007, Gold Oil Caribbean Limited sold certain proprietary knowledge in relation to exploration in Cuba for £1,350,000

2. CORPORATE STATEMENT

Gold Oil Plc is an oil and natural gas exploration and exploitation company focused on Central and Southern America, and is listed on the Alternative Investment Market (AIM) operated by the London Stock Exchange.

The Company aims to have a balanced portfolio of high-risk high reward and low risk cash flow projects by establishing significant licence positions concentrated in a few areas. The company has significant acreage and is recognised as operator both onshore and offshore Perú, is operator with a new exploration licence onshore Colombia, is operator of production onshore Colombia and has now been recognised as operator onshore and offshore Cuba.

The Company has an experienced and highly competent management and technical team who have developed good relationships with the authorities and oil and industry specialists and with valuable allies in the region.

The Company's objective is to deliver growth in shareholder value through capital appreciation.

3. HSE STATEMENT

Even though the Company is not large, Health, Safety and Environment concerns are at the forefront of the Company's approach to its business. Incidents and accidents are preventable, and all staff and contractors active in our areas of activity are expected to adhere to this philosophy.

We believe that the Company's business success will be firmly rooted in our core values: maintaining high ethical standards; operating safely; protecting the environment; and valuing people, which involves showing respect for our employees, business partners, customers and neighbours around the World. These core values will guide all of our activities and operations.

We will conduct our business ethically and honestly, acting with integrity at all times – as individuals and as an organisation. We will not compromise our commitment to the highest ethical standards. The Company will be constantly trying to do better and we will not be satisfied until we operate without any injuries. We will be striving to protect the environment wherever we do business. The Company and its employees will try and be recognised by regulatory agencies, environmental groups and governments worldwide for our efforts to safeguard the environment.

The Company's people are critical to our success. We must have a diverse, creative and motivated workforce if we are to achieve our ambitious business goals. We believe that it is our responsibility as a good corporate citizen to improve the quality of life in the communities in which we do business. With company support, our employees will participate in many volunteer activities, and the Company will be contributing to a wide variety of philanthropic, cultural and educational organisations around the world as best we can.

4. CORPORATE INFORMATION

Advisers & General Information

Directors	Michael Norman Burchell, Executive Chairman John Gary Moore, Chief Executive and Managing Director Patrick Gerald Mahony, Non-Executive Finance Director
Registered Office	Finsgate 5-7 Cranwood Street London EC1V 9EE
Company Secretary	Geoffrey Kenneth Barnes (appointed on 15 August 2008) Patrick Gerald Mahony (resigned on 15 August 2008)
Auditors	Jeffreys Henry LLP Finsgate 5-7 Cranwood Street London EC1V 9EE
Solicitors	Kerman & Co LLP 200, Strand London WC2R 1DJ
Nominated Adviser	Beaumont Cornish Limited Bowman House 29 Wilson Street London EC2M 2SJ
Broker	Blue Oar Securities plc 30 Old Broad Street London EC2N 1HT
Registrars	Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18 Ireland
Communications	Web Site www.goldoilplc.com
Company number:	5098776 (England and Wales)

5. CHAIRMAN´S STATEMENT

This year has been marred by the delay in issuing environmental permits for Block Z34 and San Alberto 2 well, both in Perú, the workovers of the 5 Burdine wells and the Rosa Blanca exploration well in Colombia. These delays have deferred seismic acquisition on Z34, deferred increased production from the Nancy-Burdine fields and the drilling of the Rosa Blanca exploration well. This is a problem not unique for the Company as all other operators in Perú and Colombia are also suffering. The problem is that the high oil prices have led to much more activity in both countries that has not been matched by a concomitant increase in staffing in the Environmental Agencies.

However, in Colombia the Palmera-1 well on the Azar block was worked over, the untested sand was perforated and flowed at 45 bopd of 15ºAPI oil. Analysis of the test showed that by completing the well with a pump some 150 to 200 bopd should be achieved (27-36 net to the Company): similar wells in nearby blocks produce 300 bopd. The Company acquired the 18.05% working interest of Inversiones Petroleras in the prolific Nancy-Burdine-Maxine fields to give a total interest to the Company of 58.5% and operatorship for a total consideration of $4 million. This level of interest in Nancy-Burdine-Maxine means that the Company will qualify to apply for multiple licences in Colombia, once operated production reaches over 500 bopd.

In Perú, the Company drilled a second exploration well, SA-2X on the onshore Block XXI a kilometre north of SA-1X in July 2008 to test the Verdun and Palaeocene sands. The well was located on the basis of a detailed Gravimetric survey and a DNME survey. The latter is a system of mapping the subsurface resistivity which, when interpreted, can indicate the presence of hydrocarbons. It is the first application of this process outside of Russia where it has been extensively tested. The Verdun sand was perforated to test the gas leg above an interpreted gas water contact. However, no fluid influx was achieved. It is possible that in the Verdun the structure up-dip of SA-2X could hold significant gas in-place and the Company is evaluating an inexpensive crestal well that would be a conclusive test of the gas potential of the Verdun. Log interpretation identified four zones in the Palaeozoic that were tested but failed to produce hydrocarbons. The well was plugged and abandoned on the 23 September 2008.

On the rest of Block XXI the logs run in the Minchales well drilled 50 years ago in the far south of the Block were digitised and reprocessed. The reprocessing confirmed the presence of oil in the Tertiary sands. Further north there is a large prospect identified by the airborne gravity-magnetic survey that the Company shot in 2005. The Company plans to acquire 2D seismic over the identified prospects.

Offshore Perú the Company had, in 2007, farmed out half its interest in Block Z34 to Plectrum Petroleum Limited (then Plectrum Petroleum plc). In October 2008, the company acquired Plectrum giving it a 100% interest in the block, together with a payment by Cairn to the company of $1.5 million. The Company finally received its Environmental Permit from the Environment Ministry in August 2008. The Company is reviewing seismic boat availability to acquire and process 2,000 kilometres of 2D seismic late 2008 or early 2009. Since the Company acquired Z34 in 2006 Shell has farmed into the deep water part of BPZ's block to the north with a commitment to spend $300 million on exploration. To the south of Z34 PetroTech has announced a major gas discovery. The Z34 block is immediately to the west of four of the largest developed oil fields in Northern Perú.

In Cuba the Company has been designated as an onshore and offshore operator. However, now that Fidel Castro has retired and the European Union has lifted its human rights sanctions, the Company is planning, with the London based organisation, "Cuba Initiative", to open high level contacts in the Cuban government to seek support for a Production Sharing Agreement (PSA) on the areas identified by the Company. The Cuba Initiative is a UK group that is backed by the UK government.

On the 12 February 2007 the Company announced that it had acquired 24.67% of the shares of Minmet Resources Plc (Minmet), an Irish mining company that is quoted on AIM. Minmet also acquired 4.99% of Gold Oil. In some of the Company's non-core areas Irish companies have a good track record of closing deals compared to British ones and as an Irish registered company with its own financial resources and management, Minmet should have been in a unique position to exploit these opportunities. These areas, as well as opportunities outside of Central and South America that were presented to Gold, would have been pursued by Minmet.

However, Minmet decided to develop its own strategy in the USA which was incompatible with Gold's interests in Cuba and so the opportunity arose to unwind the Minmet deal with Gold recapturing its exploration interests, receiving the proceeds from the placing of the 22,950,000 Gold shares previously given to Minmet and the sale of the balance of Minmet shares to a third party with substantial proceeds of £2,601,000. In July 2008 the Company placed these 22,950,000 Gold Oil shares at 8p and raised, after costs, £1,764,000.

In Spain the Company profitably disposed of its remaining interest in the Ayoluengo oil field for a final payment of €315,211. However, the Company retains the UK company, Ayoopco Ltd., which allows us to use its track record to continue to enhance our ability to meet the selection criteria in many South American Countries.

Looking ahead, in Perú we plan to drill a further two exploration wells on prospects in the centre and south of the block and on Block Z34, to shoot, process and interpret 2,000Km 2D seismic. In Colombia we are in the closing stages of registering the environmental permits that will allow us to work over four of the Burdine wells and thus expand production in Nancy-Burdine-Maxine. The proposed work programme and budget for the Nancy Burdine fields for 2009 includes the shooting of 43 km of 2D seismic to target three new development wells. Before the end of 2008 we will drill an exploration well on our Rosa Blanca Licence and on the Azar Block put the Palmera-1 well on long term production and drill an exploration well. In Cuba we will continue the process of acquiring a PSA for the exploration blocks identified in 2005. We will continue to seek low risk projects with potential for early cash flow as well as exploration opportunities with major upside in the region.

The profitable disposals and the placement have allowed the Company to maintain substantial financial assets so that when a good opportunity presents itself we are able to acquire and finance it. It is the Company's intention to develop further sources of funds so that the Company can grow by acquisitions and yet still maintain a strong balance sheet.

The Company now has over 6,900 km^2 of exploration acreage under licence in the lowest royalty and tax regimes in Latin America.

I have praised before our small team who through their dedication, hard work and professionalism continue to add major value for the shareholders of the Company and now with the increased activity in Colombia we will be opening an office there and expanding the team by appointing a manager to run the day to day activities.

I look forward to meeting you all at our forthcoming annual general meeting at which our accounts will be laid before the Company.

Michael Burchell
Chairman

29 October 2008

6. STATEMENT OF NET OIL RESERVES & CONTINGENT RESOURCES AS DETERMINED ON 1 JULY 2008 (AND 31 MAY 2008)

At 1 July 2008: Colombia – Nancy-1 Well: Gold Oil Net Interest 27.4%

1. NET RESERVES

	As of 1 July 2008 Oil Mbbl	As of 1 July 2007 Oil Mbbl	Production 1.5.2007 to 1.4.2008 Oil Mbbl
Proven	50.5	27.0	31.305
Probable	*	55.0	
Proven plus Probable	*	82.0	
Possible	*	39.0	
Total Proved plus Probable plus Possible	**>50.5**	**121.0**	

2. NET CONTINGENT OIL RESOURCES

	As of 1 July 2008 Oil Mbbl	As of 1 July 2007 Oil Mbbl
Best Estimate	9,267	13.0
High Estimate	13,900	533.0

Notes:

1. The Reserve and Resource estimates shown in this report are based upon the joint reserves and resource definitions of the Society of Petroleum Engineers
2. Reserves and Contingent Resources have been prepared by Morning Star Consultants, LCC of Houston, Texas, USA
3. Net volumes have been calculated based on Gold Oil's 58.5% Participating Interest, which after Royalty amounts to 27.4%

* Independent Expert report not available at the time of printing

Azar (Palmera-1 well)

The unaudited Operator's estimate of reserves is as shown below

Gold Oil Net Interest 18.4%

	P10	P50	P90
Reserves Mbbl Gold Oil's Interest	117.39	82.06	46.96

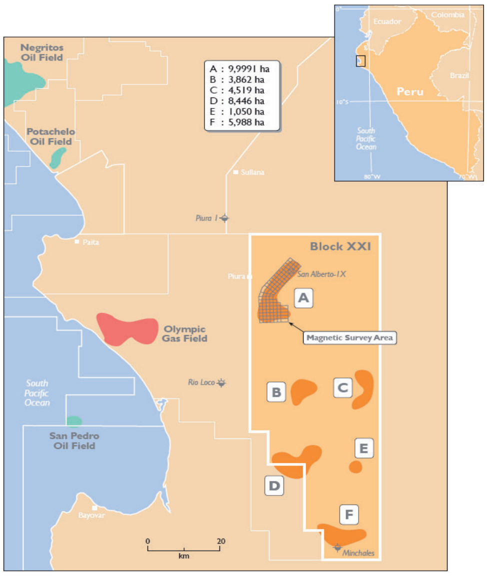
The Operator of Azar has calculated that Potential Resources of three structures could amount to 40.2 million barrels of which Gold Oil's interest could be 7.4 million barrels.

7. REVIEW OF OPERATIONS

7.1 PERÚ

Gold Oil Licence Interests in Perú at 30 April 2008

Block Name	Licence	Expiry Date	Size (ha)	Interest	Operator
Block XXI	Exploration Licence	Expires 5 May 2036 (Oil)	303,000	100%	Gold Oil Plc
Block Z34	Exploration Licence	Expires 12 February 2037 (Oil)	371,339	100%	Gold Oil Plc



Block XXI, Onshore Perú

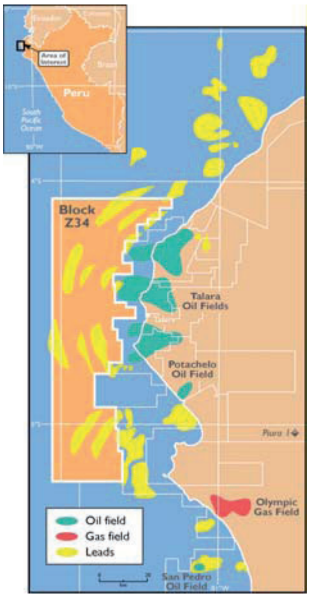
The Company looked at many geophysical methods of determining the location of hydrocarbons for the simple reason that seismic will not give any useful information about the Palaeozoic. As a result the Company signed a contract with a Russian company to run a survey over the area around San Alberto-1X to identify the geographical extent of the hydrocarbons logged in the well. The company has developed innovative technology that can show possible hydrocarbon traps by measuring the resistivity of the subsurface (DNME).

On the basis of that survey a location 1 kilometre north of SA-1X was selected. Although not at the highest point on the structure, where the presence of a village prevented DMNE cover, from the contractor's interpretation of results, he recommended a drilling site that had the highest chance of finding hydrocarbons

However, the survey and its predictions were wrong and San Alberto-2X was plugged and abandoned on the 23rd September 2008. Testing of the both the Verdun and several zones in the Palaeozoic showed that the well did not contain producible hydrocarbons.

For 2009/2010 the Company is planning a 2D seismic survey and three wells on the San Alberto discovery, the Minchales discovery and the new large prospect on the centre of the Block (D).

Block Z34, Offshore Perú



No significant exploration has taken place in water depths exceeding 100 metres despite the fact that discoveries were made from 158 wildcat wells drilled in the Talara Basin prior to 1996. The Block has water depths of 100-3,000 metres and sits adjacent to producing concessions and yet has only 500 Km of 2D seismic and no wells have been drilled in water depths greater than 100 metres. The existing 2D seismic demonstrates the potential for some of the existing producing fields to extend into Z34. With the new seismic we expect to be able to define the potential for significant discoveries in the deeper water which has never been explored.

Since the Company acquired Z34 in 2006 Shell has farmed into the deep water part of BPZ's block to the north with a commitment to spend $300 million on exploration. To the south of Z34 PetroTech has announced a major gas discovery.

Onshore Gas Opportunities

The agreement with MAN-Ferrostaal was extended again on 11 October 2007 for a further year.

The Company has good relations with MAN-Ferrostaal and is also in discussions with the same company for a gas project in another South American country.

7.2 COLOMBIA

Gold Oil Licence Interests in Colombia

Block Name	Licence	Expiry Date	Size (ha)	Interest	Operator
Burdine-Maxine-Nancy	NIT 830.132.959-5	03/09/2015	10,598	58.5%	Union Temporal II&B
Rosa Blanca	NIT 900.074.817-2	03/07/2037	44,392	40%	Gold Oil Colombia SAC
Azar		12/12/2030	20,897	20%	Gran Tierra

The Company concluded a Sale and Purchase Agreement ("SPA") on the 25 of February 2008 for a 20% working interest in the Azar Block in the Putumayo Basin located to the North-East of the Company's existing Nancy, Burdine and Maxine oil fields.

The Company was carried through the workover of the Palmera 1 well which resulted in an oil discovery of 15ºAPI that tested at 45 bopd under natural flow. In October 2008 the well will be completed and produced under natural flow for a few months to allow a down-hole pump to be designed and installed to increase production to some 150 to 200 bopd. The next exploration well, scheduled for late 2008, on the Azar Block will cost the Company 10% of the well cost for a 20% working interest.

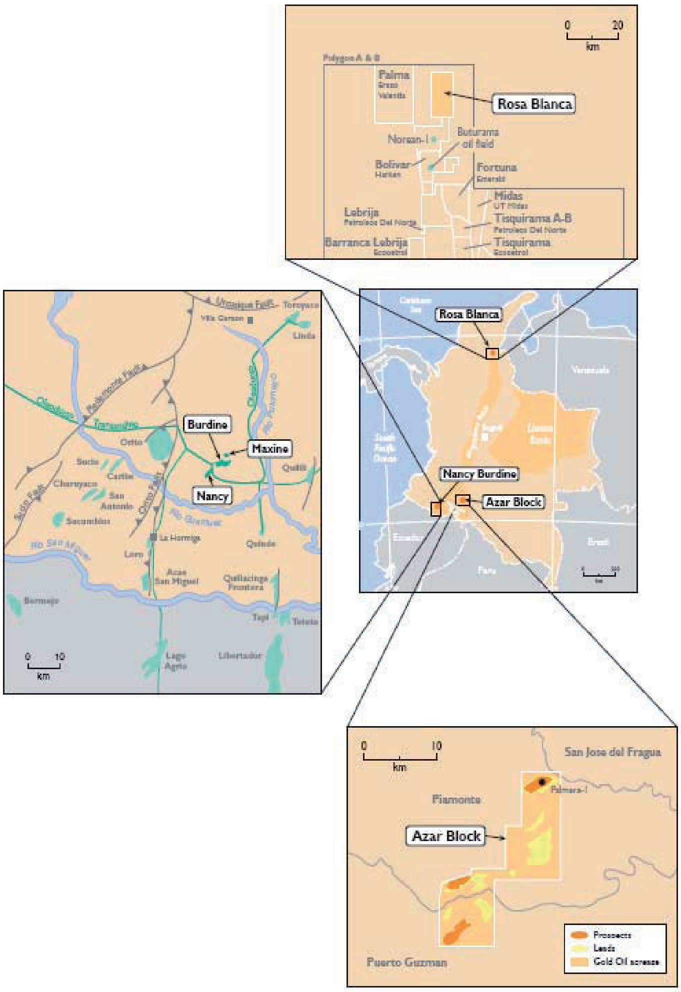
The licence for the Azar Block was granted by Colombia's hydrocarbons agency ANH in October 2006 for an area of 51,630 Ha (or 516.3sq.km). The term of the licence is for a period of 24 years and includes a royalty payable to the ANH of 8% up to 5,000 bopd and then increasing up to 25% depending upon the level of production.

Nancy, Burdine and Maxine, Onshore Colombia

The Nancy 1 well produced 165,743 barrels between May 2007 and April 2008 and is currently producing just over 300 bopd and positive cash flow after costs and royalty of $145,589 per month (July 2008). However, the anticipated gross 2,500 bopd increase in production from the five Burdine wells has not been achieved due to the long delay in obtaining an environmental permit. A survey of Burdine 3 shows that the casing has collapsed, so the well cannot be re-entered. The whole work programme and budget for 2008, which included 43 Km of 2D Seismic, a new down-hole pump in the Nancy 1 well and re-entry and work over of the 5 Burdine wells, has not been met.

This lack of activity prompted the Company to increase its interest in the fields and take over Operatorship. The environment permit was received on September 2008 and is now being registered with the local authorities after which the workovers can commence.

The Houston based company Nutech Energy Alliance has carried out an extensive petroleum engineering study of the fields which has shown a significant increase in reserves from the currently producing reservoir but also reserves in previously unidentified and unperforated reservoirs.



The Company now plans to shoot 43 Km of 2D seismic and drill three more development wells if the licence, which expires on 3 September 2015, can be extended with Ecopetrol.

Rosa Blanca, Onshore Colombia

The Company applied for and acquired a 90% interest in the 44,392 hectare Rosa Blanca block in the northern part of the Middle Magdalena Basin, onshore Colombia on 5 June 2007.

The Company farmed out fifty percent of its interest to Osage Exploration and Development Incorporated of the United States. Osage has a significant amount of seismic and well data on the Block and their mapping of the first prospect to be drilled shows contingent resources to the Company of 133 million barrels plus three other equally large prospects. The Environmental Permit was received in August 2008 and construction of the drilling platform has commenced with the first well expected to commence in early to mid December 2008.

7.3 SPAIN

The Company has disposed of its remaining 11.25% of the onshore Ayoluengo oil field in Northern Spain to Leni Gas & Oil plc for €315,211. In April 2008, the Company acquired the remaining 50% equity interest in Ayoopco Limited making it a wholly-owned subsidiary of the company.

7.4 CUBA

The Company has identified three very attractive offshore blocks and has been recognised as an offshore and onshore operator. The Company is working with a UK organisation the "Cuba Initiative" whose purpose is assist British companies in getting business in Cuba. The Cuban Ambassador in London has been briefed and the Cuba Initiative team have a visit to Cuba planned for November with an active "high level" meeting agenda. Our objective is to get approval to negotiate a Production Sharing Agreement (PSA) for the three blocks with Cupet, the State oil company for Cuba.

7.5 BRAZIL

The Company has not managed to see any commercially viable opportunities in Brazil and with the recent government manoeuvres following the discovery of the large offshore oil fields we are greatly discouraged from working there.

7.6 FARM-INS AND ACQUISITIONS

A number of acquisition opportunities were reviewed but the vendors' expectations were seen as too high.

7.7 OPEN ACREAGE AND OTHER OPPORTUNITIES

In Perú there are still some interesting blocks outside of the bidding rounds, but they are becoming increasingly difficult to obtain on reasonable terms.

In Colombia the terms for the licensing rounds, although containing some very interesting blocks, have changed to the extent that it is not worth bidding.

7.8 GLOSSARY OF TERMS AND ABBREVIATIONS

API	American Petroleum Institute
B	billion (10^9)
bbl(s)	barrel(s)
bbls/d	barrels per day
boe	barrels of oil equivalent
bopd	barrels of oil per day
Bcm	billions of cubic metres
Bscf	billions of standard cubic feet
ft	feet
GIIP	Gas Initially in Place
km	kilometres
km^2	square kilometres
mD	milliDarcy
M	thousand (10^3)
MM	million (10^6)
MMbbl(s)	million barrels
MMscf/d	millions of standard cubic feet per day
STOOIP	Stock Tank Oil Originally in Place

8. LOOKING AHEAD

During 2009 the Company expects to have largely completed the following work programme:

- Perú
  - Seismic on three structures on onshore Block XXI
  - Acquire and interpret 2000Km of 2D seismic on offshore Block Z34
- Colombia
  - 43 Km of 2D seismic and 1-3 development wells onshore Nancy-Burdine
  - 4 well re-entries onshore Nancy-Burdine
  - 1 exploration well and three development wells and production. However, this depends on the success of the first exploration well, onshore Rosa Blanca
  - 1 exploration well onshore Azar and completion of 1 production well
  - Acquisition of a new block by farm-in
- Cuba
  - Negotiation of an Offshore PSA

	Q4 2008	**Q1 2009**	**Q2 2009**	**Q3 2009**	**Q4 2009**
Perú Onshore San Alberto	1Verdun Appraisal Well				
Perú Onshore Block XXI		2D Seismic		1 Exploration Well	1 Exploration Well
Perú Offshore Z34	2D Seismic				
Colombia Nancy			2D Seismic		
Colombia Burdine	2 Workovers	2 Workovers			
Colombia Rosa Blanca	1 Exploration Well		1 Appraisal Well	1 Development Well	1 Development Well
Colombia Azar	1 Production Well	1 Exploration Well or infill seismic			
Colombia New Area					Licence
Cuba Offshore			PSA		

9. REPORT OF THE DIRECTORS

The directors submit their report together with the audited financial statements of Gold Oil Plc (“the Company”) and its subsidiaries (collectively “the Group”), for the year ended 30 April 2008.

DIRECTORS

The following are biographical details of the directors of Gold Oil Plc:

Michael Norman Burchell *Chairman*
Mike Burchell (age 68) has over 46 years of experience in the oil and gas industry since graduating with honours from Leeds University. During his career he has had extensive international experience at PLC main board level of oil and gas field development, oil and gas sales, PSAs and transportation agreements and acquisitions and finance. Mike Burchell is also a director of CBM Oil plc.

John Gary Moore *Managing Director*
Gary Moore (age 58) has over 35 years of experience in the oil and gas industry as a petroleum engineer since graduating from Leeds University. In 1985 he joined Texaco as a negotiator and then Commercial Manager before leaving in 1990 to establish his own consulting company. His consultancy took Mr. Moore all over the world working for most of the major and independent oil and gas companies and many governments in the field of strategy, business development and negotiations. In 1999, he founded Sunningdale Oils (Ireland) Limited which currently has gas production and several licences in Ireland. He was a non-executive director of Northern Petroleum PLC until he resigned in 2003. He worked a large part of his time in Perú since he first went there with Shell as a consultant in 1996.

Patrick Gerald Mahony *Non-Executive Finance Director*
Pat Mahony (age 56) has 29 years of experience in the oil and gas industry since he qualified as a Chartered Accountant in 1977 with Stokes Kennedy Crowley (now KPMG) in Dublin and then joined Bula Limited as Financial Accountant. In 1981, he joined Bula Resources PLC and became Company Secretary in 1986. In 1987 he was appointed to the Board of Bula as Finance Director and in April 1997 was appointed Managing Director of Bula until his resignation in March 1999. Mr. Mahony was also a director of Ovoca Resources PLC during the period 1990 to 1997, and is currently a Financial Consultant based in Dublin.

Principal activities

The principal activity of the company is that of oil and gas exploration.

Business review

A review of the Group’s business during the financial period and its likely development are given in sections 5 to 8.

Proposed dividend

The directors do not recommend the payment of a dividend.

Political and charitable contributions

In 2008 the Group made no political or charitable contributions.

Policy and practice on payment of creditors

The Group and Company policy, in relation to all of its suppliers, is to settle the terms of payment when agreeing the terms of the transactions and to abide by those terms. The Group and the Company do not follow any code or statement on payment policy.

Activities and results

A profit of £837,000 (2007 – loss of £1,832,000) was recorded for the year. Net assets of the Group at 30 April 2008 amounted to £8,600,000 (2007 – £6,663,000). No dividends or transfers to reserves are proposed.

Details of the Group's affairs and the development of its various activities during the period, important events since the year end and details of the Company's plans for the next year are given in sections 5 to 8.

Key performance indicators

At this stage in the company's development, the key performance indicators that the directors monitor on a regular basis are management of liquid resources, that is cash-flows and bank balances and also general administrative expenses, which are tightly controlled. Specific exploration-related key performance indicators include: the probability of geological success (Pg), the probability of commerciality or completion (Pc) and the probability of economic success (Pe).

Key risks and uncertainties

Exploration for hydrocarbons is speculative and involves significant degree of risks. Risks that prospect areas will be acquired, that they will lead to the discovery of hydrocarbons and financial and other resources will be secured to exploit the opportunities are uncertain.

Future outlook

Details of the Group's affairs and the development of its various activities during the period, important events since the year end and details of the Company's plans for the next year are given sections 5 to 8.

Directors' interests

The interests of the directors and their families in the issued share capital of the company are as follows:

Share capital held by the directors are as follows:

	2007 No. of Ordinary shares	2008 No. of Ordinary shares
M N Burchell	6,725,000	6,150,000
J G Moore	25,750,000	23,450,000
P G Mahony	1,150,000	575,000

Warrants held by the directors are as follows:

	2008 No. of warrants £0.01*	2008 No. of warrants £0.09	2007 No. of warrants £0.01	2007 No. of warrants £0.09
M N Burchell	575,000	5,400,000	1,150,000	5,400,000
J G Moore	2,300,000	10,000,000	4,600,000	10,000,000
P G Mahony	575,000	—	1,150,000	—

* The warrants were exercised by the directors during the year but shares were issued post year end.

Each £0.09 Warrant grants the holder the right to subscribe for one Ordinary Share at £0.09 per share, such right to be exercisable at any time prior to 6 October 2009. The Warrants issued to directors and staff may only be exercised in tranches no more than twice in any twelve month period.

Warrants exercised:

- M N Burchell 0.575 million warrants of £0.01 on 15 November 2007 and 0.575 million warrants of £0.01 on 5 April 2008
- J G Moore 2.3 million warrants of £0.01 on 4 October 2007
- P G Mahony 0.575 million warrants of £0.01 on 23 May 2007, and 0.575 million warrants of £0.01 on 8 April 2008

All the above shareholdings are beneficially held.

There have been no contracts or arrangements of significance during the year in which the directors of the company were interested.

Currently there are service and consultancy contracts in place with all directors of the company and the contracts are available for inspection at the registered office of the company on request.

In accordance with the Articles of Association of the company, P G Mahony retires by rotation and, being eligible, offers himself for re-election at the forthcoming Annual General Meeting.

Remuneration policy

The Committee takes into account both Company and individual performance, market value and sector conditions in determining director and senior employee remuneration. The Company has maintained a policy of paying only minimum salaries compared with peer companies in the oil and gas independent sector until the Company established a good position with acreage, assets, income and cash at hand. All current salaries are without pension benefits.

Basic salaries

Basic salaries are reviewed annually or when individuals change positions or responsibility or the Company's position changes. The Remuneration Committee decided that as the Company has production and substantial acreage under licence that salaries would be increased closer to peer salaries. Increases to the minimum salaries were approved during 2008 to bring salaries more into line with similar positions in similar companies. Details of the fees are shown below.

	2008 (£)	2007 (£)
Executive Directors:		
John Gary Moore	240,000	150,000
Michael Norman Burchell	120,000	40,000
Non Executive Director		
Patrick Gerald Mahony	1,200	1,200

Employees

The Group seeks to keep employees informed and involved in the operations and progress of the business by means of regular staff meetings by country open to all employees and directors.

The Group operates an equal opportunities policy. The policy provides that full and fair consideration will be given to disabled applications for employment and that existing employees who become disabled will have the opportunity to retrain and continue in employment wherever possible.

Post Balance Sheet Events

On 31 July 2008, the Company placed 22,950,000 of its ordinary shares that had previously been held on the account of the company following the disposal of its interests in Minmet plc. The net proceeds amounted to £1,764,000.

On 3 August 2008, the company acquired Inversiones Petroleras de Colombia S.A. ('Invepetrol') for a total consideration of $4 million. Invepetrol owns an 18.05% participating interest in the Union Temporal II & B that is the Operator and Licence holder of the Nancy, Burdine and Maxine oil fields in the Putumayo Basin in Southern Colombia. The Company already owns a 40% interest in Union Temporal and this will take the Company's total interest to 58.05% (27.29% of net production) and become Operator.

On 9 October 2008, the company's subsidiary, Gold Oil Caribbean Limited, acquired all of the issued shares in Plectrum Petroleum Limited ('Plectrum'). Under the terms of the agreement, the purchase consideration is US$32,165,045. The net assets of Plectrum at the acquisition date were US$33,745,975, which included US$1,580,414 cash and US$32,165,561 amount due from Capricorn Oil and Gas Limited, a subsidiary of Cairn. The amount due was used to settle the purchase considerations. The Group will receive US$1,500,000 in compensation for the loss of the benefit of a 'carry' and additional 50% interest in the licence. This transaction brings Gold's working interest in the Z34 block to 100%.

Financial Review

Liquidity & Share Trading

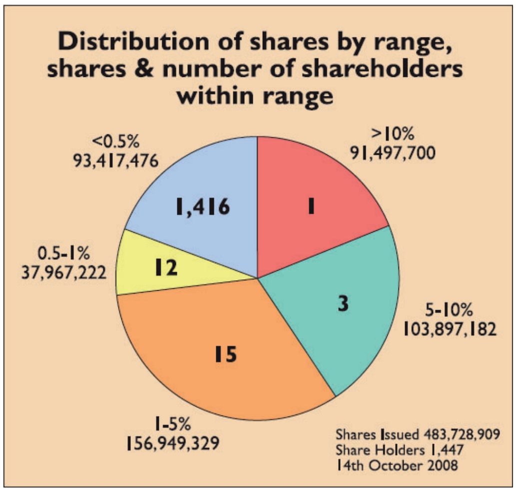
The board believes that high liquidity is important in attracting small and major institutional investors to Gold Oil Plc. In 2007 – 2008 Gold Oil Plc has had reasonably high stock liquidity on the E&P sector on AIM.

Shares in Issue and Share Holders Profile

The number of shares in issue at 14 October 2008 was of 483,728,909 Ordinary Shares, each share having equal voting rights.

Gold Oil Plc has 1,447 shareholders with the majority of shares held by a few individuals.

The shareholding distribution at 14 October 2008 is as follows:



Significant shareholdings

The company has been informed that, as of 14 October 2008, the following shareholders own 3% or more of the issued share capital of the company:

Name	Shares	% of Company
Pershings Nominees Ltd	91,497,700	18.92
Mark Pritchard	42,500,000	8.79
Clachan Nominees Limited	33,347,182	6.89
John Gary Moore	28,050,000	5.80
James Capel (Nominees) Ltd	24,157,578	4.99
B Anderson	22,500,000	4.65
Dresdner Bank Aktiengesellschaft	14,705,805	3.04
Total	**256,758,265**	**53.08**

Financial instruments

Details of the financial risk management objectives and policies, and details on the use of financial instruments by the Company and its subsidiary undertakings, are provided in note 22 to the financial statements.

International Financial Reporting Standards ("IFRS") and adoption of accounting standards

In accordance with the mandatory requirement for AIM listed companies, the Group have adopted IFRS with effect from 1 May 2007. The first results to be prepared under IFRS were the 2007/08 interim results.

A summary of the standards effective at year end and their adoption status by the Group is included in note 1 to the financial statements.

Publication on company's website

Financial statements are published on the company's website. The maintenance and integrity of the website is the responsibility of the directors. The directors' responsibility also extends to the financial statements contained therein. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other countries.

Indemnity of officers

The Group may purchase and maintain, for any director or officer, insurance against any liability and the Group does maintain appropriate insurance cover against legal action bought against its directors and officers.

By order of the Board

G K Barnes

Secretary
29 October 2008

10. CORPORATE GOVERNANCE STATEMENT

The Board

The board comprises two executive directors and one non-executive director, details of who are contained in section 9 of this report.

The board meets at least four times a year and in 2007/2008 met eleven times.

The board is responsible for the strategy, reviewing and approving of acquisition opportunities, capital expenditures, budgets, trading performance and all significant financial and operational issues.

The Audit Committee

The Audit Committee is comprised of two directors with Patrick Mahony as chairman and Gary Moore as the other director. The Committee meets at least twice a year and the External Auditors have the opportunity to meet with the Committee without any executive management being present. The Committee´s terms of reference include the review of the Interim and Annual Accounts, review of internal controls, risk management and compliance procedures, consideration of the Company accounting policies and all issues with the annual audit.

The Remuneration Committee

The Remuneration Committee is comprised of two directors with Gary Moore as chairman and Michael Burchell as the other director. The Committee determines the contract terms, remuneration and other benefits of the directors and senior employees. The Committee meets as required, but at least twice a year.

The Nominations Committee

Due to the small size of the Group, it is not considered necessary to have a Nominations Committee at this time in the Company´s development and the board reserves to itself the process by which a new director is appointed.

Communications

The Company provides information on Group activities by way of press releases, Interim and Annual Accounts and also the website (www.goldoilplc.com). The Company website is updated as often as possible (usually within a week of the start of a new month) and contains all operational reports, press releases and Interim and Annual Accounts.

Internal control

The board has the overall responsibility for identifying, evaluating and taking the necessary action to manage the major risks faced by the Company. The process of internal control is not to eliminate risk, but to manage the risk to reasonably minimise loss.

Going concern

With the cash reserves the Company's medium term investment plans in Perú and Colombia show, in the directors' opinion, that there is a reasonable expectation that the resources available to the Company will allow it to continue operations. Thus, the going concern for the preparation and reporting of accounts has been adopted.

11. STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Corporate governance

The Company is not required to comply with the Code of Best Practice as set out in section 1 of the Combined Code appended to the listing rules of the Financial Services Authority as it is listed on AIM. All relevant decisions are being taken by the full Board.

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year in accordance with applicable law International Financial Reporting Standards ("IFRS") as adopted by the European Union, which give a true and fair view of the state of affairs of the Company and Group and of the profit or loss of the Group for that period. In preparing those financial statements, the directors are required:

- to select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group company will continue in business;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 1985 and as regards the Group financial statements, article 4 of the IAS regulations. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and the Group and to prevent and detect fraud and other irregularities.

Statement of disclosure to auditor

So far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and they have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

In accordance with Section 385 of the Companies Act 1985 a resolution reappointing Jeffreys Henry LLP as auditors will be proposed at the forthcoming Annual General Meeting.

By order of the board

M N Burchell

Director
29 October 2008

12. REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF GOLD OIL PLC

We have audited the financial statements of Gold Oil Plc for the year ended 30 April 2008, which comprise the consolidated income statement, consolidated and company statement of changes in equity, consolidated and company balance sheet, consolidated and company cash flows and the related notes on pages 23 to 53. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and International Financial Reporting Standards as adopted for use in the European Union are set out on page 20.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 and as regards the group financial statements, Article 4 of the IAS Regulation. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements. The information given in the Director's report includes that specific information mentioned in sections 5 to 8 that is cross-referred from the Business review and Future outlook sections of the Directors' report.

In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises sections 1 to 11. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and company's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion:

– the Group financial statements give a true and fair view, in accordance with International Financial Reporting Standards as adopted for use in the European Union, of the state of affairs of the Group as at 30 April 2008 and of its profit and cash flows of the Group for the year then ended;

– the parent company financial statements give a true and fair view, in accordance with IFRS's as adopted by the European Union as applied in accordance with provisions of the Companies Act 1985, of the state of the parent company's affairs as at 30 April 2008;

– the financial statements have been properly prepared in accordance with the Companies Act 1985 and, as regards the group financial statements, article 4 of the IAS regulation; and

– the information given in the Report of the Directors is consistent with the financial statements.

Jeffreys Henry LLP
Chartered Accountants and
Registered Auditors

Finsgate
5-7 Cranwood Street
London EC1V 9EE

29 October 2008

13. CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 30 APRIL 2008

	Note	2008 £000	2007 £000
Revenue		398	—
Cost of sales		(148)	—
Gross profit		250	—
Development expenditure written off	*3*	(1,083)	(1,300)
Administration expenses		(757)	(662)
Operating loss	*3*	(1,590)	(1,962)
Finance income	*5*	208	130
Goodwill impairment	*12*	(129)	—
Exceptional items			
Gains on sale of assets	*6*	2,652	—
Profit/(loss) on ordinary activities before taxation		1,141	(1,832)
Income tax expense	*7*	(304)	—
Profit/(loss) on ordinary activities after taxation		837	(1,832)
Dividends		—	—
Profit/(loss) attributable to equity holders		837	(1,832)
Earnings per ordinary share	*9*		
— Basic		0.18p	(0.44p)
— Diluted		0.18p	(0.44p)

14. CONSOLIDATED BALANCE SHEET AT 30 APRIL 2008

	Note	2008 £000	2007 £000
Assets			
Non current assets			
Property plant and equipment			
— oil and gas assets	*10*	183	—
— others	*10*	17	16
Goodwill	*12*	—	—
Intangibles	*11*	2,105	304
Investments	*13*	—	1,900
		2,305	2,220
Current assets			
Inventories	*14*	214	—
Trade and other receivables	*16*	3,187	586
Cash and cash equivalents	*15*	5,150	3,891
		8,551	4,477
Total assets		10,856	6,697
Equity and liabilities			
Capital and reserves			
Share capital	*18*	120	116
Share premium account	*19*	10,124	9,305
Retained earnings	*19*	(1,644)	(2,758)
Total equity		8,600	6,663
Current liabilities			
Trade and other payables	*17*	2,256	34
Total equity and liabilities		10,856	6,697

The financial statements were approved and authorised for issue by the Board of Directors on 29 October 2008 and were signed on its behalf by:

Michael Burchell
Director

John Gary Moore
Director

15. COMPANY BALANCE SHEET AS AT 30 APRIL 2008

	Note	2008 £000	2007 £000
Assets			
Non current assets			
Property plant and equipment			
— oil and gas assets	*10*	183	—
— others	*10*	1	2
Exploration and evaluation	*11*	—	304
Investments	*13*	3,356	4,114
		3,540	4,420
Current assets			
Trade and other receivables	*16*	3,243	145
Cash and cash equivalents	*15*	2,229	3,763
		5,472	3,908
Total assets		9,012	8,328
Equity and liabilities			
Capital and reserves			
Share capital	*18*	120	116
Share premium account	*19*	10,124	9,305
Retained earnings	*19*	(3,305)	(1,122)
Total equity		6,939	8,299
Current liabilities			
Trade and other payables	*17*	2,073	29
Total equity and liabilities		9,012	8,328

The financial statements were approved and authorised for issue by the Board of Directors on 29 October 2008 and were signed on its behalf by:

Michael Burchell
Director

John Gary Moore
Director

16. STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2008

	Share Capital £000	Share Premium £000	Retained Earnings £000	Total £000
Group				
As at 1 May 2006	90	4,004	(934)	3,160
Shares issued	26	5,301	—	5,327
Loss for the year	—	—	(1,832)	(1,832)
Foreign exchange translation	—	—	8	8
As at 30 April 2007	116	9,305	(2,758)	6,663
Shares issued	4	819	—	823
Profit for the year	—	—	837	837
Foreign exchange translation	—	—	277	277
As at 30 April 2008	120	10,124	(1,644)	8,600

	Share Capital £000	Share Premium £000	Retained Earnings £000	Total £000
Company				
As at 1 May 2006	90	4,004	(660)	3,434
Shares issued	26	5,301	—	5,327
Loss for the year	—	—	(462)	(462)
Foreign exchange translation	—	—	—	—
As at 30 April 2007	116	9,305	(1,122)	8,299
Shares issued	4	819	—	823
Loss for the year	—	—	(2,372)	(2,372)
Foreign exchange translation	—	—	189	189
As at 30 April 2008	120	10,124	(3,305)	6,939

Share capital is the amount subscribed for shares at nominal value.

Share premium represents the excess of the amount subscribed for share capital over the nominal value of those shares net of share issue expenses.

Retained earnings represents the cumulative loss of the Group and Company attributable to equity shareholders.

17. CASH FLOW STATEMENT FOR THE YEAR ENDED 30 APRIL 2008

	Group 2008 £000	Company 2008 £000	Group 2007 £000	Company 2007 £000
Operating activities	(2,440)	(1,220)	(2,247)	(574)
Investing activities				
Return from investment and servicing of finance	208	206	130	130
Sale of investment assets	3,006	1,206	—	—
Acquisition of investment assets	(303)	(1,130)	(36)	—
Net cash acquired from subsidiary	182	—	—	—
Loan advanced to subsidiary	—	(1,418)	—	(1,649)
Purchase intangible assets	(209)	—	(21)	(21)
Purchase of tangible fixed assets	(8)	(1)	(1)	(1)
	2,876	(1,137)	72	(1,541)
Financing activities				
Proceeds from issue of share capital	823	823	3,606	3,606
Net cash inflow/(outflow)	1,259	(1,534)	1,431	1,491
Cash and cash equivalents at the beginning of the year	3,891	3,763	2,460	2,272
Cash and cash equivalents at the end of the year	5,150	2,229	3,891	3,763

NOTES TO THE CASH FLOW STATEMENT

	Group 2008 £000	Company 2008 £000	Group 2007 £000	Company 2007 £000
Operating activities				
Operating loss for the year	(1,615)	(452)	(1,962)	(590)
Depreciation and amortisation	128	122	87	75
Tax paid	(50)	(50)	—	—
Foreign exchange translation	(56)	(195)	(8)	
Operating cash outflows before movements in working capital	(1,593)	(575)	(1,883)	(515)
(Increase) in inventories	(214)	—	—	—
(Increase)/decrease in receivables	(2,601)	(1,354)	(295)	4
Increase/(decrease) in payables	1,968	709	(69)	(63)
Net cash outflows from operating activities	(2,440)	(1,220)	(2,247)	(574)

18. NOTES TO THE ACCOUNTS

General Information

Gold Oil Plc is a company incorporated in England and Wales and quoted on the Alternative Investment Market of the London Stock Exchange. The address of the registered office is disclosed on page 4 of the financial statements. The principal activity of the Group is described in section 9.

1. Significant accounting policies

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

Basis of preparation

The period beginning 1 May 2007 is the first period for which it became mandatory for the Group to comply with International Financial Reporting Standards ("IFRS"). The adoption of these standards and interpretations has not resulted in significant changes to the Group's accounting policies.

This is therefore the first Annual Report being prepared under IFRS, although the financial results of the Group for the six months ended 31 October 2007 were previously prepared on a basis consistent with IFRS.

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and IFRIC interpretations issued by the International Accounting Standard Board (IASB) as adopted by the European Union and with those parts of the Companies Act 1985 applicable to companies reporting under IFRS.

First-time adoption of IFRS

In preparing these financial statements, the Group has elected to apply the following transitional arrangements permitted by IFRS 1 'First-time Adoption of International Financial Reporting Standards':

- Business combinations effected before 1 May 2006, including those that were accounted for using the merger method of accounting under UK accounting standards, have not been restated
- Only those exchange differences arising on the retranslation of foreign operations since 1 May 2006 have been recognised as a separate component of equity, with the related reserve being reset to zero at that date
- IFRS 2 'Share-based payments' has been applied to employee options granted after 7 November 2002 that had not vested by 1 May 2006
- The Group has made estimates under IFRS at the date of transition, which are consistent with those estimates made for the same date under UK GAAP unless there is objective evidence that those estimates were in error, i.e. the Group has not reflected any new information in its opening IFRS balance sheet but reflected that new information in its income statement for subsequent periods.

New standards and interpretations

(a) Standards, amendment and interpretations effective in 2007 and 2008

IFRS 7, 'Financial instruments: Disclosures', and the complementary amendment to IAS 1, 'Presentation of financial statements – Capital disclosures', introduces new disclosures relating to financial instruments and does not have any impact on the classification and valuation of the Group's financial instruments, or the disclosures relating to taxation, trade and other payables.

IFRIC 8, 'Scope of IFRS 2', requires consideration of transactions involving the issuance of equity instruments, where the identifiable consideration received is less than the fair value of the equity instruments issued in order to establish whether or not they fall within the scope of IFRS 2. This standard does not have any impact on the Group's financial statements.

IFRIC 10, 'Interim financial reporting and impairment', prohibits the impairment losses recognized in an interim period on goodwill and investments in equity instruments and in financial assets carried at cost to be reversed at a subsequent balance sheet date. This standard does not have any impact on the Group's financial statements.

(b) Standards, amendments and interpretations effective in 2007 and 2008 but not relevant

The following standards, amendments and interpretations to published standards are mandatory for accounting years beginning on or after 1 January 2007 but they are not relevant to the Group's operations:

IFRS 4, 'Insurance contracts';

IFRIC 7, 'Applying the restatement approach under IAS 29, Financial reporting in hyper-inflationary economies';

IFRIC 9, 'Re-assessment of embedded derivatives'; and

IFRIC 11, 'IFRS 2 – Group and treasury share transactions'.

(c) Interpretations to existing standards that are not yet effective and have not been adopted early by the Group

The following interpretations to existing standards have been published and are mandatory for the Group's accounting years beginning on or after 1 January 2008 or later years but the Group has not adopted them:

IFRS 8, 'Operating segments '(effective from 1 January 2009). IFRS 8 replaces IAS 14 and aligns segment reporting with the requirements of the US standard SFAS 131, 'Disclosures about segments of an enterprise and related information'. The new standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. The Group expects to apply this standard in the accounting period beginning on 1 May 2009. As this is a disclosure standard it will not have any impact on the results or net assets of the Group.

(d) Interpretations to existing standards that are not yet effective and not relevant for the Group's operations

The following interpretations to existing standards have been published and are mandatory for the Group's accounting period beginning on or after 1 January 2008 or later years but are not relevant for the Group's operations:

IAS 23 (Amendment), 'Borrowing costs' (effective from 1 January 2009). It requires an entity to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (one that takes a substantial period of time to get ready for use or sale) as part of the cost of that asset. The option of immediately expensing those borrowing costs will be removed. IAS 23 (Amended) is not relevant to the Group as there are no qualifying assets.

IFRIC 12, 'Service concession arrangements' (effective from 1 January 2008). IFRIC 12 applies to contractual arrangements whereby a private sector operator participates in the development, financing, operation and maintenance of infrastructure for public sector services. IFRIC 12 is not relevant to the Group's operations because the Group does not provide for public sector services.

IFRIC 13, 'Customer loyalty programmes' (effective from 1 July 2008). IFRIC 13 clarifies that where goods or services are sold together with a customer loyalty incentive (for example, loyalty points or free products), the arrangement is a multiple-element arrangement and the consideration receivable from the customer is allocated between the components of the arrangement in using fair values. IFRIC 13 is not relevant to the Group's operations because the Group does not operate any loyalty programmes.

IFRIC 14, 'IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction' (effective from 1 January 2008). IFRIC 14 provides guidance on assessing the limit in IAS 19 on the amount of the surplus that can be recognised as an asset. It also explains how the pension asset or liability may be affected by a statutory or contractual minimum-funding requirement. IFRIC 14 is not relevant to the Group, as it does not have pension scheme in place.

Basis of consolidation
The consolidated financial statements include the financial statements of the Company and its subsidiaries and associated undertakings.

Subsidiaries
Subsidiaries are all entities over which Gold Oil Plc has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Associates
An associate undertaking ("associate") is an enterprise over whose financial and operating policies the Group has the power to exercise significant influence and which is neither a subsidiary nor a joint venture of the Group. The equity method of accounting for associates is adopted in the Group financial statements, such that they include the Group's share of operating profit or loss, exceptional items, interest, taxation and net assets of associates "the equity method").

In applying the equity method account is taken of the Group's share of accumulated retained earnings and movements in reserves from the effective date on which an enterprise becomes an associate and up to the effective date of disposal. The share of associated retained earnings and reserves is generally determined from the associate's latest interim or final financial statements. Where the Group's share of losses of an associate exceeds the carrying amount of the associate, the associate is carried at nil. Additional losses are only recognised to the extent that the Group has incurred obligations or made payments outside the course of ordinary business on behalf of the associate.

Business combinations
The Group has chosen to adopt IFRS 3 prospectively from the date of transition and not restate historic business combinations from before this date. Business combinations from the date of transition are accounted for under IFRS 3 using the purchase method.

Goodwill
Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in 'intangible assets'. Goodwill on acquisitions of associates is included in 'investments in associates' and is tested for

impairment as part of the overall balance. Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. Gold Oil Plc allocates goodwill to each business segment in each country in which it operates.

Intangible Assets
Licences
Acquired licenses are shown at historical cost. Licenses have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of licenses over their estimated useful lives (15-30 years).

Oil and gas assets: exploration and evaluation
The Group has continued to apply the 'successful efforts' method of accounting for Exploration and Evaluation ("E&E") costs, having regard to the requirements of IFRS 6 'Exploration for the Evaluation of Mineral Resources'.

The successful efforts method means that the only costs which relate directly to the discovery and development of specific oil and gas reserves are capitalised. Such costs may include costs of license acquisition, technical services and studies, seismic acquisition; exploration drilling and testing but do no include costs incurred prior to having obtained the legal rights to explore the area. Under successful efforts accounting, exploration expenditure which is general in nature is charged directly to the income statement and that which relates to unsuccessful drilling operations, though initially capitalised pending determination, is subsequently written off. Only costs which relate directly to the discovery and development of specific commercial oil and gas reserves will remain capitalised and to be depreciated over the lives of these reserves. The success or failure of each exploration effort will be judged on a well-by-well basis as each potentially hydrocarbon-bearing structure is identified and tested. Exploration and evaluation costs are capitalised within intangible assets. Capital expenditure on producing assets is accounted for in accordance with SORP 'Accounting for Oil and Gas Exploration'. Costs incurred prior to obtaining legal rights to explore are expensed immediately to the income statement.

All lease and licence acquisition costs, geological and geophysical costs and other direct costs of exploration, evaluation and development are capitalised as intangible or property, plant and equipment according to their nature. Intangible assets comprise costs relating to the exploration and evaluation of properties which the directors consider to be unevaluated until reserves are appraised as commercial, at which time they are transferred to tangible assets as 'Developed oil and gas assets' following an impairment review and depreciated accordingly. Where properties are appraised to have no commercial value, the associated costs are treated as an impairment loss in the period in which the determination is made.

Costs are amortised on a field by field unit of production method based on commercial proven and probable reserves.

The calculation of the 'unit of production' amortisation takes account of the estimated future development costs and is based on the current period and un-escalated price levels. Changes in reserves and cost estimates are recognised prospectively.

Property, plant and equipment
Oil and gas assets: development and production
Development and production ("D&P") assets are accumulated on a well by well basis and represent the cost of developing the commercial reserves discovered and bringing them into production, together with the E&E expenditures incurred in finding commercial reserves transferred from intangible E&E assets as outlined above. The carrying values of producing assets are depreciated on a well by well basis using the unit of production method

based on entitlement to provide by reference to the ratio of production in the period to the related commercial reserves of the well, taking into account any estimated future development expenditures necessary to bring additional non producing reserves into production.

An impairment test is performed for D&P assets whenever events and circumstances arise that indicate that the carrying value of development or production phase assets may exceed its recoverable amount. The aggregate carrying value is compared against the expected recoverable amount of each well, generally by reference to the present value of the future net cash flows expected to be derived from production of commercial reserves.

The D&P assets for Nancy-Burdine-Maxine well are amortised evenly at 40% per year.

Decommissioning
Where a material liability for the removal of production facilities and site restoration at the end of the productive life of a field exists, a provision for decommissioning is recognised. The amount recognised is the present value of estimated future expenditure determined in accordance with local conditions and requirements. A tangible asset of an amount equivalent to the provision is also created and depreciated on a unit of the production basis. Changes in estimates are recognised prospectively, with corresponding adjustments to he provision and the associated fixed assets.

Non oil and gas assets
Property, plant and equipment other than oil and gas assets are stated at cost, less accumulated depreciation, and any provision for impairment. Depreciation is provided at rates estimated to write off the cost, less estimated residual value of each asset evenly over its expected useful life as follows:

Motor vehicle	—	5 years
Equipment and machinery	—	4–10 years

Investments
Investments are stated at cost less provision for any impairment in value.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Inventories
Inventories, including materials, equipment and inventories of gas and oil held for sale in the ordinary course of business, are stated at weighted average historical cost, less provision for deterioration and obsolescence or, if lower, net realisable value.

Revenue
Oil and gas sales revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for the Group's share of oil and gas supplied in the period.

Taxation
Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the same income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Trade payables
Trade payables are not interest bearing and are stated at their nominal value.

Fair values
The carrying amounts of the financial assets and liabilities such as cash and cash equivalents, receivables and payables of the Group at the balance sheet date approximated their fair values, due to relatively short term nature of these financial instruments.

The Company provides financial guarantees to licensed banks for credit facilities extended to a subsidiary company. The fair value of such financial guarantees is not expected to be significantly different as the probability of the subsidiary company defaulting on the credit lines is remote.

Share-based compensation
The fair value of the employee and suppliers services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting year is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each balance sheet date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

Equity instruments
Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Provisions
Provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present value where the effect is material.

Financial instruments
Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transactions costs, except as described below. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial assets to another party without retaining control or substantially all risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date, i.e. the date that the Group commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

Segment reporting
A business segment is a Group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

Foreign currencies
i) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates (the functional currency), which are mainly in Pounds Sterling (£), US Dollars (US$), Colombian Pesos ($Col) and Peruvian Nuevo Sol (PEN). The financial statements are presented in Pounds Sterling (£), which is the Group's presentation currency.

ii) Transactions and balances

Foreign currency transactions are translated into the presentational currency using exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

iii) Group companies

The results and financial position of all Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

(b) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

(c) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Critical accounting judgments and key sources of estimation uncertainty
The preparation of the consolidated financial statements requires management to make estimates and assumptions concerning the future that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. The resulting accounting estimates will, by definition, differ from the related actual results.

Carrying value of property, plant and equipment (Note 10);

Carrying value of intangible exploration and evaluation fixed assets (Note 11);

Valuation of petroleum and natural gas properties: consideration of impairment includes estimates relating to oil and gas reserves, future production rates, overall costs, oil and natural gas prices which impact future cash flows. In addition, the timing of regulatory approval, the general economic environment and the ability to finance future activities through the issuance of debt or equity also impact the impairment analysis. All these factors may impact the viability of future commercial production from developed and unproved properties, including major development projects, and therefore the need to recognise impairment.

Commercial reserves estimates (Section 6)

Oil and gas reserve estimates: estimation of recoverable reserves include assumptions regarding commodity prices, exchange rates, discount rates, production and transportation costs all of which impact future cashflows. It also requires the interpretation of complex geological and geophysical models in order to make an assessment of the size, shape, depth and quality of reservoirs and their anticipated recoveries. The economic, geological and technical factors used to estimate reserves may change from period to period. Changes in estimated reserves can impact developed and undeveloped property carrying values, asset retirement costs and the recognition of income tax assets, due to changes in expected future cash flows. Reserve estimates are also integral to the amount of depletion and depreciation charged to income.

Decommissioning costs;

Asset retirement obligations: the amounts recorded for asset retirement obligations are based on each field's operator's best estimate of future costs and the remaining time to abandonment of oil and gas properties, which may also depend on commodity prices. The directors are in the opinion that the decommissioning costs are immaterial to be included in the accounts.

Share based payments (Note 20);

The fair value of share-based payments recognised in the income statement is measured by use of the Black Scholes model, which takes into account conditions attached to the vesting and exercise of the equity instruments. The expected life used in the model is adjusted; based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. The share price volatility percentage factor used in the calculation is based on management's best estimate of future share price behaviour and is selected based on past experience, future expectations and benchmarked against peer companies in the industry.

2. Segmental Information
In the opinion of the Directors the Group has once class of business, being the exploration for, and development and production of, oil and gas reserves, and other related activities.

The Group's primary reporting format is determined to be the geographical segment according to the location of the oil and gas asset. There are currently three geographic reporting segments: South America and Spain, which are involved in production, development and exploration activity, and the United Kingdom being the head office.

Exploration and production 2008

	United Kingdom £000	Spain £000	South America £000	Total £000
Revenue – oil	—	—	398	398
Cost of sales	—	—	(148)	(148)
Gross profit	—	—	250	250
Development expenditure written off	(18)	—	(1,065)	(1,083)
Administration expenses	(750)	—	(7)	(757)
Operating profit/(loss)	(768)	—	(822)	(1,590)
Finance income	206	—	2	208
Goodwill on consolidation written off	—	—	(129)	(129)
Gains on disposal of assets	1,052	250	1,350	2,652
Profit/(loss) before taxation	490	250	401	1,141
Income tax expense	(179)	(75)	(50)	(304)
Profit/(loss) before taxation	311	175	351	837
Assets and liabilities				
Segment assets	4,384	—	1,322	5,706
Cash and cash equivalents	1,430	181	3,539	5,150
Total assets	5,814	181	4,861	10,856
Segment liabilities	44		1,908	1,952
Current tax liabilities	254	37	13	304
Total liabilities	298	37	1,921	2,256
Other segment items				
Capital expenditure	1	—	7	8
Depreciation and amortisation	1	—	128	129
Acquisition costs – oil and gas assets	—	—	209	209

Exploration and production 2007

	United Kingdom £000	Spain £000	South America £000	Total £000
Revenue – oil			—	—
Cost of sales			—	—
Gross profit	—	—	—	—
Development expenditure written off	(16)	—	(1,284)	(1,300)
Administration expenses	(592)	—	(70)	(662)
Operating profit/(loss)	(608)	—	(1,354)	(1,962)
Finance income	130	—	—	130
Goodwill on consolidation written off	—	—	—	—
Gains on disposal of assets	—	—	—	—
Profit/(loss) before taxation	(478)	—	(1,354)	(1,832)
Income tax expense	—	—	—	—
Profit/(loss) before taxation	(478)	—	(1,354)	(1,832)

Exploration and production 2007 (continued)

	United Kingdom £000	Spain £000	South America £000	Total £000
Assets and liabilities				
Segment assets	2,324	150	332	2,806
Cash and cash equivalents	3,225	—	666	3,891
Total assets	5,549	150	998	6,697
Segment liabilities	31		3	34
Current tax liabilities	—	—	—	—
Total liabilities	31	—	3	34
Other segment items				
Capital expenditure	1	—	—	1
Depreciation and amortisation	1	—	6	7
Acquisition costs – oil and gas assets	1,721	—	—	1,721

3. Profit/(loss) from operations

	2008 £000	2007 £000
The loss on ordinary activities before taxation is stated after charging:		
Pre-production costs	736	1,218
Auditors' remuneration		
Group – audit	11	11
Company – audit	11	11
Group – non-audit services	—	7
Depreciation of non oil and gas assets	7	7
Depreciation of oil and gas assets	121	16
Compensation for loss of office	3	—

The analysis of administrative expenses in the consolidated income statement by nature of expense:

	2008 £000	2007 £000
Pre-production costs	736	1,218
Changes in inventories of finished goods	214	—
Employee benefit expense	452	70
Depreciation, amortisation and impairment charges	128	36
Legal and professional fees	70	64
Other expenses	240	574
Total development and adminstration costs	1,840	1,962

4. Staff numbers and cost

The average number of persons employed by the group (including directors) during the year, analysed by category, were as follows:

	2008 Number	2007 Number
Technical and administration	6	6

The aggregate payroll costs of these persons were as follows:

	£000	£000
Wages and salaries	66	64
Directors fees	380	118
Social security costs	6	6
	452	188

5. Finance income

	2008 £000	2007 £000
Bank interest	208	130

6. Gains on sales of assets

	2008 £000	2007 £000
Disposal of investments	1,052	—
Disposal of oil field interests	250	—
Disposal of proprietary knowledge	1,350	—
	2,652	—

Disposal of investments

The Group sold its interests in Minmet Resources plc and Ascent Resources plc in August 2007

	2008 £000	2007 £000
Sale proceeds	4,539	—
Cost of assets disposed	(3,373)	—
Disposal expenses	(114)	—
	1,052	—

The sale proceeds included the return of 22,950,000 shares in the company, which were held to the Company's account, and placed in the market on 31 July 2008 for net proceeds of £1,764,000.

Disposal of oil field interests

In April 2008, the Group disposed of its 11.25% interest in the Ayoluengo field in Northern Spain for €315,211.

Disposal proprietary knowledge

The Group disposed of certain proprietary knowledge in relation to exploration in Cuba for £1,350,000 in April 2008.

7. Income tax expense

	2008 £000	2007 £000
The tax charge on the profit on ordinary activities was:		
UK Corporation Tax	254	—
Foreign taxation	50	—
	304	—

The total charge for the year can be reconciled to the accounting profit as follows:

Profit/(loss) before tax		
Continuing operations	1,141	(1,832)
Tax at domestic income tax rate of 29.84%	340	(550)
Effects of:		
Profits not subject to UK tax	(307)	—
Increase in tax losses	221	550
Foreign taxation	50	—
Tax expense	304	—

The Group has tax losses of £2,473,000 (2007 – £2,501,000) to carry forward against future profits. The deferred tax asset on these tax losses at 28% of £692,000 (2007 – £750,000) has not been recognised due to the uncertainty of the recovery.

8. Loss for the period

As permitted by section 230 of the Companies Act 1985, the holding company's income statement has not been included in these financial statements. The loss for the financial year is made up as follows:

	2008 £000	2007 £000
Holding company's loss	2,183	462

9. Earnings per share

	2008	2007
Loss per ordinary share		
— Basic	0.18p	(0.44p)
— Diluted	0.18p	(0.44p)

Earnings per ordinary share is based on the Group's profit for the financial year of £837,000 (2007 – loss of £1,832,000).

The weighted average number of shares used in the calculation is the weighted average ordinary shares in issue during the year.

	2008 Number	2007 Number
Weighted average ordinary shares in issue during the year	474,408,008	420,474,675
Potentially dilutive warrants issued	—	17,208,676
Weighted average ordinary shares for diluted earning per share	474,408,008	437,683,351

The calculation of the diluted EPS assumes all criteria-giving rise to the dilution of the EPS are achieved and all outstanding share options at the year-end are exercised. As the market value of the shares is lower than the warrant price, there is no dilution in the number of shares.

10. Property, plant and equipment

	Development and production costs £000	Equipment and machinery £000	Vehicles £000	Total £000
Group				
Cost				
At 1 May 2006	—	8	19	27
Additions	—	1	—	1
At 1 May 2007	—	9	19	28
Additions	—	8	—	8
Transferred from intangibles	320	—	—	320
At 30 April 2008	320	17	19	356
Depreciation				
At 1 May 2006	—	1	4	5
Charge for the year	—	1	6	7
At 1 May 2007	—	2	10	12
Charge for the year	121	4	3	128
Transferred from intangibles	16	—	—	16
At 30 April 2008	137	6	13	156
Net book value				
At 30 April 2008	183	11	6	200
At 30 April 2007	—	7	9	16
Company				
Cost				
At 1 May 2006	—	3	—	3
Additions	—	1	—	1
At 1 May 2007	—	4	—	4
Additions	—	1	—	1
Transferred from intangibles	320	—	—	320
At 30 April 2008	320	5	—	325

10. Property, plant and equipment (continued)

	Development and production costs £000	Equipment and machinery £000	Vehicles £000	Total £000
Depreciation				
At 1 May 2006	—	1	—	1
Charge for the year	—	1	—	1
At 1 May 2007	—	2	—	2
Charge for the year	121	2	—	123
Transferred from intangibles	16	—	—	16
At 30 April 2008	137	4	—	141
Net book value				
At 30 April 2008	183	1	—	184
At 30 April 2007	—	2	—	2

11. Intangible fixed assets

	Acquisition of licence £000	Exploration and evaluation costs £000	Total £000
Group			
Cost			
At 1 May 2006	—	299	299
Expenditure	—	21	21
At 1 May 2007	—	320	320
Expenditure	2,105	—	2,105
Transferred to property, plant & equipment	—	(320)	(320)
At 30 April 2008	2,105	—	2,105
Amortisation			
At 1 May 2006	—	—	—
Charge for the year	—	16	16
At 1 May 2007	—	16	16
Charge for the year	—		
Transferred to property, plant & equipment	—	(16)	(16)
At 30 April 2008	—	—	—
Net book value			
At 30 April 2008	2,105	—	2,105
At 30 April 2007	—	304	304

11. Intangible fixed assets (continued)

	Acquisition of licence £000	Exploration and evaluation costs £000	Total £000
Company			
Cost			
At 1 May 2006	—	299	299
Expenditure	—	21	21
At 1 May 2007	—	320	320
Expenditure	—	—	—
Transferred to property, plant & equipment	—	(320)	—
At 30 April 2008	—	—	—
Amortisation			
At 1 May 2006	—	—	—
Charge for the year	—	16	16
At 1 May 2007	—	16	16
Charge for the year			
Transferred to property, plant & equipment	—	(16)	(16)
At 30 April 2008	—	—	—
Net book value			
At 30 April 2008	—	—	—
At 30 April 2007	—	304	304

The exploration and evaluations costs above represents the costs incurred in acquiring license, exploring and evaluating the Nancy-Burdine-Maxine Oil fields through the Company's Colombian branch. The oil field has commercial reserves and has started producing commercial hydrocarbons. The assets have been assessed for impairment and reclassified as development and production assets within intangible assets.

The acquisition of license relates to the 20% interest in the Azar field in Colombia through the Company's subsidiary, Red River Capital Advisors SA. The value of the Group's investments in these assets is dependant on the development of the oil reserves. Should this prove unsuccessful, the value included above would be written down (see note 12).

12. Goodwill

	Goodwill on consolidation of subsidiaries £000	Goodwill on acquisition of associate £000	Share of associate's net deficit £000	Total £000
Group				
Cost				
At 1 May 2006	—	267	(117)	150
Additions	—	—	—	—
At 1 May 2007	—	267	(117)	150
Additions	—	—	—	—
Reclassify to subsidiary	150	(267)	117	—
At 30 April 2008	150	—	—	150

12. Goodwill (continued)

	Goodwill on consolidation of subsidiaries £000	Goodwill on acquisition of associate £000	Share of associate's net deficit £000	Total £000
Impairment				
At 1 May 2006	—	8	—	8
Charge for the year	—	13	—	13
At 1 May 2007	—	21	—	21
Charge for the year	129	—	—	129
Reclassify to subsidiary	21	(21)	—	—
At 30 April 2008	150	—	—	150
Net book value				
At 30 April 2008	—	—	—	—
At 30 April 2007*	—	246	(117)	129

*2007 figures shown in investment, see note 13.

The reclassification of goodwill from associate to subsidiary relates to acquisition of the remaining 50% equity interest in Ayoopco Limited for £1 during the year. The goodwill has been impaired as the La Lora license interest held by Ayoopco was sold to third party during the year resulting Ayoopco to become dormant.

The carrying goodwill represents the acquisition on Red River Capital Advisors SA. The oil field has commercial reserves of hydrocarbons. The value of this asset is dependent on the development of the oil reserves. Should this prove unsuccessful, the value included above would be written down.

Goodwill

The fair valuation consideration and liability acquired Red River Capital Advisors SA is as follows.

	£000
Investment – cash	2,105
Fair value of assets acquired	—
Intangible asset – license acquisition	2,105
Goodwill	—

13. Investments

	Goodwill on acquisition of associate £000	Share of associate's net deficit investment £000	Listed investment £000	Total £000
Group				
Cost				
At 1 May 2006	267	(117)	50	200
Additions	—	—	1,721	1,721
At 1 May 2007	267	(117)	1.771	1,921
Additions	—	—	302	302
On disposal	—	—	(2,073)	(2,073)
Reclassify as group	(267)	117	—	(150)
At 30 April 2008	—	—	—	—

13. Investments (continued)

	Goodwill on acquisition of associate £000	Share of associate's net deficit investment £000	Listed investment £000	Total £000
Impairment				
At 1 May 2006	8	—	—	8
Charged for the year	13	—	—	13
At 1 May 2007	21	—	—	21
Charged for the year	—	—	—	—
Reclassify as group	(21)	—	—	(21)
At 30 April 2008	—	—	—	—
Carrying value				
At 30 April 2008	—	—	—	—
At 30 April 2007	246	(117)	1,771	1,900

Company	Investment in associate £000	Listed investment £000	Loans to group undertaking £000	Shares in group undertaking £000	Total £000
Cost					
At 1 May 2006	150	50	454	150	804
Additions	—	1,721	1,589	—	3,310
At 1 May 2007	150	1,771	2,043	150	4,114
Additions	—	302	1,528	1,923	3,753
On disposal	—	(2,073)	—	—	(2,073)
Reclassify as group	(150)	—	—	150	—
At 30 April 2008	—	—	3,571	2,223	5,794
Impairment					
At 1 May 2006 and 1 May 2007	—	—	—	—	—
Charge for the year	—	—	2,313	125	2,438
At 30 April 2008	—	—	2,313	125	2,438
Carrying value					
At 30 April 2008	—	—	1,258	2,098	3,356
At 30 April 2007	150	1,771	2,043	150	4,114

The Company made a provision on the outstanding loan to Gold Oil Peru S.A.C. of £2,312,662 as the company has not been successful with the exploration of hydrocarbon. The amounts owed by JV partners have not been impaired.

The Company also made a provision of £125,000 on the cost of investment in Ayoopco Limited.

13. Investments (continued)

The Company's subsidiary undertakings at the year end were as follows:

Company	Country of Incorporation	Shareholdings	Principal activity
Gold Oil Plc Sucursal Colombia	Colombia	Branch	Exploration and production of oil and gas
Gold Oil Perú S.A.C	Peru	100%	Exploration of oil and gas
Gold Caribbean Ltd	Commonwealth of Dominica	100%	Exploration of oil and gas
Ayoopco Ltd	England	100%	Exploration and production of oil and gas
Red River Capital Advisors SA	Panama	100%	Exploration of oil and gas

Acquisition and disposal of fixed assets

Due to the inherently uncertain nature of the oil and gas industry, and exploration and evaluation of assets in particular, the assumptions underlying the assigned values below are significantly judgmental in nature. The acquisition and disposal considerations below are considered equal to the aggregate of the fair values of the assets and liabilities acquired or disposed, and therefore no fair value adjustments have been recorded on the acquisitions.

(a) Acquisition of investment assets

On 22 February 2008, the company acquired the whole of the issued share capital of Red River Capital Advisors SA, incorporated in Panama, which holds a 20% interest in the Azar field in Colombia.

The acquisition had the following effect on the Group's assets and liabilities

	Book values £000	Fair value adjustments £000	Carrying values £000
Intangible asset – licence acquisition	208	1,897	2,105
Goodwill on acquisition			—
Consideration settled in cash			2,105

On 11 April 2008 the Company acquired the remaining 50% of Ayoopco Limited for £1. The sole purpose of this company is to provide a vehicle with established operations and accounts and which is qualified to apply for future license applications in South America.

The acquisition had the following effect on the Group's assets and liabilities

	Book values £000	Fair value adjustments £000	Carrying values £000
Cash and bank	182	—	182
Payables	(182)	—	(182)
	—	—	—
Goodwill on acquisition			—
Consideration settled in cash			—

(b) Disposal of investments assets

On 2 October 2007, the Group sold its equity interests in Minmet Resources plc for £2,601,000.

On 1 August 2007, the Group sold its equity interest in Ascent Resources plc for £101,850.

14. Inventories

	2008		2007	
	Group £000	Company £000	Group £000	Company £000
Exploration materials and consumables	214	—	—	—

15. Cash and cash equivalents

	2008		2007	
	Group £000	Company £000	Group £000	Company £000
Bank current accounts	318	78	128	40
Bank deposit accounts	4,832	2,151	3,763	3,723
	5,150	2,229	3,891	3,763

Bank deposit accounts comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less and earn interest at respective short-term deposit rates. The carrying amount of these assets approximates their fair value.

As at 30 April 2008, bank deposit accounts included £600,000 that was held as guarantee in respect of a letter of credit and is not available for use until the Group fulfills its license commitments.

16. Trade and other receivables

	2008		2007	
	Group £000	Company £000	Group £000	Company £000
Trade receivables	84	84	—	—
Other receivables	3,066	2,914	454	13
Amounts owed by subsidiary and associate undertakings	—	208	111	111
Corporation tax receivables	21	21	21	21
Prepayments and accrued income	16	16	—	—
	3,187	3,243	586	145

Included in other receivables is the Company's shares received amounted to £1.8 million in respect of the disposal of Minmet plc interest. The shares were subsequently placed in July 2008. Also included in other receivables is £668k in respect of deposit paid to Colombian state oil authority for Rosa Blanca oil field project. The monies shall be returned at the end of the Phase 1 exploration period of this contract.

17. Trade and other payables

	2008		2007	
	Group £000	Company £000	Group £000	Company £000
Trade payables	33	32	1	—
Other payables	833	690	9	5
Accruals and deferred income	19	16	24	24
Deferred consideration	1,067	1,067	—	—
Taxation	304	268	—	—
	2,256	2,073	34	29

Included in deferred consideration is the remainder US$2 million of the purchase consideration relating to the acquisition of Red River Capital Advisors S.A. The full amount was paid in May 2008.

18. Share capital

	2008 £000	2007 £000
Authorised		
1,000,000,000 ordinary shares of £0.00025 each	250	250

Allotted, called up and fully paid		
Equity: 480,853,909 ordinary shares of £0.00025 each		
(2007 – 463,553,909 ordinary shares of £0.00025 each	120	116

On 12 July 2007, 11,900,000 ordinary shares were issued at 1p per share on the exercise of warrants.

On 26 September 2007, 200,000 ordinary shares were issued at 1p per share on the exercise of warrants.

On 23 November 2007, 2,875,000 ordinary shares were issued at 1p per share on the exercise of warrants.

On 20 December 2007, 575,000 ordinary shares were issued at 1p per share on the exercise of warrants.

On 27 March 2008, 1,750,000 ordinary shares were issued at 1p per share on the exercise of warrants.

On 31 August 2008, 22,950,000 ordinary shares were issued at 8p per share on the placing of the shares.

Warrants

Details of warrants issued, exercised and lapsed during the year together with warrants outstanding at 30 April 2008 are as follows:

Issue date	Final exercise date	Exercise price	1 May 2007 '000	New issue '000	Exercised '000	Lapsed '000	30 April 2008 '000
8 June 2004	8 June 2007	1p	—	—	—	—	—
18 June 2004	18 June 2007	1p	25,350	—	(17,300)	(8,050)	—
14 July 2004	14 July 2007	1p	—	—	—	—	—
16 June 2006	31 December 2006	7.5p	—	—	—	—	—
9 October 2006	6 October 2009	9p	22,000	—	—	—	22,000
			47,350		(17,300)	(8,050)	22,000

Each £0.09 warrant grants the holder the right to subscribe for one Ordinary Share at £0.09 per share, such right to be exercisable at any time prior to 6 October 2009. The Warrants issued to directors and staff may only be exercised in tranches no more than twice in any twelve-month period.

The comparative table for 2007 is detailed below:

Issue date	Final exercise date	Exercise price	1 May 2006 '000	New issue '000	Exercised '000	Lapsed '000	30 April 2007 '000
8 June 2004	8 June 2007	1p	8,850	—	(8,850)	—	—
18 June 2004	18 June 2007	1p	35,000	—	(9,650)	—	25,350
14 July 2004	14 July 2007	1p	1,000	—	(1,000)	—	—
16 June 2006	31 December 2006	7.5p	—	23,500	(15,854)	(7,646)	—
9 October 2006	6 October 2009	9p	—	22,000	—	—	22,000
			44,850	45,500	(35,354)	(7,646)	47,350

19. Share premium and reserves

	Share premium account £000	Retained earnings £000
Group		
At 1 May 2007	9,305	(2,758)
Profit for the year	—	837
Foreign exchange translation adjustments	—	277
Premium on share issues	819	—
At 30 April 2008	10,124	(1,644)

	Share premium account £000	Retained earnings £000
Company		
At 1 May 2007	9,305	(1,122)
Loss for the year	—	(2,372)
Foreign exchange translation adjustments	—	189
Premium on share issues	819	—
At 30 April 2008	10,124	(3,305)

20. Share based payments

The warrants will not normally be exercisable during a closed period, and furthermore can only be exercisable if the performance conditions are satisfied.

Subsisting warrants will lapse no later than 3 years after the date of grant.

Warrants which have vested immediately before either the death of a participant or his ceasing to be an eligible employee by reason of injury, disability, redundancy, retirement or dismissal (otherwise than for good cause) shall remain, exercisable (to the extent vested) for 12 months after such cessation, and all non-vested options shall lapse.

The fair values of the options granted have been calculated using Black-Scholes model assuming the inputs shown below:

Grant date	Oct 2006	Jun 2006
Number of warrants granted	22,000,000	23,500,000
Share price at grant date	8.5p	6.5p
Exercise price at grant date	9.0p	7.5p
Option life	3 years	6 months
Risk free rate	4.50%	4.50%
Expected volatility	20%	10%
Expected dividend yield	0%	0%
Fair value of option	0p	0p

21. Directors' emoluments

Directors' emoluments and other benefits are as listed below.

	2008 £000	2007 £000
Directors' remuneration	42	42
Directors' fees	380	118
	422	160

21. Directors' emoluments (continued)

The directors fees to M N Burchell and J G Moore shown above are paid through Sunningdale Oils (Ireland) Limited of £298,000 and Tupac Oil Corporation of £77,000 per the consultancy agreements dated 1 February 2006 and 1 March 2008 respectively.

Highest paid director emoluments and other benefits are as listed below.

	2008 £000	2007 £000
Directors' remuneration	22	22
Directors' fees	210	90
	232	112

The highest paid director is J G Moore.

22. Financial instruments

Financial Instruments

The Group's activities expose it to a variety of financial risks: credit risk, cash flow interest rate risk, foreign currency risk, liquidity risk, price risk and capital risk. The Group's activities also expose it to non-financial risks: market risk. The Group's overall risk management programme focuses on unpredictability and seeks to minimise the potential adverse effects on the Group's financial performance. The Board, on a regular basis, reviews key risks and, where appropriate, actions are taken to mitigate the key risks identified.

Financial instruments – Risk Management

The Group is exposed through its operations to the following risks:

- Credit risk
- Cash flow interest rate risk
- Foreign Exchange Risk
- Liquidity risk
- Price risk
- Capital risk
- Market risk

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

Principal financial instruments

The principal financial instruments used by the Group, from which financial instrument risk arises are as follows:

- Loans and receivables
- Trade and other receivables
- Cash and cash equivalents
- Short term investments
- Trade and other payables

22. Financial instruments (continued)

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining responsibility for them it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Board receive regular updates from the Executive Directors through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets. The overall objective of the Board is to set policies that seek to reduce as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

Credit risk

The Group's principal financial assets are bank balances and cash, trade and other receivables. The credit risk on liquid funds is limited because the counter parties are banks with high credit ratings assigned by international credit-rating agencies. The Group's credit risk is primarily attributable to its trade. The amounts presented in the balance sheet are net of allowance for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experiences, is evidence of a reduction in the recoverability of the cash flows. The Group has no significant concentration of credit risk, with exposure spread over a large number of counter parties and customers.

Cash flow interest rate risk

The Group is exposed to cash flow interest rate risk from its deposits of cash and cash equivalents with banks. The cash balances maintained by the Group are proactively managed in order to ensure that the maximum level of interest is received for the available funds but without affecting the working capital flexibility the Group requires.

The Group is not at present exposed to cash flow interest rate risk on borrowings as it has no debt. No subsidiary company of the Group is permitted to enter into any borrowing facility or lease agreement without the prior consent of the Company.

Interest rates on financial assets and liabilities

The Group's financial assets consist of cash and cash equivalents, loans, trade and other receivables. The interest rate profile at 30 April of these assets was as follows:

2008	Financial assets on which interest earned £000	Financial assets on which interest not earned £000	Total £000
UK sterling	2,008	40	2,048
US dollar	1,873	50	1,923
Colombian pesos	761	38	799
Peruvian Nuevo Sol (PEN)	667	1	668
	5,309	129	5,438

2007	Financial assets on which interest earned £000	Financial assets on which interest not earned £000	Total £000
UK sterling	3,189	40	3,229
US dollar	—	—	—
Colombian pesos	500	34	534
Peruvian Nuevo So le	100	28	128
	3,789	102	3,891

22. Financial instruments (continued)

The Group earned interest on its interest bearing financial assets at rates between 4% and 5% (2007 4% and 5%) during the year. All financial assets on which no interest is earned are considered immediately available to turn into cash on demand.

It is considered that there have been no significant changes in cash flow interest rate risk at the reporting date compared to the previous year end and that therefore this risk has had no material impact on earnings or shareholders' equity.

Foreign exchange risk

Foreign exchange risk arises because the Group has operations located in various parts of the world whose functional currency is not the same as the functional currency in which other Group companies are operating. Although its geographical spread reduces the Group's operation risk, the Group's net assets arising from such overseas operations are exposed to currency risk resulting in gains and losses on retranslation into Sterling. Only in exceptional circumstances will the Group consider hedging its net investments in overseas operations, as generally it does not consider that the reduction in foreign currency exposure warrants the cash flow risk created from such hedging techniques. It is the Group's policy to ensure that individual Group entities enter into local transactions in their functional currency wherever possible and that only surplus funds over and above working capital requirements should be transferred to the parent company treasure. The Group considers this policy minimises any unnecessary foreign exchange exposure.

In order to monitor the continuing effectiveness of this policy the Board through their approval of both corporate and capital expenditure budgets and review of the currency profile of cash balances and management accounts, considers the effectiveness of the policy on an ongoing basis.

The following table discloses the major exchange rates of those currencies utilised by the Group:

Foreign currency units to £1 UK Sterling (rounded to two decimal places)

	US$	Col$	PEN
Average for 2008	2.01	4,016	6.16
At 30 April 2008	1.98	3,559	5.63
Average for 2007	1,91	4,595	6.36
At 30 April 2007	1.99	4,016	6.61

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain readily available cash balances (or agreed facilities) to meet expected requirements for a period of at least 60 days. The Group currently has no long term borrowings.

It is considered that liquidity risk of the Group at the reporting date has been substantially reduced compared to the previous year end given the material asset disposal transactions entered in to by the Group which had had an extremely significant positive impact on both on earnings and shareholders equity.

Price risk

Oil and gas sales revenue is subject to energy market price risk. The Group's oil and gas sales revenue in 2008 have benefited from the high crude oil price during this period.

22. Financial instruments (continued)

Given current production levels, it is not considered appropriate for the Group to enter into any hedging activities or trade in any financial instruments, such as derivatives. This strategy will be subject to more regular review through 2008 when the production level increases.

It is considered that price risk of the Group at the reporting date has substantially increased compared to the previous year end given the Group's significant increase in hydrocarbon production levels in percentage terms and the increase in oil and gas prices seen during 2007 which has continued in to 2008. However, the oil and gas price has reduced significantly in October 2008, which could have a significant impact on the result for 2009.

Capital risk

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

Market risk

The market may not grow as rapidly as anticipated. The Group may lose customers to its competitors. The Group's major competitors may have significantly greater financial resources than those available to the company. There is no certainty that the company will be able to achieve its projected levels of sales or profitability.

23. Contingent liabilities

The Group has given guarantees of $1,500,000 to PerúPetro SA to fulfil licence commitments for Block XXI and Z34.

24. Post balance sheet events

On 31 July, the Company placed 22,950,000 of its ordinary shares that had previously been held for the account of the company following the disposal of its interests in Minmet Resources plc. The net proceeds amounts to £1,764,000.

On 3 August 2008, the Company acquired Inversiones Petroleras de Colombia S.A. ('Invepetrol') for a total consideration of $4 million. Invepetrol owns an 18.05% participating interest in the Union Temporal II & B that is the Operator and Licence holder of the Nancy, Burdine and Maxine oil fields in the Putumayo Basin in Southern Colombia. The Company already owns a 40% interest in Union Temporal and this will take the Company's total interest to 58.05% (27.29% of net production.).

On 9 October 2008, the Company's subsidiary, Gold Oil Caribbean Limited, acquired all of the issued shares in Plectrum Petroleum Limited ('Plectrum').Under the terms of the agreement, the purchase consideration is US$32,165,045. The net assets of Plectrum at the acquisition date were US$33,745,975, which include US$1,580,414 cash and US$32,165,561 amount due from Capricon Oil and Gas Limited. The amount due was used to settle the purchase consideration. The Group will receive US$1,500,000 in compensation for the loss of the benefit of a 'carry' and additional 50% interest in the licence. This transaction brings Gold's working interest in the Z34 block to 100%.

25. Ultimate controlling party

Gold Oil Plc is listed on the Alternative Investment Market (AIM) operated by the London Stock Exchange. At the date of the Annual Report in the Directors opinion there is no controlling party.

26. Related party transactions

Group

There were no transactions made with other related parties except for the consultancy fees paid to the directors as disclosed in note 21.

Company

During the year, the Company advanced loan to its subsidiaries. The details of the transactions and amount owed by the subsidiaries at the year end were:

	2008		2007	
	Balance £000	Loan advance £000	Balance £000	Loan advance £000
Gold Oil Perú S.A.C *	1,148	1,418	2,043	1,589
Ayoopco Limited	110	—	110	—
Red River Capital Advisors S.A.	209	209	—	—

* The company has provided impairment of £2,312,662 on the outstanding loan. See Note 13 for details

APPENDIX 1

GOLD OIL PLC

(the "Company")

(Incorporated and registered in England and Wales with registered number 05098776)

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Company will be held at Finsgate, 5-7 Cranwood Street, London EC1V 9EE on Wednesday 26 November 2008 at 11.00 a.m. for the following purposes:

As Ordinary Business

To consider, and, if thought fit, pass the following resolutions which will be proposed ºas ordinary resolutions of the Company.

Ordinary Resolutions

1. To receive the Company's annual accounts for the financial year ended 30 April 2008 together with the Reports of the Directors and Auditors thereon ("Accounts").

2. To re-appoint Jeffreys Henry LLP as auditors to the Company, to hold office until the commencement of the next general meeting at which the Accounts are laid before Members of the Company and to authorise the directors to determine their remuneration.

3. To re-elect Patrick Gerald Mahony as a Director of the Company who retires in accordance with Article 105 of the Articles of Association of the Company.

4. THAT the Directors be and are hereby generally and unconditionally authorised in accordance with Section 80 of the Companies Act 1985 (the "Act"), and in substitution for all existing authorities in such regard, to allot relevant securities (within the meaning of Section 80(2) of that Act) of the Company up to an aggregate nominal amount of £129,217 (equal to the authorised but unissued share capital of the Company as at 21 October 2008) provided that such authority shall expire at the commencement of the Annual General Meeting next held after the passing of this resolution or 31 October 2009 (whichever is the earlier to occur) save that the Company may pursuant to the authority make an offer or agreement or other arrangement before the expiry of the authority which would or might require relevant securities to be allotted after such expiry, and the Directors may allot relevant securities in pursuance of such an offer or agreement or other arrangement as if the power conferred hereby had not expired.

As Special Business

To consider, and, if thought fit, pass the following resolution which will be proposed as a special resolution of the Company.

Special Resolution

5. THAT (subject to the passing of Resolution 4) the Directors be and they are hereby empowered pursuant to Section 95 of the Act to allot equity securities (within the meaning of Section 94(2) of the Act) wholly for cash pursuant to the general authority conferred on the Directors pursuant to Resolution 4 as if Section 89(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:

   (a) in connection with a rights issue, open offer or any other pre-emptive offer of equity securities to the holders of shares in the Company and other persons entitled to participate therein in proportion (as nearly as practicable) to their respective holdings subject to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of any territory or the regulations or requirements of any regulatory authority or any stock exchange in any territory; and

(b) otherwise than pursuant to paragraph (a) above up to an aggregate nominal value of £129,217 (equal to the authorised but unissued share capital of the Company as at 21 October 2008),

and such power shall expire at the commencement of the Annual General Meeting next held after the passing of this resolution or 31 October 2009 (whichever is the earlier to occur) but so that the Company may before such expiry make an offer or agreement or other arrangement which would or might require equity securities to be allotted after such expiry, and the Directors may allot securities in pursuance of any such offer or agreement or other arrangement as if that the power conferred by this resolution had not expired.

By Order of the Board
G K Barnes
Company Secretary

28 October 2008

Registered Office:
Finsgate
5-7 Cranwood Street
London EC1V 9EE

Notes:

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Company's register of members at 11.00 a.m. on 24 November 2008; or, if this Meeting is adjourned, at 11.00 a.m. on the day two days prior to the adjourned meeting, shall be entitled to attend and vote at the Meeting.
2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the Company's registrars, Computershare Investor Services (Ireland) Limited at Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland.
5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the Resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.
6. The notes to the proxy form explain how to direct your proxy how to vote on each Resolution or withhold their vote. To appoint a proxy using the proxy form, the form must be completed and signed, sent or delivered to and received by Computershare Investor Services (Ireland) Limited at Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland no later than 11:00 a.m. on 24 November 2008 or, if this meeting is adjourned, 48 hours before the adjourned meeting. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
7. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
8. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Computershare Investor Services (Ireland) Limited. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

9. In order to revoke a proxy instruction you will need to inform the Company using one of the following methods by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Computershare Investor Services (Ireland) Limited at Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by Computershare Investor Services (Ireland) Limited no later than 11:00 a.m. on 24 November 2008. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid. Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.
10. As at the close of business on 20 October 2008, the Company's issue share capital comprised 483,128,909 ordinary shares of 0.025 p each. Each ordinary share carries the right to one vote at a general meeting of the Company and therefore the total number of voting rights in the Company as at the time and date of given above is 483,128,909.

APPENDIX 2: FORM OF PROXY

GOLD OIL PLC

Form of Proxy

I/We (Block Letters) ....

of..

being a member/members of the above-named Company hereby appoint the Chairman of the Meeting or *

of..

as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at Finsgate, 5-7 Cranwood Street, London EC1V 9EE on 26 November 2008 at 11.00 a.m. and at any adjournment thereof. I/We direct that my/our vote(s) be cast on the Resolutions as indicated by an X in the appropriate box.

ORDINARY RESOLUTIONS	For	Against	Withheld
Resolution No 1 – to receive Accounts	☐	☐	☐
Resolution No 2 – to re-appoint Jeffreys Henry LLP as Auditors and to authorise the Directors to determine the remuneration of the Auditors	☐	☐	☐
Resolution No 3 – to re-elect Patrick Gerald Mahony as a Director	☐	☐	☐
Resolution No 4 – to provide the Directors with authority to allot relevant securities	☐	☐	☐
SPECIAL RESOLUTION			
Resolution No 5 – to authorise the Directors to allot equity securities pursuant to section 95 of the Companies Act 1985	☐	☐	☐

*If it is desired to appoint another person as a proxy these words should be deleted and the name and address of the proxy, who need not be a member of the Company, inserted. Unless otherwise directed, and in respect of any other resolution properly moved at the Meeting, the proxy will vote, or may abstain from voting, as he thinks fit,

DATED THIS .... day of 2008

SIGNATURE ....

Notes to the proxy form:

1. As a member of the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. You can only appoint a proxy using the procedures set out in these notes.
2. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
3. A proxy does not need to be a member of the Company but must attend the meeting to represent you. To appoint as your proxy a person other than the Chairman of the meeting, delete the words “the Chairman of the Meeting or” and insert the full name of the proxy and their address in the space provided. If you sign and return this proxy form with no name inserted in the box, the Chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the Chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting intentions. If you wish you proxy to make any comments on your behalf, you will need to appoint someone other than the Chairman and give them the relevant instructions directly.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the Company’s registrars, Computershare Investor Services (Ireland) Limited at Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland.
5. To direct your proxy how to vote on the Resolutions mark the appropriate box with an ‘X’. To abstain from voting on a Resolution, select the relevant "Vote withheld" box. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the Resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.
6. To appoint a proxy using this form, the form must be completed and signed, sent or delivered to and received by Computershare Investor Services (Ireland) Limited at Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland no later than 11.00 a.m. on 24 November 2008.
7. In the case of a member which is a company, this proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
8. Any power of attorney or any other authority under which this proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
9. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company’s register of members in respect of the joint holding (the first-named being the most senior).
10. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
11. For details of how to change your proxy instructions or revoke your proxy appointment see the notes to the notice of meeting.
12. As at the close of business on 20 October 2008, the Company’s issue share capital comprised 483,128,909 ordinary shares of 0.025 p each. Each ordinary share carries the right to one vote at a general meeting of the Company and therefore the total number of voting rights in the Company as at the time and date of given above is 483,128,909.

THIRD FOLD AND TUCK IN

FIRST FOLD

BY AIR MAIL

AFFIX
STAMP

Computershare Investor Services (Ireland) Limited,
Heron House,
Corrig Road,
Sandyford Industrial Estate,
Dublin 18,
Ireland

SECOND FOLD

FIRST FOLD