

Initiation of coverage 16 August 2005

GOLD OIL

GOO.L

5.00p

Market Data

Listing	AIM
Sector	Oil & Gas
Market Cap	£12m
Enterprise Value	£8m
Est. Free Float	100%
12-month high/low	8.6p/2.2p
Next results	23 July

Source: Hemscott

Company Statistics

Shares in Issue	345.3m
Net debt/(cash)	(£3.6m)
Gearing	0%
Interest cover	N/A
NAV per share	1p – 33.2

Source:

Source: Company accounts, Hemscott

Share price performance



Source: Bigcharts.com

Analyst

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Peruvian oil and gas play

- Gold Oil plc is an Exploration and Production company that specialises in finding and producing hydrocarbon reserves in Latin America.
- It is currently evaluating in Perú two exploration blocks, one onshore and one offshore, which are equivalent in area to 30 North Sea blocks.
- The company believes that it has a low cost and rapid entry access to large hydrocarbon reserves in Latin America.
- It is currently evaluating other opportunities in Perú, Colombia, Dutch Antilles and Trinidad, each of which has the potential of being a company maker.
- The Company raised £3.6m in a placing in February 2005.
- Gold Oil expects to create value for shareholders by searching for oil and natural gas in areas where it has a competitive and commercial advantage.
- Gold Oil started an exploration programme in the second quarter of this year with reconnaissance aeromagnetism. This was completed on schedule and comprised of 5,200 kilometres of profiles almost exclusively over Block XI. The initial findings are encouraging with a number of basin highs being established, each of which could be a drillable prospect.
- We estimate that its NAV is between 1p and 33.2p on a fully diluted basis.
- The company is confident that its management, which has spent the last eight years working in the region, have the contacts and local knowledge to capture and exploit economically attractive opportunities. Moreover, the management's experience in mergers and acquisitions, corporate and financial management

Daniel Stewart acts as Broker to Gold Oil

Year End	Turnover (£m)	EBITDA (£m)	DS&C PBT* (£m)	Tax (%)	DS&C EPS* (p)	DPS (p)	EV/EBITDA (x)	PER (x)	Yield (%)
04/04A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
04/05E	0.0	(0.2)	(0.1)	0.0	0.0	0.0	N/A	N/A	0.0
04/04E	0.0	(0.6)	(0.4)	0.0	(0.1)	0.0	N/A	N/A	0.0

* excludes goodwill and exceptional items. DSC EPS weighted and fully diluted

BACKGROUND

Gold Oil plc was formed last year to acquire oil and gas prospects in Latin America through direct investment or by acquisition, focusing initially on Perú. In July 2004, the company was floated on AIM raising £410,000 at 1p.

The attraction of Perú is that it is a hydrocarbon producing country with limited competition in the acquisition of prospects because there are only a few North American or European oil and gas companies operating in the country. Gold Oil also benefits from a low cost workforce.

BUSINESS STRATEGY

Gold Oil believes that many opportunities exist in the world to exploit successfully hydrocarbon reserves in areas where exploration, development and production have lagged behind more fashionable areas for a number of reasons. Gold Oil believes that by building up a low cost acreage position together with good technical work it can attract larger companies to finance the drilling and development stage of an oil/gas field. As a result, it will offset the risks and financing requirements that are present when exploring for hydrocarbons, and thus enhance shareholder value.

Gold Oil's strategy is to acquire potential hydrocarbon-bearing acreage where successful exploration and appraisal of discoveries can be undertaken in order to build-up its hydrocarbon reserves either through the drill bit or by acquisition. It expects to reduce its capital exposure and the risks that exploration drilling carries by farming out its acreage position to an industry party at the drilling stage.

Gold Oil's execution of this strategy has been achieved by acquiring exploration acreage, both onshore and offshore in Peru. Management intends to apply its knowledge to other parts of Latin America that it considers to be unexplored or under-explored, promote the acreage by undertaking low cost geological studies, seismic reprocessing and shooting new seismic. Part of its strategy is to reappraise neglected oil and gas areas and buy into low cost producing oil and gas fields. Its target is to reach within five years a hydrocarbon reserve base of 500 billion cubic feet of gas and 10 million barrels of oil, equivalent to 89 million barrels of oil, with production of 100 million cubic feet per day (mmcf) and 3,000 barrels of oil per day (bopd). The table below compares these expectations and Gold Oil's market capitalisation to companies such as Edinburgh Oil & Gas and Emerald Energy.

Figure 1: Peer Group Comparison

	Market Capitalisation (£ millions) 15.07.05	Hydrocarbon Prod. (boepd)	Proven & Probable Hydrocarbon Reserves (million bbls of oil equivalent)
LSE - Full Listing			
Edinburgh Oil & Gas*	133.0	433	24.9
Emerald Energy	86.4	883	11.8
JKX Oil & Gas	233.9	8,022	56.0
Melrose Resources	238.8	2,900	38.1
LSE - AIM			
Caspian Holdings	24.9	412	0.5
Circle oil	49.2	0	0.0
Desire petroleum	88.0	0	0.0
Global Energy Development	72.6	1,100	19.6
Gold Oil	12.6	0	0.0

* Acquisition price based on Dyon UK Limited offer of 317p per share on 22 April 2005

Source: Edison Investment Research / Companies

PERU

Perú is the oldest oil producing country in South America, with the first oil well drilled in the Lobitos area of the country in the 1870s by London & Pacific, a UK company, and the International Oil Company, a subsidiary of Exxon. The industry was nationalised in 1968 and then privatised in 1992 under President Fujimori.

The country has three main sedimentary basins: the Andean Pericratonic Basin, situated to the East of the Andes; the Intermountain Basins; and the Pacific Coastal Basins. At the end of 2002, Perú had total proven developed reserves of 276 million barrels (bbls) of oil and 0.531 trillion cubic feet (TCF) of gas.

Figure 2: Peru - Liquids Reserves, 2002 (m bbls)

Area	Developed	Proved Not Developed	Total	Probable	Possible
Operated Areas					
Costa	81.8	40.0	121.8	51.5	90.4
Zocalo	48.0	19.8	67.8	8.2	1,015.1
Selva Norte	132.7	50.6	183.3	124.4	771.5
Selva Central	13.2	0.2	13.4	8.1	240.0
Selva Sur	0.0	566.6	566.5	151.1	135.2
Sub-Total	275.7	677.1	952.8	343.3	2,252.2
Not Operated Areas					
Sub- Total	0.0	0.0	0.0	355.0	3,326.1
Total	275.7	677.1	952.8	698.3	5,578.3

Source: Perúpetro

Figure 3: Peru – Natural Gas Reserves, 2002 (billion cubic feet)

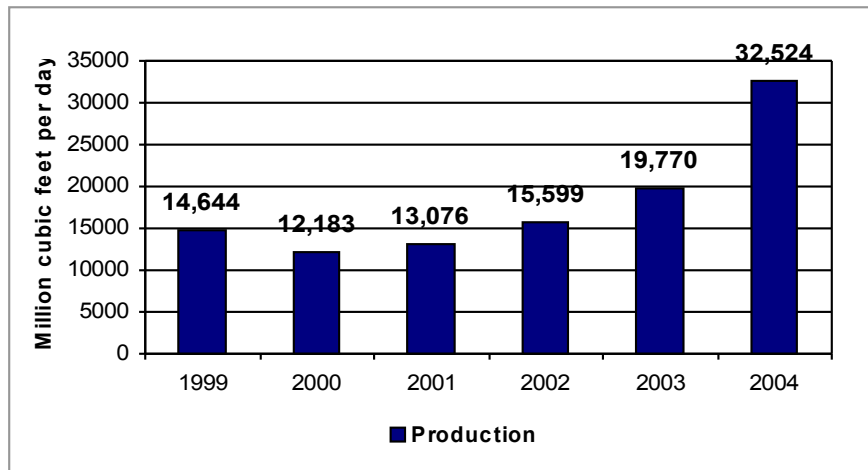
Area	Developed	Proved Not Developed	Total	Probable	Possible
Operated Areas					
Costa	137	23	160	604	669
Zocalo	129	53	182	317	3,378
Selva Norte	0	0	0	59	52
Selva Central	265	0	265	81	328
Selva Sur	0	8,108	8,108	2,162	1,697
Sub-Total	531	8,184	8,715	3,288	6,059
Not Operated Areas					
Sub- Total	0	0	0	4,031	6,540
Total	531	8,184	8,715	7,319	12,599

Source: Perúpetro

Since the departure of Shell and Exxon in the late 1990s, interest in the country's hydrocarbon reserves has waned. The number of wildcat exploration wells drilled declined from 10 in 1998 to 5 in 2004, while the number of development wells drilled fell from 93 in 1997 to 34 in 2004. The amount of seismic shot also declined, with 3-D seismic falling from 1,105 square kilometres in 2000 to little in the last two years, and 2-D seismic declining from 1,347 kilometres in 2000 to none in 2003 and only 564 kilometres in 2004.

This lack of exploration and appraisal drilling had an adverse impact on the country's hydrocarbon reserves and crude oil production showed a steady decline from 126,700 barrels of oil per day (bopd) in 1995 to 93,600 bopd in 2003. In spite of gas reserves declining, gas production since 2000 has shown a steady increase from 13.1 billion cubic feet (BCF) to 32.5 BCF in 2004.

Figure 4: Peru – Natural Gas Production (MMCFD)



Source: Perupetro

Figure 5: Peru – Total Oil Production – By Region, 1991-2003 (000s bopd)

Year	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Offshore	16.4	15.4	19.3	19.1	19.4	18.3	17.3	15.8	14.1	13.8	13.1	12.5	12.2
North West	24.6	23.3	24.0	23.7	22.7	22.5	24.1	21.2	20.7	19.5	18.9	17.8	17.5
Jungle	73.8	76.9	76.8	82.3	84.6	79.7	79.2	76.8	78.7	66.4	64.8	65.1	63.9
TOTAL	114.8	115.5	120.6	125.1	126.7	120.5	120.6	113.8	113.5	99.2	96.8	95.4	93.6

Source: Perupetro

Gold Oil’s Peruvian Assets

Gold Oil decided to concentrate its efforts on the North Western region of Perú where the US Geological Survey estimates that oil and gas reserves are 1.71 bn bbls and 4.8 TCF of gas, of which 1.68 bn bbls and 0.34 TCF of gas have been produced. In addition, the US Geological Survey estimates that there could be between 6-7 bn bbls of oil offshore Northern Perú. The Talara and Sechura basins are characterised by coastal dunes, and oil is discovered at depths ranging from 150 feet to 1,500 feet. Tertiary recovery methods, such as water flooding, are not used and production is mainly by downhole pumps. Gold Oil holds two exploration blocks in the area.

Onshore Sechura – Lancones Basin

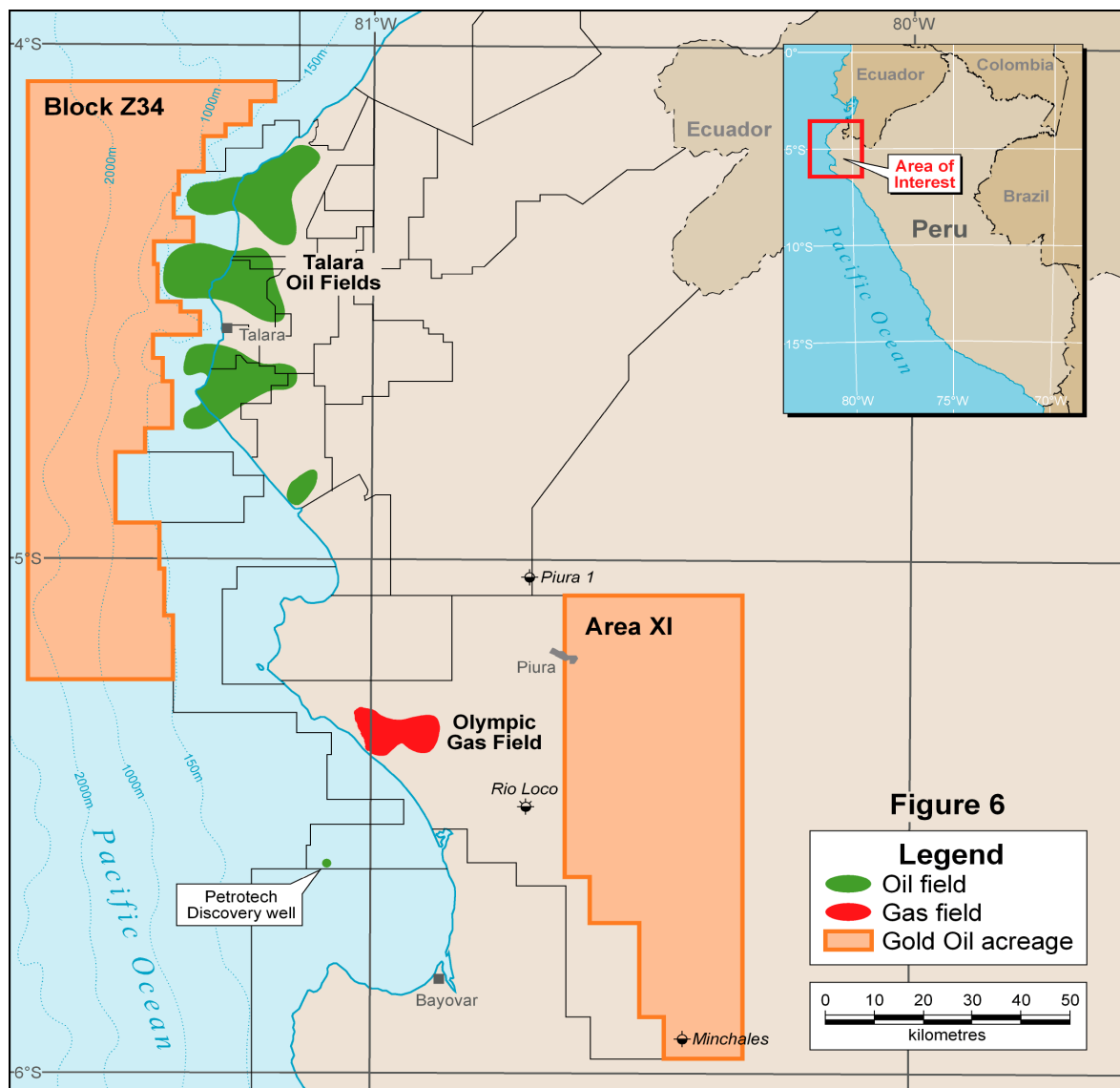
Gold Oil’s first technical evaluation agreement is on Block XI in the Sechura – Lancones Basin in Northern Perú. The block lies in a desert area and to the east of an existing producing gas field. The block covers an area of 303,000 hectares, which is equivalent in area to 13 North Sea blocks. The target reservoirs are mostly at shallow depths of between 4,000 - 6,000 feet. Under the agreement, Gold Oil will re-examine all the previous wells that encountered hydrocarbons in the area and the seismic lines shot, and if appropriate reprocess the data.

A number of large hydrocarbon accumulations have been discovered to the North and West of the Company’s Block. Gold Oil intends to identify and drill up prospects as soon as they are identified.

Gold Oil started an exploration programme in the second quarter of this year, with a reconnaissance aeromagnetics survey on Block XI. The survey was completed on schedule and comprised of 5,200 kilometres of profiles almost exclusively over Block XI. The initial findings are encouraging with a number of basin highs being established, each of which could be a drillable prospect. According to Gold Oil, the survey demonstrates

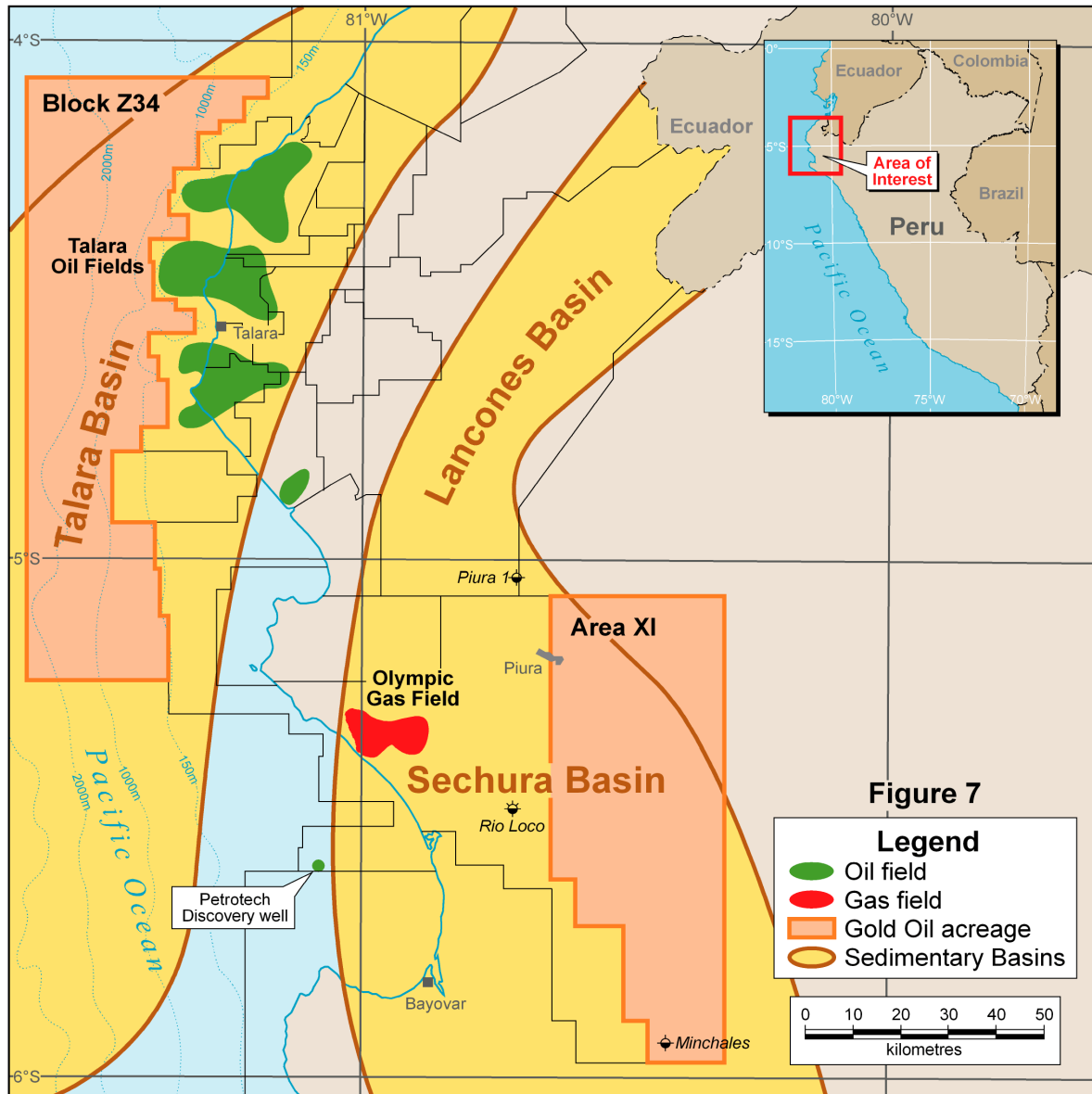
that hydrocarbons could have migrated to the block from the north and south. There are potential hydrocarbon traps of the type present in the Viru-La Casita gas field located in Block XIII, to the west of Block XI. The Viru-La Casita gas field is reported to contain 350 bn cubic feet of gas reserves. Prospects could also contain light oil. Finally, Petrotech, a Peruvian oil company, had a recent discovery to the west of Block XI, which was reported to have tested at 1500 bopd.

Figure 6: Peru – Map of Gold Oil’s Peruvian Assets



Source: Gold Oil

Figure 7: Gold Oil's Peruvian Assets and Sedimentary Basins



Source: Gold Oil

Gold Oil expects to shoot at the end of the year 180 kilometres of 2-D seismic near Piura to firm up drillable prospects and determine where to drill the first well. It expects to drill four wells over the next 18 months at a cost of US\$2.5 million. It also wants to farm-in to selected known gas blocks to drill three more wells at a cost of US\$2 million. This is to confirm to MAN Ferrostaal (see page 4) that it can prove up 500 BCF of gas by early 2006 in order for the German engineering company to start constructing its petrochemical plant. First revenue is expected to start flowing in 2008. The cost of drilling a well in the Talara/Sechura basin is estimated at between US\$500,000 and US\$600,000.

Talara Basin

The Sechura Basin has always been considered gasiferous, with one gas field coming on-stream two years ago. In contrast, the Talara Basin to the north of the Sechura Basin has produced over 1.6 billion barrels of

oil over a period of 100 years. Gas discovered in this area has been largely ignored because there was no market for it with the exception of gas lift/injection and small-scale power generation.

Offshore

On February 9 this year, Gold Oil signed a promotion agreement with PerúPetro (the State Oil company) for the 'Offshore Z-34 Cuenca Talara' block that covers 371,339 hectares, equivalent in area to 17 North Sea blocks. This is a virtually un-explored area of the Pacific and an extension to the prolific onshore Talara Basin. Gold Oil believes that there are several target reservoirs at depths of between 150m to 3,000m, and its technical assessment leads it to believe that three of the main field complexes that constitute the Talara Basin extend into the block. The block borders the PetroTech oil fields that have estimated reserves of 400 million barrels, and BPZ's block to the North that recently had a reserves report prepared by an independent petroleum engineering company showing proven+probable+possible (P3) reserves of up to 4 Tcf of natural gas.

Onshore

Gold Oil feels that several local Peruvian companies operating in the onshore Talara basin do not have the financial resources or the desire to do further exploration on their acreage. One such company identified by Gold Oil is Petrolera Monterrico, which holds a stake in the Negritos field. Gold Oil feels that the upside potential of the field has been overlooked because of a lack of technical work on it. Consequently, Gold Oil has been in negotiation to either farm-in or purchase the Petrolera interest.

Other Projects

Management believes that they can develop a market for the stranded gas found in North Western Perú. There is currently a limited local market for the gas but Gold Oil feels that it could be used as a feedstock in a petrochemical plant. A number of companies, detailed below, have un-contracted gas in the area that Gold Oil could acquire for this type of business venture.

Figure 8: Competitor Activity

Company	Main Activity	Assets
PetroTech	Offshore supply boat company	Coastal oilfield, where associated gas has been reinjected to maximise oil recovery. Gold Oil estimates that there is 280 BCF of Proved developed gas reserves that could be produced over a 10-15 year period.
Mercantile	Canadian oil and gas company	Stripper oil production. Gold Oil estimates that the company could have reserves of 600 BCF of gas in deep formations that have not been proved yet
Petrolera Monterrico	Construction Company	Stripper oil production. Gold Oil estimates that company has 600 BCF of deep gas reserves
BPZ	Start-up oil and gas company	Petroleum Engineering report states that there is 133 BCF of P1 gas reserves and 4 TCF of P3 gas reserves.
Olympic	Start up oil and gas company	Selling 3-8 mmcf/d to fish factory. Less than 200 BCF of reserves.

Source: Gold Oil

Olympic Perú has gas reserves of between 129 BCF and 380 BCF in the Piura area of the country. It has decided to use its gas reserves as an alternative to fuel oil to local industry rather than generate electric power, supplying gas via a 43 kilometre gas pipeline to three fishmeal companies and a naval dockyard in Paita.

MAN Ferrostaal

Gold Oil has decided that one of the best ways of using stranded gas reserves is as a feedstock to a petrochemical plant. As a result, in October 2004, Gold Oil signed a Memorandum of Understanding (MOU) with MAN Ferrostaal, a large German engineering company that has operated in Peru for years, to supply gas to a petrochemical plant to be built in the area. Under the terms of the MOU, MAN Ferrostaal will evaluate the feasibility of constructing a petrochemical plant in the area, while Gold Oil will assess gas supplies and pipeline transportation options. The MOU envisages a number of development stages as more and more gas reserves are procured and/or discovered. Gold Oil has the option to a 35% participation in the petrochemical plant while MAN Ferrostaal has a similar option to participate in the upstream gas supply. The area in Northern Perú has several deep-water ports capable of handling large petrochemical exports with low cost green-field sites also available.

Petrochemical Plant Development Plan

MAN Ferrostaal is a leading petrochemical plant contractor and owns several manufacturing complexes in Trinidad, Chile, and Oman. The MOU with Gold Oil envisages building a 1,850 tonnes per day ammonia plant, as well as the export facilities and pipeline to Gold Oil's gas fields at a total cost of US\$350 million. Gold Oil is committed to supplying 500 BCF of natural gas over a minimum 20-year period. The gas price is linked to the commodity price of the exported product with a floor price. The project only goes live once Gold Oil has secured the gas reserves. It is expected that Gold Oil will bring in a large upstream partner in the near future to assist with the programme.

According to Gold Oil, the petrochemical plant will be extremely profitable. Using a feedstock cost assumption of US\$1 per million BTU and an ammonia selling price of US\$143 per tonne, the Company estimates that the project will yield a net profit of US\$33 million per annum with a net present value (NPV) using a 12 per cent discount factor of US\$224 million. If we factor in the current price of ammonia, which is US\$240/tonne, the project would generate a net profit of US\$55 million per annum and a NPV of US\$374 million using a 12 per cent discount (a figure consistent with the discount rates used by other oil majors in similar projects).

Figure 9: MAN Ferrostaal Project

Financial Robustness of MAN Ferrostaal Project			
Gas feedstock cost assumption (US\$/mmbtu)	Selling Price of Ammonia (US\$ per tonne)	Net Profit per annum (US\$ million)	Net Present Value 12 % discount factor (US\$ million)
1.00	143	33	224
1.00	240	55	374

Source: Gold Oil, Edison Investment Research

Gold Oil feels that it is covered in the event of low gas prices because of its 35 per cent buy-in option as this way it will participate in the very high level of profits generated using low gas prices.

Other Opportunities for Selling Gas

Gold Oil also expects to receive cash flow from supplying gas to Duke Energy, which would convert 12 idle diesel-fired units in Piura to gas, to generate up to 88 MWs of electricity. Duke would also build the gas pipelines and operate the units. The revenue from this venture would be split between Duke and Gold Oil, which estimates that it would receive between US\$3million to US\$8 million per annum. Other possibilities of selling gas would be to the Boyovar fishmeal plant that needs 4 mmcf/d. The cost of supplying the plant has been estimated at US\$12.5 m, giving the project an NPV US\$12.2 million using a 12 % discount.

Figure 10: Other Opportunities for Selling Gas

Name	Business Sector	Gas needs (mmcf/d)	Capex (US\$ million)	Net Present Value assuming 12 % discount factor (US\$ million)
Boyovar	Fishmeal factories	4.0	12.5	12.2
Piura	Electric generating plant of 88 MW	11.5	3.7	9.6
Duke	180 MW of spare electric generating plants in South America moved to Northern Peru	35.0	-	-

Source: Gold Oil

OTHER PROSPECTS IN LATIN AMERICA

Gold Oil is looking to acquire acreage in Colombia, the Dutch Antilles, and Trinidad.

Colombia

In Colombia, where there is a new tax and royalty contract that is the second most attractive in the region, Gold Oil is looking to acquire acreage offshore the Pacific coast of the country. In addition, the Company is negotiating to re-enter a well in the Llanos Basin that was drilled and tested in 1985 near the large Cusiana oilfield. The well would cost US\$1 million and Gold Oil estimates that it would get its money back within five months.

Dutch Antilles

Gold Oil is also looking at acquiring a block offshore Curacao, between the Dutch Island and Venezuela, where several seeps are known to exist and where a number of seismic surveys were carried out by Western Geco. The attraction of this area is that it is situated near proven hydrocarbon reserves in Venezuela and good quality seismic is available.

Trinidad

Gold Oil has identified an overlooked structure that lies between existing producing fields in the area. According to the Company, the interpretation of the play is analogous to the giant over-thrust Andean piedmont structures of Venezuela and Colombia. Gold Oil feels that it can acquire acreage in this area from people who hold sub-surface mineral rights privately.

SENSITIVITIES

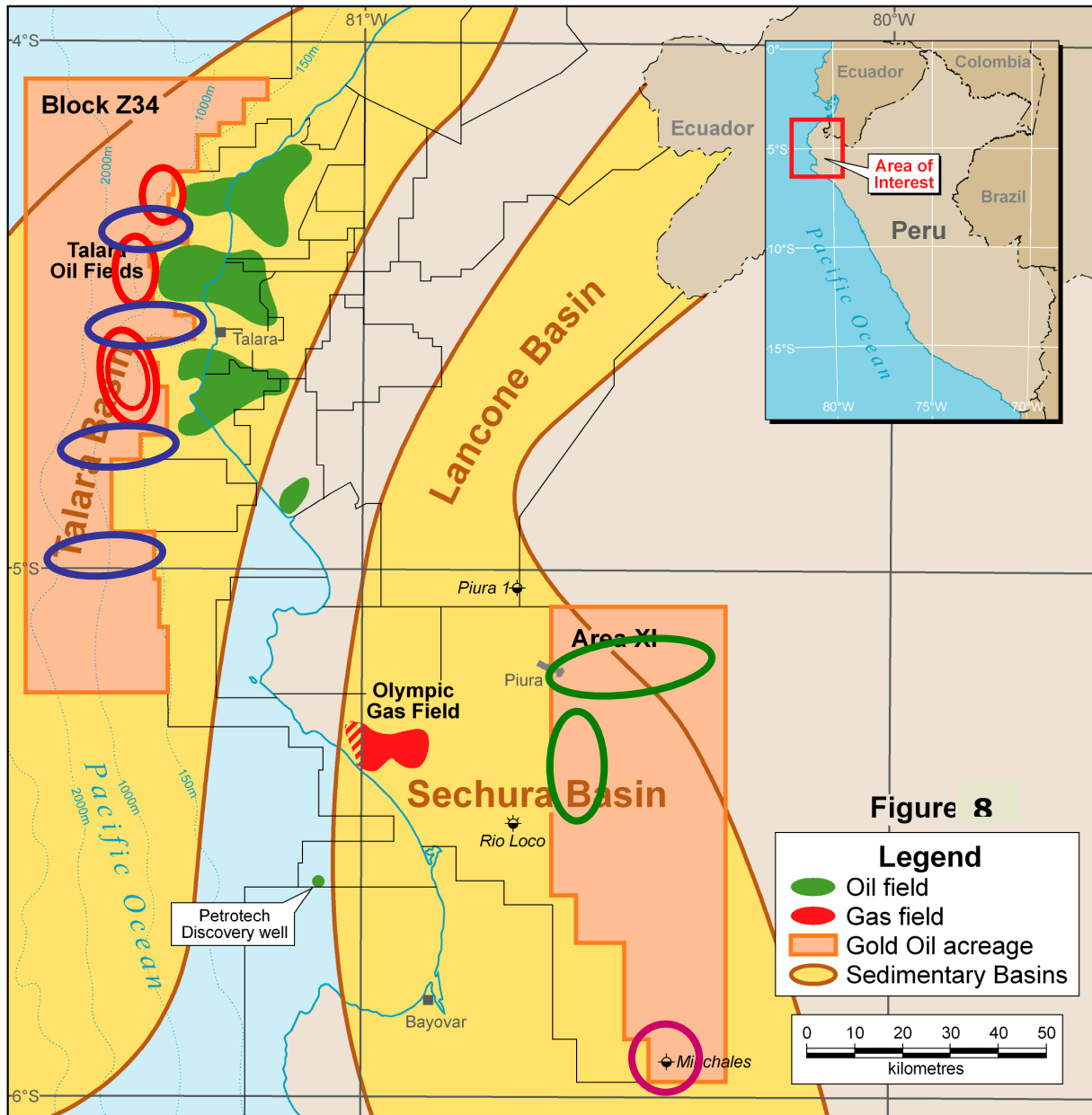
The principal share price sensitivities for Gold Oil in our view are as follows:

- 1) A significant change in oil price.** A sharp drop in oil prices from today's prices would make the economic viability of extracting oil from Gold Oil's blocks less likely. The converse, a continued increase in the oil price would raise confidence in the economic viability of extracting oil.
- 2) Evidence that changes the probability of finding hydrocarbons.** Our valuation is based on risking the individual assets of Gold Oil. A find or disappointment against the odds may have a material impact on the valuation of Gold Oil, both on the upside and downside.

VALUATION

It is extremely difficult to value a company that currently has no reserves and is just starting work on its exploration blocks in Perú. We give below a possible scenario of what the Company could find in its various

ventures but it should be noted that Gold Oil does not have any acreage in Colombia, Netherlands Antilles or Trinidad. In addition, it has not signed a deal with Petrolera Monterrico. The figures are only indicative of the upside potential of the Company and should be treated with extreme caution. Therefore, in the valuation shown below we have only valued those interests held by Gold Oil in Peru.



Source: Gold Oil

Block Z34

- Field Extension Plays
- Turbidite Plays

Block XI

- "Olympic" Gas Plays
- Minchales Hydrodynamic Play

Figure 11: Upside Potential to Gold Oil's Desired Acreage Position

Country Peru	Potential Oil Equivalent In Place (million barrels of oil equivalent)	Probability of finding hydrocarbons (%)	Recovery Factor (%)	Risked Potential Reserves (million barrels of oil equivalent)
Block XI	100	30	40	12
Block XI	985	15	40	59
Z34	30	35	35	4
Z34	75	25	35	7
Deep Water Z34	1,000	5	25	12
TOTAL	660			94

Reserves valued at US\$2.5 per barrels in the ground
In Sterling Terms (£1=US\$1.80)

Risked Value = US\$235.0 million
Risked Value = GB£130.6 million
Risked Value on a fully diluted
basis (404 million shares)= 33.2p

Source: Edison Investment Research /Reserves Gold Oil

Clearly, the above figure is a hypothetical one at the moment and could be higher if we included the equity interest in any petrochemical or power generation plants in North Western Perú.

Figure 12: Gold Oil: Hypothetical Valuation

Assets	£ million
Potential Hydrocarbon Assets	0 - 130.6
Net Cash	3.6
Total	3.6 - 134.2
On a basic per share basis (236 million shares)	1.2 - 56.9
On a diluted per share basis (404 million shares)	1.0 - 33.2

Source: Edison Investment Research

Gold Oil has currently net cash resources of £3.6 million following the placing of 90 million shares at 4p in February. We can factor this into our hypothetical valuation, adding it to the £47.92 million risked value estimate and reach the conclusion that Gold Oil could be worth between 1p and 12.8p per fully diluted share. As noted, this does not include any equity interest in petrochemical or power generation plants in North Western Peru, offering a degree of comfort to investors.

FINANCIALS

At the end of January, Gold Oil issued its first interim statement, which showed that it generated pre-tax losses of £112,000, almost all attributable to administration expenses. It should be noted that the Directors did not receive any remuneration and will not do so until the Company makes an acquisition. The company had net current assets of £305,000 of which £302,000 was in cash. It strengthened its balance sheet by placing 90 million shares at 4p to raise £3.6 million in February 2005.

Figure 13: Gold Oil:- Profit & Loss Account, April-October 2004

	£000s
Turnover	-
Administration Expenses	(113)
Operating Loss	(113)
Interest Received	1
Loss on Ordinary Activities before taxation	(112)
Tax	-
Net Income	(112)
Balance Sheet as of 31 October 2004	
Fixed Assets	
Equipment	4
Current Assets	
Debtors	7
Cash at bank and in hand	302
Creditors	
Amounts falling due within a year	(8)
Net Current Assets	305
Capital & Reserves	
Called up share capital	59
Share premium account	358
Profit & loss account	(112)
Equity shareholders' funds	305

Source: Gold Oil

DIRECTORS

Michael Burchell (age 65), Chairman, has over 40 years 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. Mr. Burchell is now a director of CBM Oil Ltd and is the Consultant Adviser to the Ministry of Oil in Bahrain and Bapco, Bahrain's state oil company.

Gary Moore (age 55), Managing Director, has 34 years experience in the oil and gas industry as 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. In 1999, he founded Sunningdale Oils (Ireland) Limited which has gas production in Ireland and Peru. He was a non-executive director of Northern Petroleum PLC until he resigned in 2003. He has been working a large part of his time in Peru since he first went there with Shell as a consultant in 1996.

Pat Mahony (age 53), Finance Director, has 28 years 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. 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.

Martin Keeley (age 49), Exploration Director, has 27 years experience in the oil and gas industry. He has a degree in Geology from Bristol University and a doctorate in Geology from Trinity College, Dublin. He has worked for Fieldco, Intera, Emerald Energy, Charthouse Petroleum, Shell International and BP Exploration amongst others. He has published learned articles in peer-reviewed journals, is on the editorial board of the *Journal of Petroleum Geology* and is a Visiting Professor in Petroleum Geology, University College, London.

Thomas Tidow (age 45), Country Manager, has 22 years experience in the oil and gas industry. He holds a degree in mechanical engineering from Stuttgart University and an MBA from Barcelona. He has worked as a senior executive with international experience mainly in the Oil & Gas (Shell, Vopak and Repsol) and automotive industries (Mercedes-Benz and Behr), which include project management, new business development and commercial management roles in leading multinational organizations.



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Sector**Oil and Gas****Profit & Loss Forecast**

Year To:	2003 A	2004 A	2005 E	2006 E
December	£'000	£'000	£'000	£'000
Turnover	N/A	N/A	0	0
Gross Profit	N/A	N/A	(200)	(750)
Gross Margin %	N/A	N/A	-	-
Operating Profit	N/A	N/A	(500)	(1,200)
Operating Margin %	N/A	N/A	-	-
Goodwill Amort.	N/A	N/A	0	0
Depreciation	N/A	N/A	300	600
EBITDA	N/A	N/A	(200)	(600)
Exceptionals	N/A	N/A	0	0
Net Interest	N/A	N/A	150	230
FRS 3 PBT	N/A	N/A	(50)	(370)
DS&C PBT	N/A	N/A	(50)	(370)
Tax	N/A	N/A	0	0
Earnings	N/A	N/A	(50)	(370)
Ave No of Shares (weighted)	N/A	N/A	282	326
Ave No of Shares (diluted)	N/A	N/A	404	404
FRS 3 EPS p	N/A	N/A	(0.02)	(0.11)
DS&C EPS (weighted)	N/A	N/A	(0.02)	(0.09)
DS&C EPS (diluted)	N/A	N/A	(0.02)	(0.09)
Growth Rate %	N/A	N/A	N/A	N/A
Dividends	N/A	N/A	0.00	0.00

Cash Flow Forecast

Year To:	2003 A	2004 A	2005 E	2006 E
December	£'000	£'000	£'000	£'000
Operating Profit	N/A	N/A	(500)	(1,200)
Depn & Amort	N/A	N/A	300	600
Working Capital	N/A	N/A	250	350
Net Interest	N/A	N/A	140	230
Tax Paid	N/A	N/A	0	0
Other	N/A	N/A	0	0
Gross Cash Flow	N/A	N/A	190	(20)
Net Capex	N/A	N/A	250	550
Use of Prv's	N/A	N/A	0	0
Free Cash Flow	N/A	N/A	(60)	(570)
Div's	N/A	N/A	0	0
Acq. & Invest	N/A	N/A	0	0
Disposals	N/A	N/A	0	0
Financing	N/A	N/A	4,040	0
Other, FX	N/A	N/A	0	0
Change in Cash	N/A	N/A	3,980	(570)
Op. Net Cash (Debt)	N/A	N/A	0	0
Cl. Net Cash (Debt)	N/A	N/A	3,980	3,410
Gearing %	N/A	N/A	N/A	N/A
Interest Cover	N/A	N/A	N/A	N/A

Key Events

Annual Results	23.7.05
Annual Report	23.8.05
AGM	22.9.05

Major Shareholders

	% of Ord. Share Capital
Cantor Fitzgerald Europe	5.17%
Man Financial Securities	4.59%

Total

Source: RNS, Hemscott

Business Analysis

N/A

Total**Movement on net assets**

Year To:	2003 A	2004 A	2005 E	2006 E
December	£'000	£'000	£'000	£'000
Opening net assets	N/A	N/A	0	4,100
Retained Profit	N/A	N/A	(50)	(370)
Demerger/goodwill adj	N/A	N/A	0	0
Share Issue	N/A	N/A	4,150	0
Forex adjustment	N/A	N/A	0	0
Closing net assets	N/A	N/A	4,100	3,730

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COMPANY	CODE	DISCLOSURE
Gold Oil	GOO	2,3,6

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