MAYAN ENERGY LIMITED

(Formerly Northcote Energy Limited)

Company Registered Number 1585070

ANNUAL REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2016

MAYAN ENERGY LIMITED (Formerly Northcote Energy Limited)

CORPORATE INFORMATION

Directors	Eddie Gonzalez Ross Warner (resigned 27 June 2017) Charles Wood JD Mc Graw
Company Number	1585070
Registered Office	Intertrust (BVI) Limited Nemours Chambers Road Town Tortola VG1110 British Virgin Islands
Bankers	Barclays Bank PLC One Churchill Place London E14 5HP
Independent Auditors	PKF Littlejohn LLP 1 Westferry Circus Canary Wharf London E14 4HD
Solicitors	Hill Dickson The Broadgate Tower 20 Primrose Street London EC2A 2EW
Nominated Advisor	Beaumont Cornish Limited 2nd Floor Bowman House 29 Wilson Street London EC2M 2SJ
Brokers	Cornhill Capital Limited 4th Floor 18 St Swithins Lane London EC4N 8AD

The last year was a difficult year, but the Company is in substantially improved circumstances since my appointment as Chief Executive September 1, 2016.

We have radically reduced the cost structure from approximately US$ 360,000 per month previously to US$ 150,000 per month although we would like to reduce this further. Since year end, the debt burden has been lowered materially through discounted settlements with our creditors including the recently completed retirement of approximately $190,000 in obligations at 21 cents in the dollar.

Finally, I am pleased to say that just prior to release of this annual report, an agreement was reached with the operator of our Horizon and Zink Ranch assets in Oklahoma. Pursuant to this agreement approximately US$300,000 in debt due the operator by the company will be settled and we will assign the Horizon assets, which have never been profitable to the company, to Glenn Supply Company.

In exchange, Glenn Supply will assign all of its interest in the Zink Ranch property to the Company giving us 100% working interest with an approximate net revenue interest of 81%.

With full control of the Zink Ranch asset and a clean working / net revenue interest the Zink Ranch asset offers both straightforward development potential as well as potential realisable value in the form of a sale to a third party. This is a great asset with over 600,000 barrels of cumulative historical production in shallow, lost cost formations with fewer surface and other challenges than Shoats Creek has presented and current production of 8 bopd.

Despite these material improvements, the last year has not been without its challenges. The breadth and scope of issues to be addressed was considerable. Thus, with the benefit of hindsight, we initially were too aggressive in defining a 120 day plan that in retrospect was not achievable.

In particular, Shoats Creek has presented many more challenges to the Company than contemplated including operational challenges at the field itself; issues associated with the operator, Shoats Creek Development, Inc. and legacy liabilities hampering its ability to perform its intended function; aspects of agreements by and between the various partners which require restructuring as well as a plan for sourcing the capital that would be required to properly develop Shoats Creek going forward.

In response to these issues, Mayan has recognised an impairment to the carrying value of Shoats Creek as well as various of the agreements to which it is a party, and whilst we still wait for results from the LM13 well and drilling at the 710' level, the Board may look to seek disposal options for Shoats Creek in the second half of 2017.

While we believe Mexico offers tremendous opportunities for growth, the historical efforts undertaken by the Company were flawed in both conception and execution. Salvaging anything from the past efforts would be both unlikely to be successful as well as more expensive than starting with a fundamentally well conceived business plan executed with focus and energy. We continue to look at opportunities in Mexico and have active discussions on excellent realistic opportunities with successful, respected members of the Mexican business community whom I have met over the years, personally have completed various profitable business transactions in the past with and consider them good, completely trustworthy people.

Financial Review

The last year, and indeed the period to date has seen considerable restructuring of our portfolio and operations, with the intention of reducing costs and debt, and seeking to bring low cost oil and gas operations on stream. Whilst cost cutting measures have borne some fruit, attempts at increasing revenue for the time being have proved elusive.

Overall the Group generated a gross loss for the year of US$ 7,147,000 (2015: US$ 6,137,000), which was predominantly as a result of impairments raised against both our US based assets as well as our investment into Mexico, these compounded by commodity prices which continue to be depressed relative to several years ago have our financial performance and position.

Outlook

The recently announced investment in Block Energy is an exciting step for the Company offering Mayan shareholders exposure to a highly accomplished management team, with a very attractive asset and potentially high impact development program. The value of this investment has the potential to dramatically increase over the coming years and I look forward to monitoring the progress of Block Energy in the future.

We intend to take additional steps to lower the cost structure in the third quarter of 2017 while looking to increase production and cash flow at Zink Ranch. Additionally, the Board is evaluating several opportunities to enter into and participate in cash generative projects, businesses and investments. We look forward to updating the market as to our progress with respect to becoming a cash generative company in due course.

The Board of Directors continues to make determined progress toward resolving legacy problems as well as identify and implement value enhancing strategies going forward. I believe the future of Mayan is positive and look forward to developments I expect during the balance of the current year.

Charlie Wood	Eddie Gonzalez
Non Executive Chairman	Chief Executive Officer
27 June 2017	27 June 2017

The Directors present their report and the audited financial statements for the year ended 31 December 2016.

Principal activities, business review and future developments

The principal activity of Mayan Energy is the redevelopment and enhancement of its upstream oil and gas interests in Oklahoma and Louisiana. Further details on the activities of the Group are provided in the Chairman and Chief Executive's report.

Results and dividends

Loss on ordinary activities after taxation for the year to 31 December 2016 amounted to US$ 7,147,000 (2015: US$ 6,137,000). The Directors do not recommend payment of a dividend (2015: US$ Nil).

Key Performance Indicators ('KPI's)

The Board monitors the activities and performance of the Group on a regular basis. During the year the principal focus of the Group was Oil and Gas exploration and development.

The KPI's being employed by the Group as at the date of this report were as follows:

- Cash management;
- Exploration expenditure;
- Investment management

The Group did not monitor any further material KPI's.

Risks and uncertainties

The principal risks and uncertainties inherent in an operating oil and gas group are summarised below:

- Success in exploration/ commissioning
- Volatility of Oil & Gas commodity prices
- Foreign Currency volatility
- Availability of finance
- Environmental and decommissioning responsibilities

Financial Risk Management

The Group's operations expose it to a variety of financial risks that include the effect of changes in debt market prices and foreign currency exchange rates, credit risk and liquidity risk. The Group has a risk management programme in place that seeks to limit the adverse effects on the financial performance of the Group by monitoring levels of debt finance and the related finance costs. The Group does not use derivative financial instruments to manage interest rate or foreign exchange costs and, as such, no hedge accounting is applied. Details of the Group's financial risk management policies are set out in Note 8 to the Financial Statements.

Internal Controls

The Board recognises the importance of both financial and non-financial controls and has reviewed the Group's control environment and any related shortfalls during the year. Since the Group was established, the Directors are satisfied that, given the current size and activities of the Group, adequate internal controls have been implemented.

Going Concern

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and, therefore, continue to adopt the going concern basis in preparing the Annual Report and Financial Statements. Further details on their assumptions and their conclusions thereon are included in Note 2.3 to the Financial Statements. It should be noted that the auditors have drawn reference to going concern in their audit report by way of an emphasis of matter.

Events after the reporting date

These financial statements were approved on 27 June 2017; See Note 22 for details of events after the reporting date.

Directors and directors' interests

The following Directors held office during the year:

Director	Date of Appointment	Date of Resignation
Executive Directors:		
Eddie Gonzalez	01-Sep-16	-
Randy Connally	20-Dec-12	01-Sep-16
Kevin Green	20-Dec-12	01-Sep-16
Dan Jorgensen	20-Dec-12	06-Jan-16
Non-Executive Directors		
Charlie Wood	14-May-10	-
Ross Warner	31-Mar-11	27-Jun-17
JD Mc Graw	01-Sep-16	-

As at the date of the financial statements, and before the effects of the 400:1 conversion announced in April 2017, the beneficial and non-beneficial interests in the Group's shares of the Directors and their families, that were reported by the Directors who were in office at the date of approval of the financial statements are as follows:

	31-Dec-16		31-Dec-15	
Director	**Shares**	**Options**	Shares	Options
Eddie Gonzalez	333,333,333	780,000,000	-	-
Charlie Wood	49,480,391	300,000,000	49,480,391	10,500,000
Ross Warner	162,663,763	300,000,000	162,663,763	7,000,000
JD Mc Graw	-	150,000,000	-	-

As at 31 December 2016 the Directors held 2.58% (31 December 2015 3.04%) of the issued share Capital of the Company

Details of the Directors' remuneration are given in Note 7 to the Financial Statements.

Directors' third-party indemnity provisions

During the year under review the Group did not provide any third party indemnity provisions.

Provision of information to auditors

So far as each of the Directors is aware at the time this report is approved:

- there is no relevant audit information of which the Group's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditor

PKF Littlejohn LLP has signified its willingness to continue in office.

This report was approved by the Board and signed on its behalf by:

Eddie Gonzalez

Chief Executive Officer

27 June 2017

STATEMENT OF DIRECTORS RESPONSIBLITIES

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with the applicable law and regulations.

The Directors are required to prepare financial statements for each financial year. The Directors have elected to prepare the Group Financial Statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. The Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that year. In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group. They are also responsible for safeguarding the assets of the Group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. The Group is compliant with AIM Rule 26 regarding the Group's website.

Eddie Gonzalez

Chief Executive Officer

27 June 2017

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAYAN ENERGY LIMITED

We have audited the Financial Statements of Mayan Energy Limited for the year ended 31 December 2016 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement and the related Notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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

Respective responsibilities of Directors and Auditor

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the Financial Statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the Financial Statements

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

Emphasis of Matter

In forming our opinion on the Financial Statements, which is not modified, we have considered the adequacy of the disclosure made in note 2.3 to the Financial Statement concerning the Group's ability to continue as a going concern. The Group's net loss of US$7,149,000 during the year end 31 December 2016 and at that date, the Group had net liabilities of US$186,000.

The Financial Statements have been prepared on the going concern basis, which depends on the timing of the development of wells, successful drilling results and the receipt of new funds. These conditions, along with the other matters explained in note 2.3 to the Financial Statements, indicate the existence of a material uncertainty which may cast doubt on the Group's ability to continue as a going concern. The Financial Statements do not include any of the adjustments that would result if the Group was unable to continue as a going concern.

Opinion on Financial Statements

In our opinion the Financial Statements:

- give a true and fair view of the state of the Group's affairs as at 31 December 2016 and of its loss for the year then ended; and
- have been properly prepared in accordance with IFRSs as adopted by the European Union;

PKF Littlejohn LLP

Chartered Accountants
And Registered Auditor
1 Westferry Circus
Canary Wharf
London E14 4HD

27 June 2017

MAYAN ENERGY LIMITED (Formerly Northcote Energy Limited)
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31 DECEMBER 2016

	Notes	Year to 31 December 2016 US$ 000's	Year to 31 December 2015 US$ 000's
Continuing operations			
Revenue	4	270	841
Cost of sales		(786)	(961)
Gross profit		(516)	(120)
Administrative expenses			
Impairment of property, plant and equipment	10	(4,721)	(1,359)
Other administrative expenses		(1,777)	(4,301)
Total administrative expenses	6,7	(6,498)	(5,660)
Operating loss		(7,014)	(5,780)
Finance Income	3	2	20
Finance costs	3	(137)	(428)
Loss before income tax		(7,149)	(6,188)
Income tax expense	9	-	-
Loss after tax for the year		(7,149)	(6,188)
Other comprehensive income:			
Items that may be subsequently reclassified to profit or loss			
Currency translation differences		86	254
Total comprehensive income		(7,063)	(5,934)
Loss for the year attributable to:			
-Owners of the parent		(7,147)	(6,137)
-Non-controlling interest		(2)	(51)
Total comprehensive income for the year		(7,149)	(6,188)
Total Comprehensive Income attributable to:			
-Owners of the parent		(7,061)	(5,883)
-Non-controlling interest		(2)	(51)-
Total comprehensive income for the year		(7,063)	(5,934)
There are no discontinued activities			
Loss per share from continuing and discontinued operations attributable to owners of the parent during the year		US cents	US cents
-Basic & diluted (US cents per share)	5	(0.06)	(0.12)

The Statement of Comprehensive Income has been prepared on the basis that all operations are continuing.

The accounting policies and Notes on pages 15 to 37 form part of these Financial Statements.

MAYAN ENERGY LIMITED (Formerly Northcote Energy Limited)
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
YEAR ENDED 31 DECEMBER 2016

	Note	31 December 2016 US$ 000's	31 December 2015 US$ 000's
ASSETS			
Non-current assets			
Property, plant and equipment	**10**	**2,563**	6,601
Total non-current assets		**2,563**	6,601
Current assets			
Inventories	**11**	**31**	31
Trade and other receivables	**12**	**358**	325
Cash and cash equivalents		**155**	91
Total current assets		**544**	447
TOTAL ASSETS		**3,107**	7,048
LIABILITIES			
Current liabilities			
Trade and other payables	**13**	**(2,220)**	(2,006)
Borrowings	**17**	**-**	(236)
Provisions	**16**	**(800)**	(220)
Total current liabilities		**(3,020)**	(2,462)
Non-current liabilities			
Provisions	**16**	**(273)**	(1,030)
Total non-current liabilities		**(273)**	(1,030)
TOTAL LIABILITIES		**(3,293)**	(3,492)
NET ASSETS		**(186)**	3,556
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT			
Share capital	**15**	**-**	-
Share premium	**15**	**33,126**	30,633
Foreign exchange reserve		**415**	329
Revenue acquisition reserve		**(8,202)**	(8,202)
Retained losses		**(25,832)**	(19,513)
Total equity attributable to the equity owners of the parent		**(493)**	3,247
Non-controlling interest		**307**	309
TOTAL EQUITY		**(186)**	3,556

The Financial Statements were approved and authorised for issue by the Board of Directors on 27 June 2017 and were signed on its behalf by

Eddie Gonzalez

Chief Executive Officer

The accounting policies and Notes on pages 15 to 37 form part of these Financial Statements.

MAYAN ENERGY LIMITED (Formerly Northcote Energy Limited)
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 DECEMBER 2016

	Attributable to the owners of the parent							
	Share capital	**Share premium**	**Foreign currency translation reserve**	**Reverse acquisition reserve**	**Retained losses**	**Sub total**	**Non – controlling interests**	**Total**
	US$ 000's	US$ 000's	US$ 000's	US$ 000's	US$ 000's	US$ 000's	US$ 000's	US$ 000's
Balance as at 1 January 2015	**-**	**21,244**	**75**	**(8,202)**	**(13,711)**	**(594)**	**-**	**(594)**
Loss for the year	-	-	-	0	(6,137)	(6,137)	(51)	(6,188)
Other comprehensive income for the year-currency translation differences	-	-	254	-	-	254	-	254
Total comprehensive income	-	-	254	-	(6,137)	(5,883)	(51)	(5,934)
Shares issued to acquire subsidiary	-	1,695	-	-	-	1,695	-	1,695
Subscribed for units in controlled entity	-	-	-	-	-	-	360	360
Proceeds from share capital issued	-	8,149	-	-	-	8,149	-	8,149
Share issue costs	-	(703)	-	-	-	(703)	-	(703)
Share warrants issued	-	(335)	-	-	335	-	-	-
Share based payments	-	583	-	-	-	583	-	583
Total transactions with owners, recognised directly in equity	-	9,389	-	-	335	9,724	360	10,084
Balance as at 31 December 2015	**-**	**30,633**	**329**	**(8,202)**	**(19,513)**	**3,247**	**309**	**3,556**
Loss for the year	-	-	-	-	(7,147)	(7,147)	(2)	(7,149)
Other comprehensive income for the year – currency translation differences	-	-	86	-	-	86	-	86
Total comprehensive income for the year	**-**	**-**	**86**	**-**	**(7,147)**	**(7,061)**	**(2)**	**(7,063)**
Share capital issued	-	3,538	-	-	-	3,538	-	3,538
Cost of share issue	-	(417)	-	-	-	(417)	-	(417)
Cost of share issue -issue of warrants	-	(628)	-	-	628	-	-	-
Share based payments	-	-	-		200	200	-	200
Total transactions with owners, recognised directly in equity	**-**	**2,493**	**-**	**-**	**828**	**3,321**	**-**	**3,321**
Balance as at 31 December 2016	**-**	**33,126**	**415**	**(8,202)**	**(25,832)**	**(493)**	**307**	**(186)**

The accounting policies and Notes on pages 15 to 37 form part of these Financial Statements.

MAYAN ENERGY LIMITED (Formerly Northcote Energy Limited)
CONSOLIDATED CASH FLOW STATEMENT
YEAR ENDED 31 DECEMBER 2016

	Notes	**Year to 31 December 2016 US$ 000's**	Year to 31 December 2015 US$ 000's
Cash flows from operating activities:			
Loss for the year before taxation		**(7,149)**	(6,188)
Adjustments for:			
Impairment	**10**	**4,721**	1,359
Finance cost	**3**	**137**	428
Finance income	**3**	**(2)**	(20)
Share options	**14**	**200**	-
Change in working capital items:			
Decrease in inventories	**11**	**-**	20
(Increase)/Decrease in trade and other receivables	**12**	**(33)**	68
Increase/(Decrease) in trade and other payables	**13**	**214**	(47)
Net cash outflow used in operating activities		**(1,912)**	(4,380)
Cash flows from investing activities			
Acquisition of subsidiary (net of cash)		**-**	(360)
Purchase of Intangible assets		**-**	-
Purchases of property, plant, and equipment	**10**	**(1,403)**	(1,153)
Proceeds from farm-in/sale		**720**	**-**
Net cash used in investing activities		**(683)**	(1,513)
Cash flows from financing activities			
Proceeds from issue of share capital		**3,538**	7,999
Share issue costs		**(417)**	(703)
Repayment of borrowings		**(236)**	(1,311)
Net Finance Costs		**(135)**	(22)
Net cash inflow from financing activities		**2,750**	5,963
Net (decrease)/increase in cash and cash equivalents		**155**	70
Foreign exchange differences on translation		**(91)**	16
Cash and cash equivalents at beginning of year		**91**	5
Cash and cash equivalents at end of year		**155**	91

Major Non Cash Transactions

Details of major non-cash transactions are described in Note 10 non-current assets, Note 15 share capital and Note 17 borrowings.

The accounting policies and notes on pages 15 to 37 form part of these Financial Statements.

1. General Information

The principal activity of Mayan Energy Limited ('The Company') during the year was as an Oil & Gas exploration and production business focussed in the United States of America. The Company was incorporated in the British Virgin Islands on 13 May 2010 as a private limited company with the name Everest Energy Limited. As at the year end, the Company was domiciled in the British Virgin Islands and listed on the AIM market of the London Stock Exchange.

No new standards, amendment or interpretation, effective for the first time for the year beginning on or after 1 January 2016 have had a material impact on the Group.

At the date of authorisation of these financial statements, the following standards and interpretations, were in issue but not yet effective, and have not been early adopted by the Group:

standard / interpretation	impact on initial application	effective date
IFRS 9	Financial Instruments	1 January 2018
IFRS 15	Revenue recognition	1 January 2018
IFRS 16	Leases	1 January 2019*
IAS 12 (amendments)	Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017*
IAS 7 (amendments)	Disclosure Initiative	1 January 2017*
IFRS 2 (amendments)	Classification and Measurement of Share-based Payment Transactions	1 January 2018*
Annual Improvements to IFRSs: 2014-2016 Cycle	Amendments to: IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 12 Disclosure of Interests in Other Entities, IAS 28 Investments in Associates	1 January 2017 (IFRS 12)* / 1 January 2018 (IFRS 1 and IAS 28)*
IFRIC Interpretation 22	Foreign Currency Transactions and Advance Consideration	1 January 2018*

**Effective dates provided are the IASB effective dates. EU effective dates are yet to be confirmed.*

Whilst the Directors do not anticipate the adoption of these standards and interpretation in future reporting periods will have a material impact on the Group's financial statements, they have yet to complete their full assessment in relation to the impact of IFRS 9 and IFRS 15.

2. Summary of significant accounting policies

2.1. Basis of Preparation

The Consolidated Financial Statements have been prepared under the historical cost convention, as modified for financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss and in accordance with International Financial Reporting Standards (IFRSs) and International Financial Reporting Interpretations Committee (IFRIC) interpretations, as adopted by the EU. 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.

The consolidated financial statements are presented in thousands of US Dollars (US$ 000's).

2.2. Basis of Consolidation

The consolidated Financial Statements consolidate the Financial Statements of Mayan Energy Limited and the audited Financial Statements of its subsidiary undertakings made up to 31 December 2016.

Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in the Statement of Comprehensive Income. Any investment retained is recognised at fair value at the date when control is lost. The group comprises of the following entities:

Name	Interest	Country of Incorporation	Nature of Business
Direct			
Northcote Energy Limited	100%	Cayman Islands	Holding Company
Indirect			
Northcote USA Inc.	100%	USA	Holding Company of USA Interests
NAP Acquisition Inc	100%	USA	Interests (Shoats & Oklahoma)
Northcote Services LLC*	100%	USA	Administrative Company
NCLA Operating LLC*	100%	USA	Shoats Creek related activity
Northcote Louisiana Operat LLC*	100%	USA	Shoats Creek related activity
Northcote Louisiana, LLC *	100%	USA	Shoats Creek related activity
Northcote Oklahoma LLC*	100%	USA	Holds Horizon and other interests
Oklahoma Energy LLC*	100%	USA	Holds Libby/Tinker interests
Northcote Minerals LLC*	100%	USA	Holds Royalty interest & WI Zink Ranch
Northcote Cleveland LLC*	100%	USA	Holds Zink Ranch interest
NAP USA Inc	100%	USA	Oil & Gas trading company
Northcote Osage LLC*	100%	USA	Oklahoma operating company
Northcote Energy Develop LLC*	100%	USA	Partnership management company
Northcote Texas LLC*	100%	USA	Dormant
Northcote Holdings LLC *	100%	USA	Dormant
Northcote Operating, LLC	100%	USA	Dormant
Northcote Gas Marketing LLC *	100%	USA	Dormant
Northcote Drilling Partners LP **	100%	USA	Dormant
Northcote Drilling Venture LLC *	100%	USA	Dormant
NCTX Operating LLC *	100%	USA	Dormant
Stillwater Operating LLC *	100%	USA	Dormant
Northcote Mexico, LLC *	100%	USA	USA HoCo Mexican Interests
Northcote Energy Mexico S de RL de CV	100%	Mexico	Mexican HoCo of Mexican Interests
Mayan Drilling Fluids, S.A.P.I. de C.V.	51%	Mexico	JV for Mexico remediation project
Springer Energy Partners LP **	53%	USA	Limited partnership. South Weslaco
Springer Energy Develop LLC *	33%	USA	General Partner of Springer Energy Partners, LP

**An LLC is not a corporation, but is a legal form of company that affords limited liability to Northcote, its owner and general manager.*
***An LP is not a corporation, but is a legal form of partnership that affords the partners limited liability and is managed by a general manager.*

Except for entities connected with the Groups Shoats Creek and Oklahoma assets, the majority of the US Companies are dormant and it is the Groups intention is to move to liquidate them or strike them off in the near term.

2.3. Going Concern

The financial statements have been prepared assuming the Group will continue as a Going Concern. This assessment has been made on the Group's economic prospects in its financial forecasts. In assessing whether the going concern assumption is appropriate the Directors have taken into account all available information for the foreseeable future; in particular for the 12 months from the date of approval of the financial statements. This includes:

- future cash flows based on management prepared forecasts;
- consideration of projected success of new drilling opportunities;
- opportunities arising as a result of recently announced site additions;
- the ability to raise funds on the market; and
- considerate of the fact that since 31 December, Mayan has reduced its net current liability position by more than US$ 1,400,000 being approximately US$750,000 as a result of cash settlements at a discount, settlement in equity and as part of a broader asset realisation deals, and US$ 457,000 in respect of historic decommissioning provisions released as a result of non core asset sales.

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and, therefore, can continue to adopt the going concern basis of preparation in these financial statements.

The Financial Statements do not include any adjustments that may be required should the Group be unable to continue as a going concern. Going concern has been referred to in the auditor's report as an emphasis of matter.

2.4. Operating segments

Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker ("CODM"). The CODM is responsible for allocating resources and assessing performance of the operating segments, whilst it is the Directors of the Group that make the strategic decisions and have been designed as the CODM.

2.5. Financial assets

The Group has classified all of its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets. The Group's loans and receivables comprise trade and other receivables and cash and cash equivalents in the Statement of Financial Position. Loans and receivables are initially recognised at fair value plus transaction costs and are subsequently carried at amortised cost using the effective interest method, less provision for impairment.

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset, or a group of financial assets, is impaired. A financial asset, or a group of financial assets, is impaired, and impairment losses are incurred, only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event"), and that loss event (or events) has an impact on the estimated future cash flows of the financial asset, or group of financial assets, that can be reliably estimated.

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

- significant financial difficulty of the issuer or obligor; and
- a breach of contract, such as a default or delinquency in interest or principal repayments.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred), discounted at the financial asset's original effective interest rate. The asset's carrying amount is reduced, and the loss is recognised in the Statement of Comprehensive Income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the Statement of Comprehensive Income.

2.6. Borrowings

Borrowings are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

2.7. Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and current balances with banks and similar institutions, which are readily convertible to known amounts of cash. Cash equivalents are highly liquid amounts that are readily convertible to a known amount of cash.

2.8. Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value, and subsequently measured at amortised cost using the effective interest method.

2.9. Equity

Equity comprises the following:

- "Share premium" represents the premium paid on Ordinary Shares issued of no par value
- "Foreign currency translation reserve" includes movements that relate to the retranslation of the subsidiaries whose functional currencies are not the US Dollar.
- "Reverse acquisition reserve" -the reserve is created in respect of the reverse acquisition difference between the equity structure of the legal parent and the acquired entity.
- "Retained earnings" represents retained profits or losses.

2.10. Related Parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals (being members of key management personnel, significant shareholders and/or their close family members) or other entities and include entities which are under significant influence of related parties of the Group where those parties are individuals, and post-employment benefit plans which are for the benefit of employees of the Group or of any entity that is a related party of the Group.

2.11. Foreign Currency Translation

Functional and presentational currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The Financial Statements are presented in US Dollars (US$). The parent company's functional currency is Pounds Sterling (£) and the subsidiary entities functional currency is US Dollars (US$)

On consolidation of entities with a non US Dollar presentational currency, their statements of financial position are translated into US Dollar at the closing rate and income and expenses at the average monthly rate. Share capital is translated into the presentational currency of the Group (US$) using the exchange rate prevailing at the dates of the transactions.

All resulting exchange differences arising in the period are recognised in other comprehensive income, and cumulatively in the Group's translation reserve. Such translation differences are reclassified to profit or loss in the period in which any such foreign operation is disposed of.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the 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 period-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the Consolidated Statement of Comprehensive Income.

2.12. Share based payments

The Group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value at the date of grant. The equity-settled share-based payments are expensed to the consolidated statement of comprehensive income.

Where equity instruments are granted to persons other than employees, the consolidated statement of comprehensive income is charged with the fair value of goods and services received on a straight line basis over the vesting period based on the Group's estimate of shares that will eventually vest, except where it is in respect to costs associated with the issue of securities, in which case it is charged to the share premium account.

2.13. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied, stated net of discounts, returns and value added taxes. The Group recognises revenue when the amount of revenue can be reliably measured and when it is probable that future economic benefit will flow to the entity. The Group bases its estimate of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue represents the sale value of the Group's share of oil and the income from technical services to third parties if any. Revenues are recognised when crude oil has been lifted and title passed to the buyer or when services are rendered.

2.14. Inventories

Inventories comprise produced oil and gas or certain materials and equipment that are acquired for future use. Oil and gas is valued at the lower of average production cost and net realisable value; the materials and equipment inventory is valued at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs plus attributable overheads based on a normal level of activity and other costs associated in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution and any provisions for obsolescence.

2.15. Taxation

Income tax expense represents the sum of the current tax payable and deferred tax. The current tax payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the consolidated statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Tax is charged or credited in the consolidated statement of comprehensive income, except when it relates to items charged or credited directly to equity or in other comprehensive income, in which case the tax is also dealt with in equity or other comprehensive income respectively. Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit. 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 tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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 based on tax rates and laws substantively enacted by the reporting date. Deferred tax assets and liabilities are offset when there exists a legal and enforceable right to offset and they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

2.16. Business combinations

Except as described below, the acquisition of subsidiaries is accounted for using the acquisition method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed and equity instruments issued by the Group in exchange for control of the acquiree. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the criteria for recognition under IFRS 3 (Revised) are recognised at their fair value at the acquisition date. Acquisition costs are expensed.

Mayan Energy Limited (formerly Northcote Energy Limited) was incorporated as an investment vehicle focussed on the completion of a natural resources acquisition.

On 14 January 2014 the Company acquired 100% of the issued share capital of Northcote Energy Limited, Cayman Islands ("Northcote CI"), a US focussed on-shore oil and gas Group, for a consideration of US$ 10.4 million to be satisfied by the issue of 645,084,519 new Shares to the Sellers. The Directors identified and completed the acquisition of Northcote CI in line with this strategy and to further the business interests of the Group.

In accordance with IFRS 3 (Revised) the acquisition represented a reverse acquisition. As a reverse acquisition, the acquisition date fair value of the consideration transferred by Northcote Energy Limited was based on the number of equity instruments that Northcote CI would have had to issue to the owners of Northcote Energy Limited to give the owners of Northcote Energy Limited the same percentage of equity interests that result from the reverse acquisition.

The cost of the combination was calculated using the fair value of all the pre-acquisition issued equity instruments of Northcote Energy Limited at the date of acquisition. The fair value of the share consideration was based on the latest share transaction of Northcote Energy CI from October 2012 of £0.17 immediately prior to the acquisition. Goodwill of US$ 1,273,000 was expensed immediately on acquisition and all the acquisition related costs were also expensed in accordance with IFRS 3 (Revised).

Note Northcote Energy Limited is now Mayan Energy Limited but for the purposes of this note its former name has been used, as at the time of the transaction, that was the Company's name.

2.17. Intangible assets – evaluation and exploration assets ("E&E")

The Group accounts for E&E activity in accordance with the provisions of IFRS 6. The Group will continue to monitor the application of its policy with respect to any future guidance on accounting for oil activities which may be issued.

Capitalisation of E&E Assets

During the Pre-licensing Phase all costs (other than payments to acquire the legal right to explore, evaluate or appraise an area, which are expensed) are charged directly to the consolidated statement of comprehensive income.

During the Evaluation and Exploration Phases, all costs incurred including Geological & Geophysical ("G&G") costs, other direct costs of exploration and appraisal are accumulated and capitalised as intangible E&E assets in accordance with the principles of full cost accounting.

At the completion of the Exploration Phase, if technical feasibility is demonstrated and commercial reserves are discovered then, following the decision to continue into the development phase, the carrying value of the relevant E&E asset will be reclassified as a Development and Production ("D&P") asset, but only after the carrying value of the asset has been assessed for impairment in accordance with the Impairment of E&E Assets policy. E&E costs are not amortised prior to reclassification to the D&P Phase.

Impairment of E&E Assets

An impairment review of E&E assets is performed upon reclassification of an asset or project from the E&E phase to the D&P phase, or at any time indicators or circumstances exist which suggest the E&E asset may be impaired such as:

- the licence to explore a particular area has expired or will expire soon and will not be renewed; or
- further exploration or evaluation work in a particular area is not budgeted or planned; or
- Evaluation and Exploration work has concluded that commercially viable amounts of oil are not available in a particular area and the Group has decided to discontinue Evaluation and Exploration in that area; or
- data shows that, although development of an area will continue, the carrying amount of the E&E asset is unlikely to be recovered in full from successful development, indicating the possibility that the carrying value of an E&E asset may exceed its recoverable amount;

E&E impairment tests are performed by comparing the carrying value of the costs against the estimated recoverable value of the reserves (proved plus probable) related to these assets. Any resulting impairment loss is charged to the consolidated statement of comprehensive income. The recoverable value is determined as the higher of a) its fair market value less costs of disposal or b) the sum of related cash flows, on a net present value basis.

E&E impairment tests are carried out by adding the value of the E&E assets being evaluated to the D&P assets at a ratio of sales/ geographical area to determine the relevant Cash Generating Unit ("CGU"). CGUs are identified in accordance with IAS 36 'Impairment of Assets', on the basis that cash flows are largely independent of other significant assets groups; CGUs are normally, but not always, single development or production areas.

The combined carrying value of the E&E and D&P assets in a CGU is compared against the estimated recoverable value, and any resulting impairment loss is charged to the consolidated statement of comprehensive income.

2.18. Property, plant and equipment – ("D&P Assets")

Capitalisation

D&P Assets are accumulated into single field cost centres and represent the cost of developing the commercial reserves and bringing them into production together with the E&E expenditures incurred in finding commercial reserves previously transferred from E&E assets as outlined in the policy above. From time to time different scenarios occur that call for specific policy guidance.

The following specific policies are applied by the Group:

- CGUs – The Group has defined its CGUs as assets or groups of assets representing the smallest identifiable segments generating cash flows that are largely independent of cash flows from other assets or groups of assets. As defined, each CGU includes the relevant properties, wells, facilities, pipelines and other key components of the included operations.
- Dry Hole Costs – Dry hole costs are included in the capitalised costs of the field and would therefore be included in any impairment tests conducted, as described below.
- Water Injection/Disposal Wells – The Group may convert an existing well into a water injection or disposal well. At the time of conversion, all costs associated with the asset are transferred to facility costs. Any capitalisable costs incurred thereafter will be included as facility costs.
- Allocated Costs – Costs such as G&G, Seismic, Capitalised General and Administrative costs, financing costs, etc. which may cover multiple countries, business segments, CGUs or other assets will be allocated to the appropriate CGUs during the period in which the costs were incurred.

Depreciation, Depletion and Amortisation ("DDA")

Asset costs relating to each CGU, which include the components of properties, wells, facilities, pipelines and other, are depreciated, depleted or amortised on a unit of production method based on the commercial proven and probable reserves for that CGU.

Development and Production assets are depreciated over the relevant net production within the corresponding CGU. As noted above, asset costs associated with E&E projects, even though the assets may or may not have reserves associated with them, and are within a CGU with active producing operations, are not amortised until such costs are analysed for impairment and then transferred to D&P phase.

The DDA calculation takes into account the estimated future costs of development for recognised proven and probable reserves for each field based on current price levels and escalated annually based on projected cost inflation rates. Changes in reserve quantities and cost estimates are recognised prospectively from the last reporting date.

Impairment of D&P Assets

A review is performed for any indication that the value of the Group's D&P assets may be impaired such as:

- significant changes with an adverse effect in the market or economic conditions; or
- obsolescence or physical damage of an asset; an asset becoming idle or plans to dispose of the asset before the previously expected date; or
- evidence is available from internal reporting that indicates that the economic performance of an asset is or will be worse than expected.

For D&P assets when there are such indications, an impairment test is carried out at a CGU level.

When an impairment is identified, the depletion is charged through the statement of comprehensive income if the net book value of capitalised costs relating to the cash generating unit exceeds the associated estimated future discounted cash flows of the related commercial oil reserves.

The Group accounts for D&P assets in accordance with the provisions of IAS 16 following the full cost accounting principles. The Group will continue to monitor the application of its policy with respect to any future guidance on accounting for oil and gas activities which may be issued.

Workovers/overhauls and maintenance

From time to time a workover or overhaul or maintenance of existing D&P assets is required, which normally fall into one of two distinct categories. The type of workover dictates the accounting treatment and recognition of the related costs:

Capitalisable costs

Costs will be capitalised where the performance of an asset is improved, where an asset being overhauled is being changed from its initial use, the assets useful life is being extended, or the asset is being modified to assist the production of new reserves. The asset will then be subject to depreciation.

- If the workover is being performed on an asset which has been the subject of a previous workover, the net book value of costs previously capitalised will be derecognised and charged to cost of sales at the same time as the subsequent capitalisable workover expenditures are being recognised as part of the asset’s revised carrying value.
- If the workover replaces parts, equipment or components of an asset or group of assets, and these replacement items qualify for capitalisation, then the original cost of those parts or equipment, including related installation and set up costs that were capitalised as part of the original asset, will be derecognised and charged to cost of sales in the consolidated statement of comprehensive income. In the event that the original cost of parts, equipment or components being replaced are not reasonably identifiable, the cost of the new items, adjusted for inflation, may be deemed adequate for consideration as the original cost.

Non-capitalisable costs

Expense type workover costs are costs incurred such as maintenance type expenditures, which would be considered day-to-day servicing of the asset. These types of expenditures are recognised within cost of sales in the consolidated statement of comprehensive income as incurred. Expense workovers generally include work that is maintenance in nature and generally will not increase production capability through accessing new reserves, producing from a new zone or significantly extend the life or change the nature of the well from its original production profile.

Decommissioning

Provision is made for the cost of decommissioning assets at the time when the obligation to decommission arises. Such provision represents the estimated discounted liability (the discount rate used currently being at 10%, (2015: 10%) for costs which are expected to be incurred in removing production facilities and site restoration at the end of the producing life of each field.

A corresponding item of property, plant and equipment is also created at an amount equal to the provision. This is subsequently depreciated as part of the capital costs of the production facilities.

Any change in the present value of the estimated expenditure attributable to changes in the estimates of the cash flow or the current estimate of the discount rate used are reflected as an adjustment to the provision and property, plant and equipment. The unwinding of the discount is recognised as a finance cost.

2.19. Compound Financial Instruments ("CFI")

CFI's issued by the Group comprise convertible notes that can be converted to share capital at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value. If the number does vary with changes in their fair value then the instrument is treated as a liability.

The liability component of a CFI is recognised initially at the fair value of a similar liability that does have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a CFI is measured at amortised cost using the effective interest method. The equity component of a CFI is not re-measured subsequent to initial recognition except on conversion or expiry.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2.20. Critical Accounting Estimates and Judgements

Use of Estimates and Judgements

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year involves judgement as to the:

- likely commerciality of the asset;
- proven, probable and possible ('P') reserves which are estimated using standard recognised evaluation techniques;
- future revenues and estimated development costs pertaining to the asset;
- discount rate to be applied for the purposes of deriving a recoverable value; and
- value ascribed to contingent resources associated with the asset.

A) Carrying value of Property, Plant and Equipment (Note 10)

At 31 December 2016, mineral leases and capitalised daily costs and equipment on producing properties have a total carrying value of US$ 2,554,000 (2015: US$ 6,026,000). Management tests annually whether the assets have future economic value in accordance with the accounting policies. These asset are also subject to an annual impairment review.

The recoverable amount of each property has been determined based on a value in the calculation which requires the use of certain estimates and assumption such as long term commodity prices (i.e. oil and gas prices), discount rate, operating costs, future capital requirements and resource estimates. These estimates and assumptions are subject to risk and uncertainty. Therefore a possibility that changes in circumnutates with impact the recoverable amount.

B) Depreciation of oil and gas assets (Note 10)

Oil and gas assets held in property, plant and equipment are mainly depreciated on a unit of production basis at a rate calculated by reference to proven plus probable reserves and incorporating the estimated future cost of developing and extracting those reserves. Future development costs are estimated using assumptions as to the numbers of wells required to produce those reserves, the cost of the wells, future production facilities and operating costs; together with assumptions on oil and gas realisations.

C) Decommissioning (Note 16)

The Group has decommissioning obligations in respect of its interests. The full extent to which the provision is required depends on the legal requirements at the time of decommissioning, the costs and timing of any decommissioning works and the discount rate applied to such costs.

The decommissioning provision is updated each year to reflect management's best estimates based on the current economic environment of the key assumptions used. Actual decommissioning costs will ultimately depend upon future market prices for the necessary decommissioning works required, which will reflect market conditions at the relevant time. Furthermore, the timing of decommissioning is likely to depend on when the fields cease to produce at economically viable rates. This in turn will depend upon future oil and gas prices, which are inherently uncertain.

D) Share based payments (Note 14)

The Group has made awards of options and warrants over its unissued capital. The valuation of these options and warrants involves making a number of estimates relating to price volatility, future dividend yields, expected life and forfeiture rates.

3. Finance income and Finance costs

	2016	2015
Finance income	**US$ 000's**	US$ 000's
Foreign exchange gain on cash and cash equivalents	**-**	16
Income on cash and cash equivalents	**2**	4
	2	20

	2016	2015
Finance costs	**US$ 000's**	US$ 000's
Bank charges and finance expense on borrowings	**44**	341
Foreign exchange loss on cash and cash equivalents	**93**	-
Unwinding of discount on decommissioning provision	**-**	87
	137	428

4. Segmental analysis

In the opinion of the Directors, the operations of the Group comprise one single operating segment comprising production, development and sale of hydrocarbons and related activities.

While the Group has some head office operations outside of the USA, materially and per IFRS 8 threshold requirements, it operates in one geographic area, the USA. The USA is therefore the Group's one reportable segment and the Directors consider that the financial statements presented substantially reflect all the activities of this single operating segment. Given that almost all of the Group's revenue is generated on non-operated properties, no detailed customer analysis has been provided, as production is sold by the operators of its properties to customers of the operators' choosing.

5. Earnings per Share

Basic earnings per Share is calculated by dividing the loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Earnings per share	**2016 US$ 000's**	2015 US$ 000's
Loss attributable to owners of the Group	**(7,147)**	(6,188)
Weighted average number of ordinary shares in issue	**11,784,429,398**	5,015,981,767
Earnings per share (cents)	**(0.06)**	(0.12)

In accordance with International Accounting Standard 33 'Earnings per share', no diluted earnings per share is presented as the Group is loss making.

6. Expenses by nature

The Group's operating loss is stated after charging:

Expenses by nature	**2016 US$ 000's**	2015 US$ 000's
Auditors' remuneration -audit services	**30**	30
Professional and consulting fees	**330**	1,334
Travel and accommodation	**81**	109
Impairment	**4,721**	1,359
Rent and office costs	**150**	291
Staff costs (including share-based payments)	**714**	1,602
Loss on fair value through profit and loss investments	**17**	29
Joint Brokers & Nomad	**106**	106
Legal fees	**175**	389
Other expenses	**174**	411
Total	**6,498**	5,660

During the year the Group sold investments purchased for resale, resulting in a net loss of US$ 17,000 (31 December 2015: US$29,000). As these losses are considered immaterial no further information is disclosed.

7. Staff Costs (including Directors)

The Group employed 9 including, 4 directors (2015: 12 and 5).

Staff costs (including Directors)	**2016 US$ 000's**	2015 US$ 000's
Directors remuneration	**316**	715
Other benefits	**-**	15
Share based payments	**149**	78
Staff costs	**277**	774
Staff benefits	**-**	20
	742	1,602

Key management of the Group are considered to be the Directors and the remuneration of those in office during the year was as follows:

Key management remuneration	Short term employee benefits	Other long term benefits	Directors other benefits	Total 2016	Total 2015
	US$ 000's	US$ 000's	US$ 000's	US$ 000's	US$ 000's
Ross Warner	75	29	-	104	125
Randy Connally	62	-	-	62	283
Eddie Gonzalez	60	77	-	137	-
Kevin Green	17	-	-	17	72
JD Mc Graw	24	14	-	38	-
Daniel Jorgensen	-	-	-	-	234
Charlie Wood	78	29	-	107	94
Total Key Management	316	149	-	465	808

8. Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's overall risk management programme seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the Board.

(a) Market Risk

Foreign exchange risk

The Group operates principally in the US, but is exposed to foreign exchange risk arising from currency exposures, primarily with respect to the British Pound. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

As at 31 December 2016 the exposure to this risk is not considered material to the Group's operations and thus the Directors consider that, for the time being, no hedging or other arrangements are necessary to mitigate this risk and as a result of this not being considered material no disclosure has been made in this respect.

Oil price risk

While the return on the Group's operations and investments is US$ denominated, changes in Oil and Gas prices impact on the viability of its operations and also the ease with which the Group can raise capital.

(b) Credit Risk

The Group has policies in place to ensure that sales of products are made to customers with appropriate credit worthiness. The Group limits credit risk by assessing creditworthiness of potential counterparties before entering into transactions with them and continuing to evaluate their credit-worthiness after transactions have been initiated.

Where appropriate, the use of prepayment for product sales limits the exposure to credit risk. There is no difference between the carrying amount of trade and other receivables and the maximum credit risk exposure.

Credit risk also arises from cash and cash equivalents. The Group considers the credit ratings of banks in which it holds funds in order to reduce exposure to credit risk. The Group will only keep its holdings of cash and cash equivalents with institutions which have a minimum credit rating of 'B'.

(c) Liquidity Risk

Management of liquidity risk is achieved by monitoring budgets and forecasts against actual cash flows. Where the group entered into borrowings during the year, management monitored the repayment and servicing of these arrangements against the contractual terms and reviewed cash flows to ensure that sufficient cash reserves were maintained.

(d) Capital Risk Management

The Directors determine the appropriate capital structure of the Group, specifically, how much is raised from shareholders (equity) and how much is borrowed from financial institutions (debt), in order to finance the Group's business strategy.

The Group's policy as to the level of equity capital and reserves is to ensure that it maintains a strong financial position and gearing ratio which provides financial flexibility to continue as a going concern and to maximise shareholder value. The capital structure of the Group consists of shareholders' equity together with net debt (where relevant). The Group's funding requirements are met through a combination of debt, equity and operational cash flow.

9. Taxation

Taxation	**2016 US$ 000's**	2015 US$ 000's
Current income tax charge	-	-
Deferred tax charge/ (credit)	-	-
Total taxation charge/ (credit)	-	-

Taxation reconciliation

The charge for the year can be reconciled to the loss per the consolidated statement of comprehensive income:

Tax Reconciliation	**2016 US$ 000's**	2015 US$ 000's
Loss before income tax	**(7,147)**	(6,188)
Tax on loss at the weighted average Corporate tax rate of 26.5% (2015: 26.9%)	**(1,894)**	(1,665)
Effects of:		
Tax losses carried forward	**1,893**	1,665
Non-taxable income/Non-deductible expenses for tax purposes	**1**	-
Total income tax expense	**-**	-

Unprovided deferred tax asset:	**2016 US$ 000's**	2015 US$ 000's
Group tax losses carried forward amount to US$ 16.4 M (2015: US$ 17.4 M) as determined by cumulative losses multiplied by the US standard rate of corporation tax 30% (2015: 30%). Such tax losses will be recoverable only when it is probable that taxable profits will be available.	**7,116**	5,222

The deferred tax asset has not been provided for because of uncertainty over the timing of future taxable profits against which the losses may be offset.

10. Property, plant & equipment

Property, plant and equipment	Other Tangible Assets	Assets under construction	Development and production assets	Total
	US$ 000's	US$ 000's	US$ 000's	US$ 000's
Cost				
At 1 Jan 2015	189	-	8,435	8,624
Additions	-	566	1,944	2,510
Acquired through business combination	-	-	2,834	2,834
Disposal	(178)	-	(70)	(248)
At 31 December 2015	**11**	**566**	**13,143**	**13,720**
Additions	-	389	1,014	1,403
Disposal	-	-	(720)	(720)
At 31 December 2016	**11**	**955**	**13,437**	**14,403**
Depreciation and impairment charge				
At Jan 2015	**(39)**	**-**	**(5,762)**	**(5,801)**
Impairment	-	-	(1,361)	(1,361)
Disposal	37	-	6	43
Charge for the year	-	-	-	-
At 31 December 2015	**(2)**	**-**	**(7,117)**	**(7,119)**
Impairment		(955)	(3,766)	(4,721)
Charge for the year	-	-	-	-
At 31 December 2016	**(2)**	**(955)**	**(10,883)**	**(11,840)**
Net book value				
At 31 December 2016	**9**	**-**	**2,554**	**2,563**
At 31 December 2015	9	566	6,026	6,601

Property, plant and equipment:- Analysis of NBV by project	Other Tangible Assets	Assets under construction	Development and production assets	Total
	US$ 000's	US$ 000's	US$ 000's	US$ 000's
Shoats Creek	-	-	1,800	1,800
Zink Ranch	-	-	500	500
South Weslaco	-	-	95	95
Horizon Project (including Mathis)	-	-	169	169
At 31 December 2016	**-**	**-**	**2,564**	**2,564**

Impairment

At year end, Management review each exploration project for any indication of impairment. Indications would include sustained changes in the oil and gas price outlook, written off wells, changes in management's development plan and the relinquishment of development acreage. The principle influences on management's decision to impair the properties are described below:

Oil price

Compared to pre 2014 values, present prices continued to be under pressure. At the same time however, there has been a marked stabilisation in market prices in the US$ 45-50 bopd range. The Group acquired the majority of its properties based on valuations when oil prices were consistently in excess of US$ 100/bbl., which with the benefit of hindsight were then at historic market peaks.

Development plan

The value of any proven Oil & Gas asset is a function of both its current production but also in the extraction of proven but as yet unproduced reserves.

During 2016 the Group's investment in Shoats Creek, Beauregard Parish, ("Shoats") acquired in 2014 has been the major focus of the Group's development plans in the USA. During 2016 the Group invested significant resources into the development of Shoats including the:

- decommissioning and remediation of 4 wells,
- conversion of a decommissioned well into a Salt Water disposal well (LM 15)
- installation of a Gas Pipe line,
- completion of the LM 20 new well (started in 2015) combined with subsequent attempts to remediate that well-which remain on going, plus
- re-entries into RC1, RC2, LM 14, and LM 19 and most recently
- commencing the exploration of the LM 13 shallow well, which on the basis of log work appears to have significant potential.

The Group's properties in Oklahoma (the Zinc, Horizon and OKE projects) have significant oil in place estimates but the fall in the oil prices in 2013/14 has been sustained, such that without restructuring the Group's ability to profitably extract those reserves has been severely restricted. With lower oil prices forecast to continue, during the year the Group investigated options to restructure the restrictions which hold these wells back, which post year end, has led to the successful disposal of the Libby Tinker fields, and the disposal of the Groups Horizon interests in exchange for outstanding interests in Zinc.

Capital constraint

The Group only has a finite amount of capital available, management therefore prioritised capital allocation to Shoats Creek as it offered the prospect of more attractive returns than investing in attempting to put proven reserves elsewhere into production. The impairment provision in the year was charged against the following properties:

Impairment provision by properties:		**2016**	2015
Project	*Rationale*	**US$ 000's**	US$ 000's
Shoats Creek	2016 work largely abortive. Frio has prospects: shallow well now being explored. Cockfield and Wilcox not presently attractive. Difficult field-floods and access-impact on cost to operate.	**3,179**	-
Horizon	Low oil prices continue to impact ability to develop. Swapped for remaining interests in Zinc in 2017	**331**	730
Zink	New approach being considered. Remaining outstanding interests acquired in 2017.	**-**	397
South Weslaco	Operating, but impacted by low oil prices	**255**	-
Other	Mexico-Delivery failure by Joint Venture partner. Now in dispute	**955**	234
Total impairment charge for the year		**4,721**	1,361

11. Inventories

Inventories	2016 US$ 000's	2015 US$ 000's
Oil Stocks	**31**	31
Total	**31**	31

12. Trade and other receivables

Trade and other receivables	2016 US$ 000's	2015 US$ 000's
Trade receivables and accrued income	**358**	317
Taxes and social security	**-**	8
Total	**358**	325

Trade and other receivables are stated at fair values, which as at the year-end equate to their carrying values. As at the year-end trade and other receivables were not past due, were not impaired and were all denominated in US$.

13. Trade and other payables

Trade and other payables	2016 US$ 000's	2015 US$ 000's
Trade payables and accruals	**2,064**	1,799
Taxes and social security	**156**	207
Total	**2,220**	2,006

14. Share based payment

The following is a summary of the share options and warrants outstanding and exercisable as at 31 December 2016 and 31 December 2015 and changes during the period:

Share based payment:- Summary of Share Options and Warrants	2016 Number of options and warrants (000's)	2016 Weighted Average Exercise price Pence	2015 Number of options and warrants (000's)	2015 Weighted Average Exercise price Pence
Outstanding and exercisable, beginning of year	**713,137**	**0.44**	138,851	1.59
Granted	**3,870,904**	**0.02**	586,786	0.16
Exercised	-	-	(12,500)	0.01
Expired	**(26,669)**	**0.97**	-	-
Cancelled	**(49,000)**	**0.00**	-	-
Outstanding and exercisable, end of year	**4,508,372**	**0.05**	713,137	0.44

The above is expressed in GB£ pence and not US$ cents due to the terms of the options and warrants.

The following share options or warrants were outstanding in respect of the ordinary shares:

Grant Date	Expiry Date	Ex Price	01-Jan-15	Expired	Exercised	Granted	31-Dec-15	Expired	Exercised	Granted	Cancelled	31-Dec-16
		Pence	(000's)	(000's)	(000's)	(000's)	(000's)	(000's)	(000's)	(000's)	(000's)	(000's)
14/01/2013	14/01/2016	0.01	15,669	-	-	-	15,669	(15,669)	-	-	-	-
22/03/2013	22/03/2016	0.015	6,000	-	-	-	6,000	(6,000)	-	-	-	-
03/04/2013	03/04/2018	0.0275	14,000	-	-	-	14,000	-	-	-	(14,000)	-
03/04/2013	03/04/2018	0.022885	17,500	-	-	-	17,500	-	-	-	(17,500)	-
03/04/2013	03/04/2018	0.023587	17,500	-	-	-	17,500	-	-	-	(17,500)	-
26/02/2014	26/02/2017	0.011	54,545	-	-	-	54,545	-	-	-	-	54,545
11/07/2014	11/07/2017	0.011	13,636	-	-	-	13,636	-	-	-	-	13,636
27/01/2015	27/01/2016	0.002	-	-	-	2,500	2,500	(2,500)	-	-	-	-
27/01/2015	27/01/2016	0.0025	-	-	-	2,500	2,500	(2,500)	-	-	-	-
12/02/2015	12/02/2018	0.0009	-	-	-	62,981	62,981	-	-	-	-	62,981
20/04/2015	20/04/2020	0.001	-	-	(12,500)	12,500		-	-	-	-	-
20/04/2015	20/04/2020	0.00225	-	-	-	89,639	89,639	-	-	-	-	89,639
27/11/2015	27/11/2018	0.0015	-	-	-	416,667	416,667	-	-	-	-	416,667
20/04/2016	21/04/2018	0.000315	-	-	-	-	-	-	-	158,730	-	158,730
01/09/2016	02/09/2019	0.00015	-	-	-	-	-	-	-	444,444	-	444,444
01/09/2016	01/09/2021	0.00015	-	-	-	-	-	-	-	2,060,000	-	2,060,000
28/10/2016	29/10/2018	0.000175	-	-	-	-	-	-	-	1,207,729	-	1,207,729
			138,851		(12,500)	586,786	713,137	(26,669)		3,870,904	-49,000	4,508,372

1) *Director options granted 3 April 2013 vests after 31.12.13 on condition that Director employed and that net production greater than 100 boepd. Now cancelled*
2) *Director options granted 3 April 2013 vests after 31.12.13 on condition that Director employed and that net production greater than 250 boepd. Now cancelled*
3) *Director options granted 3 April 2013 vests after 30.06.14 on condition that Director employed and that net production greater than 400 boepd. Now cancelled*

New options and warrants have been valued using the Black-Scholes valuation method and the assumptions used are detailed below. The expected future volatility has been determined by reference to the historical volatility:

Current year:

Grant date	Share price at grant (pence)	Exercise price (pence)	Volatility (%)	Warrant/ Option life (year(s))	Dividend yield (%)	Risk-free investment rate (%)	Fair value per option (US cents)
20.4.16	**0.050**	**0.032**	**177**	**3**	**0**	**1**	**0.0617**
1.9.16	**0.016**	**0.015**	**177**	**5**	**0**	**1**	**0.0194**
2.9.16	**0.017**	**0.013**	**177**	**3**	**0**	**1**	**0.0176**
28.10.16	**0.019**	**0.018**	**177**	**3**	**0**	**1**	**0.0202**

Prior year:

Grant date	Share price at grant (pence)	Exercise price (pence)	Volatility (%)	Option life (year(s))	Dividend yield (%)	Risk-free investment rate (%)	Fair value per option (US cents)
27.01.15	0.145	0.200	100	1	0	1	0.059
27.01.15	0.145	0.250	100	1	0	1	0.047
12.02.15	0.100	0.090	100	3	0	1	0.090
20.04.15	0.260	0.100	100	5	0	1	0.124
20.04.15	0.260	0.225	100	3	0	1	0.026
27.11.15	0.095	0.150	100	3	0	1	0.074

The Group recognised US$ 828,000 (2015: US$ 335,000) relating to equity-settled share based payment transactions during the year, of which:

- US$ 628,000 (2015: US$ 335,000) was charged to share premium, and
- US$ 200,000 (2015: US$ Nil) was expensed.

For the share options and warrants outstanding as at 31 December 2016, the weighted average remaining contractual life was 2.65 years (2015: 2.79).

15. Share capital

Allotted, called-up and fully paid	**Number**	**Share price (pence per share)**	**Share Premium US$ 000's**
Balance at 1 January 2015	**1,317,512,448**	**-**	**21,244**
Jan 15 Darwin conversion	95,219,212	0.160	227
Feb 15 Placing	1,555,725,004	0.090	2,133
Feb 15 Directors and consultants	236,564,367	0.100	324
Feb 15 Darwin conversion	175,000,000	0.090	240
Apr 15 NAP USA consideration	1,266,074,005	0.090	1,695
Apr 15 Directors and consultants	102,042,484	0.090	153
May 15 Placing	1,244,444,444	0.225	4,238
May 15 Warrant exercise	12,500,000	0.100	19
Sept 15 Directors and consultants	77,777,778	0.090	106
Oct 15 Consideration shares	65,681,445	0.150	150
Dec 15 Placing	833,333,333	0.090	1,141
Total issue costs	-	-	(1,037)
Balance at 31 December 2015	**6,981,874,520**		**30,633**

Mar 16 Broker/ Consultant	100,505,706	0.058	83
Apr 16 Placing	3,015,873,016	0.032	1,354
Sept 16 Placing	3,666,666,666	0.015	660
Sept 16 Broker/ Consultant	133,333,695	0.015	92
Oct 16 Placing	7,246,376,812	0.017	1,524
Oct 16 Warrants	-	0.018	(266)
Total Issue costs	-	-	(1,220)
Balance at 31 December 2016	**21,144,630,415**		**33,126**

16. Provisions

Provisions:	**Plug & Abandonment**	**Environmental Provision**	**Total 2016**	Total 2015
	US$ 000's	**US$ 000's**	**US$ 000's**	US$ 000's
Brought forward	1,250	-	1,250	535
Provision for the year	-		-	332
Utilised in year	(264)	-	(264)	(60)
Amortisation	87	-	87	87
Acquired in business combination	-	-	-	356
Carried forward	1,073	-	1,073	1,250
Current	800	-	800	220
Non-Current	273	-	273	1,030
Total	1,073	-	1,073	1,250

The provision in respect of Plug & Abandonment represents the present value of the decommissioning of up to 118 (2015: 122) existing producing and currently shut-in well bores. Decommissioning is due to take place from 2017 to 2027 (2015: 2016 to 2036). The provisions are made using the Group's internal estimates that Management believes form a reasonable basis for the expected future costs of decommissioning.

17. Borrowings

	Other Loans	**Director Loans**	**Darwin Convertible Loan**	**Total 2016**	Total 2015
	US$ 000's	**US$ 000's**	**US$ 000's**	**US$ 000's**	US$ 000's
Brought forward	236	-	-	**236**	1,773
Acquired in business combination	-	-	-	**-**	361
Interest and amortisation	-	-	-	**-**	322
Repayments/Conversion	(236)	-	-	**(236)**	(2,216)
Foreign currency	-	-	-	**-**	(4)
Carried forward	-	-	-	**-**	236

Principal terms and the debt repayment schedule of the Group's unsecured loans and borrowings during the year were as follows:

Loan Terms	Currency	Interest rate	Effective Interest rate	Year of Maturity
Other Loans	US$	0%-2% pm	0%-2% pm	On demand

18. Contingent liabilities

As at the balance sheet date Mayan had a Production Payment Obligation in respect of its acquisition of the Shoats Creek Properties from Aminex USA Inc in November 2014. At the balance sheet date the total sum that could potentially be payable totalled US$ 3,150,000 determined as Mayan's share at the time of the acquisition of the US$ 4,500,000 deferred consideration agreed.

Under the terms of the sales and purchase agreement between Aminex and the Buyers, it was agreed that the deferred consideration would be settleable by way of:

a) A production payment agreement, and
b) A 50% set aside of the proceeds of any disposition in buyers interest,

As to the production payment with continuing soft oil prices (relative to US$ 100 per barrel) it was renegotiated in September 2015, with the production payment reduced from US$ 10 bopd to the following:

- Where the price is greater than $65.00, payment to be $10 per BOE
- Where the price is greater than $45.00 but less than $65.00, payment to be $5 per BOE
- Where the price is less than $45.00, payment to be $2 per BOE

The production payment is non-recourse and is only payable out of production from the field. As production is based on variables outside of the Group's control no provision has been booked in respect of future barrels and each production payment will be charged through the income statement as incurred.

As to the amount payable from the proceeds of dispositions, a provision has been made in these accounts in respect of the sale of working interest to Gulf Coast Western, Inc. ("GCW") reported on 15 March 2016. The Group does not believe that it has any exposure to transfers of working interest to Joint Venture parties involved in the original acquisition of Shoats.

19. Capital Commitments

There were no capital commitments authorised by the Directors or contracted other than those provided for in these financial statements for at 31 December 2016 (31 December 2015: None).

20. Ultimate Controlling party

As at the Consolidated Statement of Financial Position date, the Directors believe that there is no ultimate controlling party.

21. Related party transactions

Compensation paid to key management personnel including Directors, Executive Directors and senior management is disclosed in Note 7.

22. Events after the reporting date

Capital Raises and Share, Option and Warrant Consolidation

On 30 March 2017 Mayan announced that it has raised £600,000 (before expenses) with institutional and private investors through a Company arranged subscription of 12,000,000,000 new ordinary shares of no par value each at a price of 0.005p per share (the "Subscription Price"). The purpose of the capital raise was to fund ongoing working capital and Shoats development.

On 20 April 2017 Mayan announced that it had concluded a 400:1 Share Consolidation. Shares so consolidated retained the same rights as previously. All existing options and warrants were also consolidated on the same 400-to-1 basis and as part of this exercises the Company's Stock Exchange

Daily Official List ("SEDOL") code was changed to G5S26K115 and its ISIN code changed to VGG5S26K1152. The Company's Tradable Instrument Display Mnemonic ("TIDM") remained unchanged as "MYN".

On 26 June 2017 Mayan announced that it has raised £587,500 (before expenses) with institutional and private investors through a Company arranged subscription of 195,833,333 new ordinary shares of no par value each at a price of 0.3p per share (the "Subscription Price"). The purpose of the capital raise was to finance a £90,000 equity funding in Block Plc and provide a £210,000 Secured Loan to that Company, and to fund ongoing working capital.

Disposal of non-core assets

On 2 February 2017 Mayan it was announced that it had agreed to sell its Libby and Tinker leases, which as a result of an earlier renegotiation of Royalty and Contingent Liability settlement terms had been reinstated as productive fields. This transactions generated nearly USD 150,000 in cash, and in addition significantly reduced existing decommissioning liabilities associated with these leases in the amount of US$315,000. Mayan had a 100% WI and a 75% NRI in these leases.

On 26 June 2017 Mayan announced that it had completed an agreement with Glenn Supply Company (“Glenn”) whereby, exited its interest in its Horizon leases and acquired additional interests in both the Mathis and Zink Ranch leases which give Mayan 100% working interest and full operatorship of each of Mathis and Zink Ranch. The transaction involved a purchase payment of US$60,000 payable in instalments, and the waiver of amounts outstanding to Glenn, who was the incumbent operator of these properties, as well as the assumption by Glenn of abandonment/decommissioning liabilities for these assets.

Debt Restructuring

On 2 February 2017 as a result of its announcement that it had agreed to sell its Libby and Tinker leases, historic decommissioning provisions in the amount of US$315,000 in respect of the properties will now be released.

On 9 May 2017 the Company announced that it had concluded negotiations with one of its largest creditors settling with them for 21 cents on the dollar, lightening its debt load by close to USD 190,000 as a result.

On 26 June 2017 as part of its deal with Glenn, liabilities in the amount of US$ 300,000 were waived and Glenn assumed all abandonment/decommissioning liabilities for these assets. As a result historic decommissioning provisions in the amount of US$142,000 in respect of the properties will now be released.

Overall, since the 31 December 2016 the Mayan has lightened its debt load by approximately US$750,000 as a result of cash settlements at a discount, settlement in equity and as part of a broader asset realisation deals. At the same time, historic decommissioning provisions of approximately US$ 457,000 will now be released.

Development of Shoats Creek

Starting in March 2017 Mayan announced that it had begun work on a Shallow Well program –the LM 13. The program was designed to ascertain whether zones detected at 710, 2,600 and 2,900 feet were oil bearing and if so were economic. Repeated flooding at Shoats has hindered this program, which is expected to be finally concluded in the next few weeks.