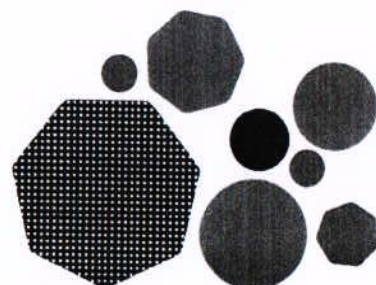


**Alphageo International Limited and its
Subsidiary
Consolidated Financial Statements
March 31, 2017**



Alphageo International Limited and its Subsidiary
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March 31, 2017

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Independent Auditor's Report

The Shareholders

Alphageo International Limited and its Subsidiary

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Alphageo International Limited and its Subsidiary ("collectively referred as Group"), which comprise of the Consolidated Statement of Financial Position as at March 31, 2017, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows for the year then ended and Consolidated notes to the financial statements including a summary of significant accounting policies and other explanatory notes.

Opinion

In our opinion, the consolidated financial statements, referred to above, present fairly, in all material aspects, the consolidated financial position of Alphageo International Limited and its Subsidiary as at March 31, 2017, and of its consolidated financial performance and consolidated cash flows for the year then ended in conformity with International Financial Reporting Standards for Small and Medium - sized Entities.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Consolidated Financial Statements

The Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards for Small and Medium - sized Entities. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

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Responsibility of the Management for the Consolidated Financial Statements (Continued)

In preparing the consolidated financial statements, the Management is responsible for assessing the Group's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless, the Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether these consolidated financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also identify and assess the risks of material misstatement of these consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Conclude on the appropriateness of Management's use of going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in these consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.


Evaluate the overall presentation, structure and content of these consolidated financial statements, including the disclosures, and whether these consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

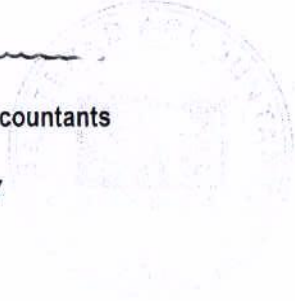
We communicate with the Management regarding, other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide to the Management with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

From the matters communicated with the Management, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.


UHY Saxena
Chartered Accountants
Dubai
April 16, 2017



Alphageo International Limited and its Subsidiary
Consolidated Statement of Financial Position
As at March 31, 2017

(Figures in USD)	Note	2017	2016
ASSETS			
Current Assets			
Bank balances and cash	4	1,481,423	509,086
Trade accounts receivable	5	1,077,942	1,436,288
Other receivable and prepayments	6	16,105	29,075
Inventory		<u>173,102</u>	<u>56,452</u>
Total Current Assets		<u>2,748,572</u>	<u>2,030,901</u>
Non-Current Assets			
Property, plant and equipment	7	<u>3,890,155</u>	<u>4,573,597</u>
Total Non-Current Assets		<u>3,890,155</u>	<u>4,573,597</u>
Total Assets		<u>6,638,727</u>	<u>6,604,498</u>
LIABILITIES AND EQUITY			
Current Liabilities			
Trade accounts and other payable	8	<u>39,445</u>	<u>274,637</u>
Total Current Liabilities		<u>39,445</u>	<u>274,637</u>
Equity			
Share capital	9	2,848,047	2,848,047
Retained earnings		<u>3,751,235</u>	<u>3,481,814</u>
Total Equity Attributable to the Shareholders		<u>6,599,282</u>	<u>6,329,861</u>
Total Liabilities and Equity		<u>6,638,727</u>	<u>6,604,498</u>

These financial statements were approved by the Board of Directors on April 16, 2017 and signed on their behalf by:


Captain Ajeit Saksena
 Director

Alphageo International Limited and its Subsidiary
Consolidated Statement of Comprehensive Income
Year Ended March 31, 2017

(Figures in USD)	Note	2017	2016
Revenue	11	2,280,968	3,363,814
Direct expenses	12	<u>(1,775,066)</u>	<u>(2,340,462)</u>
Gross profit		505,902	1,023,352
Other Income	13	123,996	893
General, administration and selling expenses	14	(292,717)	(164,968)
Finance costs	15	<u>(3,560)</u>	<u>(71,791)</u>
Profit before tax		333,621	787,486
Less: Income tax		<u>(64,200)</u>	<u>(99,606)</u>
Profit for the year		<u>269,421</u>	<u>687,880</u>

Alphageo International Limited and its Subsidiary
Consolidated Statement of Changes in Equity
Year Ended March 31, 2017

(Figures in USD)	Share Capital	Retained Earnings	Total
As at April 01, 2015	2,848,047	2,793,934	5,641,981
Profit for the year	<u>Nil</u>	<u>687,880</u>	<u>687,880</u>
As at March 31, 2016	2,848,047	3,481,814	6,329,861
Profit for the year	<u>Nil</u>	<u>269,421</u>	<u>269,421</u>
As at March 31, 2017	<u>2,848,047</u>	<u>3,751,235</u>	<u>6,599,282</u>

Alphageo International Limited and its Subsidiary**Consolidated Statement of Cash Flows****Year Ended March 31, 2017**

(Figures in USD)	2017	2016
Cash Flow from Operating Activities		
Profit for the year	269,421	687,880
<u>Adjustments for:</u>		
Depreciation	975,962	1,156,085
Interest on unsecured loan	Nil	70,026
Profit on sale of asset	(123,996)	Nil
Bad debts	120,929	Nil
<u>Changes in operating assets and liabilities</u>		
Increase in inventories	(116,650)	(56,452)
(Increase) / decrease in trade accounts and other receivable	250,387	(272,487)
Increase / (decrease) in trade accounts and other payable	<u>(235,192)</u>	<u>236,220</u>
Net cash generated from operating activities	1,140,861	1,821,272
Cash Flow from Investing Activities		
Purchase of property, plant and equipment	(362,653)	(9,650)
Proceeds from sale of asset	<u>194,129</u>	<u>Nil</u>
Net cash used in investing activities	(168,524)	(9,650)
Cash Flow from Financing Activities		
Loan received from / (repaid to) shareholder	<u>Nil</u>	<u>(1,406,421)</u>
Net cash used in financing activities	Nil	(1,406,421)
Net change in cash and cash equivalents	972,337	405,201
Cash and cash equivalents at beginning of the year	<u>509,086</u>	<u>103,885</u>
Cash and cash equivalents at end of the year	<u>1,481,423</u>	<u>509,086</u>

Alphageo International Limited and its Subsidiary

Notes to the Consolidated Financial Statements

March 31, 2017

1 Legal Status, Management and Business Activity

These Consolidated Financial Statements of Alphageo International Limited and its Subsidiary ("collectively referred as Group"), comprises of:

Alphageo International Limited ("Company"), a Limited Liability Company formed in accordance with the Offshore Companies Regulations of the Jebel Ali Free Zone of 2003, and registered with the Jebel Ali Free Zone Authority under registration number OF-139127 in the Emirate of Dubai.

Alphageo DMCC ("Subsidiary"), a Limited Liability Company formed in accordance with the Laws and Implementing Regulations of Dubai Multi Commodities Centre and registered under service license number DMCC-31569 and registration number DMCC- 2478 in the Emirate of Dubai.

Alphageo India Limited is the ultimate Shareholder of the Company.

The Group is managed by its Board of Directors.

The Group is engaged in activity of Investments in Limited Liability Companies, Partnerships, Joint Ventures and in any other Companies; General Trading; Providing Technical Support Services outside United Arab Emirates; Providing Onshore Geophysical Studies and Services to Companies in Energy Sector and also its related Equipment and machinery rentals.

2 Basis of Preparation of Consolidated Financial Statements

These consolidated financial statements are prepared on a going concern basis and in compliance with International Financial Reporting Standards for Small and Medium-sized Entities issued by International Accounting Standards Board. They are presented in United States Dollar, currency unit of United States of America. The presentation of consolidated financial statements in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities requires the determination and consistent application of accounting policies to transactions and events. Significant accounting policies, adopted and applied consistently in dealing with items that are considered material in relation to these consolidated financial statements, are set below.

The consolidated financial statements have been prepared under the historical cost convention basis.

These consolidated financial statements comprise a consolidation of the financial statements of the Company and its Subsidiary on a line-by-line basis.

The consolidated financial statements incorporate the financial statements of the Company and its Subsidiary where the Company achieved control by owning, directly or indirectly more than half of voting power in the subsidiary or by having the power to govern the financial and operating policies of the other company so as to obtain benefits from its activities.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other member of the Group.

2 Basis of Preparation of Consolidated Financial Statements (Continued)

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

The preparation of consolidated financial statements in conformity with International Financial Reporting Standards for Small and Medium-sized Entities requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the carrying amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and reasonable under the circumstances.

Estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Judgments made by the management in the application of accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements, and estimates that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year are as stated in Note 3.

3 Summary of Significant Accounting Policies

Revenue Recognition

Revenue comprises the fair value of the consideration received or receivable for the services rendered in the ordinary course of the Group's activities. Revenue is shown net of rebates and discounts.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the group.

The Group recognises revenue on rendering services as per the terms of contract, which is based on the periodic completion of the job certified by the client and when the amount of revenue can be reliably measured and estimated to be receivable.

Property, Plant and Equipment

Property, plant and equipment, is stated at historical costs less accumulated depreciation and any accumulated impairment losses. Historical costs includes expenditure that is directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management.

The cost of replacing or addition to an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

Depreciation is charged to write off the cost of assets using the straight line method as follows:

Plant and machinery	5 years to 20 years
Computers and software	3 years to 6 years
Other equipments	5 years

3 Summary of Significant Accounting Policies (Continued)

Property, Plant and Equipment (Continued)

The useful lives and depreciation method are reviewed periodically to ensure that the period and method of depreciation are consistent with the pattern of economic benefits expected to flow to the Group through the use of items of property, plant and equipment.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised as profit or loss in the statement of comprehensive income.

Inventories

Inventories are measured at lower of cost and net realisable value. The cost of spare parts and consumables are based on first in first out method. Net realisable value is the estimated selling price in the ordinary course of business less estimated selling expenses.

At each reporting date, inventories are assessed for impairment and the net value is reflected in the consolidated financial statements.

Financial Instruments

Financial assets are recognised when the Group becomes a party to the contractual provision of the financial instrument. Financial assets are derecognised when the contractual rights to receive the cash flows expire or substantially all the risks and rewards of ownership have been transferred. These are stated at cost less impairment losses. These are included in current assets, except for maturities greater than 12 months after the balance sheet date which are classified as non-current assets.

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument. The Group derecognises financial liabilities when they are discharged, cancelled or expired. These are stated at cost, or where the impact is material at amortised cost using the effective interest method. These are included in current liabilities, except for maturities greater than 12 months after the balance sheet date which are classified as non-current liabilities.

Financial instruments comprise of trade accounts and other receivable, cash in hand and at bank, trade accounts and other payable.

Trade Accounts and Other Receivable

Receivable are initially recognised at transaction price. They are subsequently stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

The Management undertakes a periodic review of amounts recoverable and trade accounts other receivable, and determines recoverability based on various factors such as ageing of receivable, payment history, collateral available and other knowledge about the receivable and estimates the provision for bad and doubtful debts, if any required.

3 Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

Cash and cash equivalents comprise of cash in hand and banks accounts that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Trade Accounts and Other Payable

Trade accounts and other payable are stated at nominal amounts payable for goods or services availed.

Provisions

Provisions are recognised when the Group has a present obligation as a result of past event and it is probable that the outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of the amount expected to be required to settle the obligation and the risk specific to the obligation.

Taxation

The tax expense is recognised for tax payable on taxable profit for current and past period. The Company has measured this tax expense at the amount it expects to pay at the prevailing tax rates and laws and regulations that have been enacted or substantively enacted at the reporting date, in the jurisdiction of the Company's operation.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Foreign Currencies Translations

Items included in the consolidated financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements of the Group are presented in United States Dollars which is the functional and presentational currency.

Transactions other than functional currency, are translated into the functional currency using the exchange rates prevailing at the dates of 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 currencies, other than functional currency, are recognised in profit or loss.

Alphageo International Limited and its Subsidiary
Notes to the Consolidated Financial Statements
March 31, 2017

(Figures in USD) 2017 2016

4 Bank Balances and Cash

Cash in hand other than functional currency	1,098	4,065
Balance other than functional currency accounts	51	715
Balance in functional currency accounts	<u>1,480,274</u>	<u>504,306</u>
	<u>1,481,423</u>	<u>509,086</u>

5 Trade Accounts Receivable

Outstanding for less than 6 months	<u>1,077,942</u>	<u>1,436,288</u>
	<u>1,077,942</u>	<u>1,436,288</u>

6 Other Receivable and Prepayments

Prepaid expenses	16,105	22,295
Other receivable	Nil	6,780
	<u>16,105</u>	<u>29,075</u>

7 Property, Plant and Equipment

	Plant and Machinery	Computers and Software	Other Equipments	Total
Original Cost :				
As at April 01, 2016	8,712,252	30,753	32,851	8,775,856
Additions during the year	228,120	134,533	Nil	362,653
Disposals during the year	<u>(182,766)</u>	<u>Nil</u>	<u>Nil</u>	<u>(182,766)</u>
As at March 31, 2017	<u>8,757,606</u>	<u>165,286</u>	<u>32,851</u>	<u>8,955,743</u>
Depreciation :				
As at April 01, 2016	4,151,820	26,949	23,490	4,202,259
Charge for the year	949,307	22,382	4,273	975,962
Related to disposals	<u>(112,633)</u>	<u>Nil</u>	<u>Nil</u>	<u>(112,633)</u>
As at March 31, 2017	<u>4,988,494</u>	<u>49,331</u>	<u>27,763</u>	<u>5,065,588</u>
Net Block :				
As at March 31, 2017	<u>3,769,112</u>	<u>115,955</u>	<u>5,088</u>	<u>3,890,155</u>
As at March 31, 2016	<u>4,560,432</u>	<u>3,804</u>	<u>9,361</u>	<u>4,573,597</u>

Note: Depreciation on plant and machinery is classified under direct expense and the depreciation on other assets is classified under general and administration expense.

Alphageo International Limited and its Subsidiary
Notes to the Consolidated Financial Statements
March 31, 2017

(Figures in USD) 2017 2016

8 Trade Accounts and Other Payable

Trade accounts payable	26,931	225,855
Accrued expenses	<u>12,514</u>	<u>48,782</u>
	<u>39,445</u>	<u>274,637</u>

9 Share Capital

<u>Authorised Share Capital</u>		
750,000 shares of AED 100 each	<u>20,336,226</u>	<u>20,336,226</u>
<u>Paid-up Share Capital</u>		
105,036 shares of AED 100 each fully paid up	<u>2,848,047</u>	<u>2,848,047</u>

10 Transactions with Related Parties

The Group, in the normal course of business carries out transactions with parties that fall within the definition of related party contained in the International Financial Reporting Standards for Small and Medium-sized Entities. Significant transactions with related parties consists of working capital funding from / to related party. Other transactions are as follows:

Technical support provided by shareholder	42,841	79,583
Interest on unsecured loan from shareholder	Nil	70,026
Repayment of loan to shareholder including interest	Nil	1,406,421
Purchase of property, plant and equipment from shareholder	Nil	9,650
Equipment rental from shareholder	847,541	76,540
Purchase of consumables from shareholder	Nil	39,291

Related party balances as at the year end are classified as under:

Related party	Classification		
Shareholder	Trade account receivable (Note 5)	666,672	73,386

11 Revenue

Onshore geophysical studies and services and its related equipment rental	<u>2,280,968</u>	<u>3,363,814</u>
	<u>2,280,968</u>	<u>3,363,814</u>

Alphageo International Limited and its Subsidiary**Notes to the Consolidated Financial Statements****March 31, 2017**

(Figures in USD)	2017	2016
12 Direct Expenses		
Technical support	348,412	185,557
Depreciation	949,307	1,143,745
Fuel	12,981	34,636
Vehicle and equipment hire	43,970	114,822
Camp expenses	83,215	171,274
Repairs and maintenance	100,904	1,986
Transport and handling	64,439	104,672
Survey and drilling charges	171,838	583,770
	<u>1,775,066</u>	<u>2,340,462</u>
13 Other income		
Profit on sale of asset	123,996	Nil
Exchange gain	Nil	893
	<u>123,996</u>	<u>893</u>
14 General, Administration and Selling Expenses		
Employees cost	20,480	18,000
Legal and professional	38,418	28,341
Audit fees	16,438	14,748
Travelling and conveyance	47,065	58,438
Depreciation	26,655	12,340
Printing and stationery	619	2,359
Communication	5,290	8,828
Bad debts	120,929	Nil
Repairs and maintenance	6,355	3,784
Insurance	2,482	3,808
Rent	2,794	8,341
Miscellaneous	5,192	5,981
	<u>292,717</u>	<u>164,968</u>
15 Finance Costs		
Interest expense	Nil	70,026
Bank charges and commission	3,560	1,765
	<u>3,560</u>	<u>71,791</u>

Alphageo International Limited and its Subsidiary
Notes to the Consolidated Financial Statements
March 31, 2017

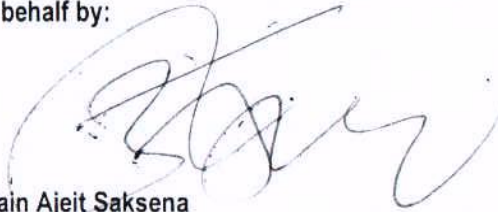
16 Contingent Liabilities

Except for the ongoing service commitments in the normal course of business against which no loss is expected, there are no other known contingent liabilities existing at the balance sheet date.

17 Comparative Figures

Certain of the prior year figures have been regrouped to conform with the presentation of the current year.

These financial statements were approved by the Board of Directors on April 16, 2017 and signed on their behalf by:



Captain Ajeit Saksena
Director