MAYAN ENERGY LIMITED

Company Registered Number 1585070

ANNUAL REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2017

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MAYAN 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

While 2017 can be characterised as a year of considerable change at Mayan, most of which was deliberate and necessary to create a platform for sustainable growth, what has not changed is our objective to build a highly cash generative US onshore focused oil and gas company. Thanks to the work we have undertaken both during and after the year under review, including the successful implementation of low cost and low risk development programmes to scale up production across our asset base, we are well on the way to achieving our objective.

At the beginning of the period our focus was centred on dealing with several legacy issues and ensuring we had the right team in place at Board, management and operational levels so that we were in a position in the second half of the year to kick on with our growth strategy. This is focused on acquiring underperforming US onshore assets, enhancing production by deploying the expertise of our new team, utilising the specialised technology we have at our disposal, and reinvesting the cash flows generated into further growth opportunities.

Considerable progress has been made. Over the course of the year, as well as divesting several assets that were no longer deemed economically sensible to progress, we set about building a portfolio of multiple producing wells and development opportunities which matched our investment criteria: undervalued and underdeveloped projects where production can be optimised effectively and economically by the Group. Notably, we re-gained full ownership of Zink Ranch and entered into agreements to secure material working interests in a portfolio of wells on the Stockdale and Forest Hill Fields in Texas. In addition, during the year we invested in value accretive opportunities including a 17.6% interest in Deloro Energy which provides Mayan with exposure to the Asphalt Ridge Heavy Oil Sands Project in Utah where production is due to commence shortly, and a 3.29% interest in Georgian focused Block Energy Plc, which was recently admitted to AIM. The underlying thread that connects our portfolio of assets and investments is that they all represent advanced opportunities that are easily accessible, economically viable and have high potential.

We have been working hard to realise this high potential at the earliest opportunity. Since their acquisition, we have successfully restored production at wells on both Stockdale and Forest Hill by implementing a workover and well stimulation programme. As part of the programme, we committed to investing in technology and techniques to best enhance production and identify new horizons. We have been delighted with the results. First sales from Stockdale were secured just over a month after commencing work and post-period end in May 2018 we reported a combined total of 272 gross / 137 net barrels of oil per day ('bopd') was being produced from just five wells on the Stockdale and Forest Hill Fields in Texas. With further activity planned, including a workover programme at Zink Ranch targeting 100bopd, we are closing in on the medium-term 300-500 bopd net production target we set ourselves during the course of the year.

Outside our Texas and Oklahoma assets, our acquisition in November 2017 of an initial 17.6% stake (post-period end this has been reduced to 17.3%) in Deloro Energy which exposes Mayan to the Asphalt Ridge Heavy Oil Sands Project in Utah, promises to generate near term value for Mayan. The Asphalt Ridge Project is currently being developed by TSX listed Petroteq Energy using Petroteq's patented environmentally friendly heavy oil processing and extraction technology. There is significant value to be unlocked at Asphalt Ridge, which has an 87 Million Stock Tank Barrels contingent resource in place, and work is underway as part of a multi-phase development to produce 1,000 bopd in 2018 and increasing this to 5,000+ bopd by 2019.

As mentioned earlier, several appointments were made in 2017 that have been key to the progress we have made. Among these is Mr David Khan who was appointed as an in-country technical advisor to the Company. David's expertise and experience in US oil and gas operations has been invaluable in supporting our CEO Mr Eddie Gonzales in the development of the US onshore portfolio as well as in the identification of high potential investment opportunities.

Financial Review
The Company has reported a gross loss for the year of US$3,836,000. This loss, along with a reduction in the Company's gross assets from 2016, can largely be attributed to the impact of impairments against the Company's US based assets in particular Shoats Creek. This gives rise to a loss per share of US$ 1.86 cents. Turnover was also reduced compared with the prior year given the Company's scaled down production at Shoats Creek however the Directors are confident that production from the Company's Texan fields will replace this in 2018.

Based on our growing track record of delivering on our targets, during the year we were able to raise £4.086 million through a combination of brokered and internally organised fund raises and placings. Just before period-end we raised £2 million through a placing involving private investors and various institutions; the fact that this placing was oversubscribed is testament to the progress the Group has made over the period. The funds raised have been invaluable in supporting the development of our US portfolio of assets and enabling us to make crucial investments in exciting opportunities.

Outlook
This year has not been without significant challenges and accordingly, some difficult decisions had to be made regarding Mayan's portfolio and strategy, including the post period end decision to relinquish our interest in the Shoats Creek Field in Louisiana. However, Mayan has emerged the stronger for it and is now equipped with a prospective cohort of onshore assets in Texas and Oklahoma that is bolstered by several strategic investments. The success we have achieved recently across our US portfolio in our view justifies the actions we took to streamline Mayan's portfolio of assets.

We continue to work hard to monetise our existing assets, as evidenced by the strong production growth we recently reported in Texas. At the same time, we are keen to replicate the success we have enjoyed here elsewhere, notably at Zink Ranch. Today, Mayan has a rapidly improving revenue and cash flow profile, a growing portfolio of low cost development opportunities, and a first-rate team in place that has proven itself capable of delivering. We have an excellent platform in place for future growth and as a result, I firmly believe that Mayan is well on the way to becoming the highly cash flow generative oil and gas company we set out to build.

Having taken over the role of Chairman of Mayan midway through the year, I would like to take this opportunity to sincerely thank our shareholders for their commitment to Mayan, and to welcome all those who joined us this year. 2017 marked the beginning of a new chapter in Mayan's history and a notable sense of renewed optimism for the future of the Company has emerged, supported by the significant progress that has been achieved on the ground. We are well positioned for continued growth and I hope that you share the optimism I have for Mayan's future success.

Charlie Wood
Non Executive Chairman
29 June 2018

The Directors present their report and the audited financial statements for the year ended 31 December 2017.

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 Texas. In addition, the Group has established strategic portfolio investments in listed and unlisted entities in the oil and gas sector. 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 2017 amounted to US$ 3,836,000 (2016: US$ 7,149,000). The Directors do not recommend payment of a dividend (2016: 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:

	2017	**2016**
	$'000	**$'000**
Cash and cash equivalents	803	155
Well expenditure	491	-
Available for sale financial investments	1,626	-

The Group did not monitor any further material KPIs.

Risks and uncertainties

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

- Success in exploration/ commissioning – the Group aims to recruit and partner with experts in the sector to ensure the best possible outcome with respect to exploration and commissioning.
- Volatility of oil & gas commodity prices – the Group monitors commodity prices on a regular basis to determine whether any hedging is required to reduce the price volatility risk. No hedging structures have been entered in to by the Group.
- Foreign Currency volatility– the Group monitors foreign currency, in particular the volatility with respect to the US/GBP rate on a regular basis to determine whether any hedging is required. No hedging structures have been entered in to by the Group.
- Availability of finance – the Directors are confident there is adequate funding to finance future immediate working capital and operational requirements, through to at least the end of June 2019. Current and future funding is continuously monitored and controlled by the Group.
- Environmental and decommissioning responsibilities – the Group engages with organisations with considerable expertise in the environmental field to ensure that all environmental responsibilities are met with respect to the assets being decommissioned.

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.

Corporate governance

The Group seeks to comply with the provisions of the QCA's Corporate Governance Code for Small and Mid-Size Quoted Companies to the extent that the directors believe it is appropriate in light of the size, stage of development and resources of the Group. At present, due to the size of the Group, audit and risk management issues will be addressed by the Board. As the Group grows, the Board will consider establishing an audit and risk management committee and will consider developing further policies and procedures which reflect the principles of good governance.

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 a material uncertainty.

Provision

The Group has incurred payroll tax liabilities dating back to 2014, which is included in trade and other payables and provisions. The Group has also estimated the additional amounts which will be payable to the US State in terms of penalties and interest. It is envisaged that this liability will be settled during 2018.

Events after the reporting date

These financial statements were approved on 29 June 2017; See Note 21 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	-
Non-Executive Directors		
Charlie Wood (Chairman)	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, 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-17		31-Dec-16 (Post share conversion)		31-Dec-16	
Director	**Shares**	**Options**	Shares	Options	Shares	Options
Eddie Gonzalez	24,166,666	1,950,000	833,333	1,950,000	333,333,333	780,000,000
Charlie Wood	2,623,701	750,000	123,701	750,000	49,480,391	300,000,000
JD Mc Graw	2,564,102	375,000	-	375,000	-	150,000,000

As at 31 December 2017 the Directors held 2.52% (31 December 2016 2.58%) 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
29 June 2018

MAYAN ENERGY LIMITED
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; and
- 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
29 June 2018

Opinion

We have audited the financial statements of Mayan Energy Limited (the 'Group') for the year ended 31 December 2017 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. 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.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the AIM rules for Companies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty in relation to Going Concern

We draw attention to Note 2.3 in the financial statements which identifies conditions that may cast significant doubt on the Group's ability to continue as a going concern. The Group incurred a net loss in the year of US$ 3,836k and incurred operating cash outflows of US$ 2,465k.

The financial statements have been prepared on a going concern basis. The ability of the Group to meet its proposed forecast is dependent upon the successful commissioning of its oil and gas assets and cashflows being generated therefrom.

As stated in Note 2.3, these events and conditions along with other matters set forth indicate a material uncertainty that may cast significant doubt on the ability of the Company to continues as a going concern.

Our application of materiality

The materiality applied to the financial statements was US$103,000 (2016: US$140,000), based on a percentage blend of gross assets, net assets and net loss. We apply the concept of materiality both in planning and performing the audit, and evaluating the effect of misstatements. At the planning stage materiality is used to determine the financial statement areas that are included within the scope of the audit and the extent of the sample sizes during the audit.

An overview of the scope of our audit

As part of designing our audit, we determined materiality, as above, and assessed the risk of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates. We also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

The Group's accounting function is split between the US and the UK. Our audit work was performed on a consolidated basis with a focus on those entities where key balances were held. All audit work was undertaken from the UK.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the scope of our audit responded to the key audit matter
Valuation of Available for Sale Financial Assets ("AFS") The Group holds available for sale financial investments of US$1,626,000. There is the risk that these investments are not valued correctly.	We obtained and verified ownership documents of the AFS investments acquired during the period; We reviewed the valuation methodology for the investments held; We considered any estimates made by management in this exercise for reasonableness and challenged them thereon; and We checked the disclosures made in relation to AFS.
Property, Plant and Equipment ("PPE") **The key balance within PPE are the Oil and Gas assets held by the Group of US$990,000 and represent the core revenue generating asset of the Group.** **There is the risk that these assets are impaired.**	We obtained evidence to support ownership of the Group's Oil and Gas assets; We considered whether or not there were any indications of impairment to these assets which included reviewing management calculations thereon and assessing the key inputs therein for reasonableness; and We reviewed the supporting documentation in respect of additions made during the year.

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are 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 directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, 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 (UK) 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 financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: *www.frc.org.uk/auditorsresponsibilities*. This description forms part of our auditor's report.

Use of this report

This report is made solely to the company's members, as a body, in accordance with our letter of engagement. 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.

Joseph Archer (Engagement Partner)
For and on behalf of PKF Littlejohn LLP
Registered Auditor
29 June 2018

1 Westferry Circus
Canary Wharf
London E14 4HD

MAYAN ENERGY LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31 DECEMBER 2017

	Notes	Year to 31 December 2017 US$ 000's	Year to 31 December 2016 US$ 000's
Continuing operations			
Revenue	**4**	**30**	270
Cost of sales		**(237)**	(786)
Gross loss		**(207)**	(516)
Administrative expenses			
Impairment of property, plant and equipment	**10**	**(2,064)**	(4,721)
Other administrative expenses	**6, 7**	**(1,449)**	(1,777)
Total administrative expenses		**(3,513)**	(6,498)
Operating loss		**(3,720)**	(7,014)
Finance Income	**3**	**4**	2
Finance costs	**3**	**(120)**	(137)
Loss before income tax		**(3,836)**	(7,149)
Income tax	**9**	**-**	-
Loss after tax for the year		**(3,836)**	(7,149)
Other comprehensive income:			
Items that may be subsequently reclassified to profit or loss			
Currency translation differences		**(528)**	86
Total comprehensive income		**(4,364)**	(7,063)
Loss for the year attributable to:			
-Owners of the parent		**(3,836)**	(7,147)
-Non-controlling interest		**-**	(2)
Total comprehensive income for the year		**(3,836)**	(7,149)
Total Comprehensive Income attributable to:			
-Owners of the parent		**(4,364)**	(7,061)
-Non-controlling interest		**-**	(2)
Total comprehensive income for the year		**(4,364)**	(7,063)

			Restated for post consolidation
Earnings per share attributable to owners of the parent during the year		**US cents**	US cents
-Basic & diluted (US cents per share)	**5**	**(1.86)**	(24.27)

The accounting policies and Notes on pages 16 to 38 form part of these Financial Statements.

MAYAN ENERGY LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
YEAR ENDED 31 DECEMBER 2017

	Note	**31 December 2017 US$ 000's**	31 December 2016 US$ 000's
ASSETS			
Non-current assets			
Property, plant and equipment	**10**	**990**	2,563
Total non-current assets		**990**	2,563
Current assets			
Inventories		**-**	31
Trade and other receivables	**11**	**320**	358
Available for sale financial assets	**12**	**1,626**	-
Cash and cash equivalents		**803**	155
Total current assets		**2,749**	544
TOTAL ASSETS		**3,739**	3,107
LIABILITIES			
Current liabilities			
Trade and other payables	**13**	**(893)**	(2,220)
Provisions	**16**	**(588)**	(800)
Total current liabilities		**(1,481)**	(3,020)
Non-current liabilities			
Provisions	**16**	**(663)**	(273)
Total non-current liabilities		**(663)**	(273)
TOTAL LIABILITIES		**(2,144)**	(3,293)
NET ASSETS/(LIABILITIES)		**1,595**	(186)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT			
Share capital	**15**	**-**	-
Share premium	**15**	**38,946**	33,126
Foreign exchange reserve		**(113)**	415
Revenue acquisition reserve		**(8,202)**	(8,202)
Retained losses		**(29,036)**	(25,832)
Total equity attributable to the equity owners of the parent		**1,595**	(493)
Non-controlling interest		**-**	307
TOTAL EQUITY		**1,595**	(186)

The Financial Statements were approved and authorised for issue by the Board of Directors on 29 June 2018 and were signed on its behalf by

Eddie Gonzalez
Chief Executive Officer
The accounting policies and Notes on pages 16 to 38 form part of these Financial Statements.

MAYAN ENERGY LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 DECEMBER 2017

	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 2016	**-**	**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	-	-	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)**
Loss for the year	-	-	-	-	(3,836)	(3,836)	-	(3,836)
Other comprehensive income for the year – currency translation differences	-	-	(528)	-	-	(528)	-	(528)
Total comprehensive income for the year	**-**	**-**	**(528)**	**-**	**(3,836)**	**(4,364)**	**-**	**(4,364)**
Share capital issued	-	6,705	-	-	-	6,705	-	6,705
Cost of share issue	-	(560)	-	-	-	(560)	-	(560)
Cost of share issue -issue of warrants	-	(325)	-	-	325	-	-	-
Reversal of NCI on disposal of interest	-	-	-	-	307	307	(307)	-
Total transactions with owners, recognised directly in equity	**-**	**5,820**	**-**	**-**	**632**	**6,452**	**(307)**	**6,145**
Balance as at 31 December 2017	**-**	**38,946**	**(113)**	**(8,202)**	**(29,036)**	**1,595**	**-**	**1,595**

The accounting policies and Notes on pages 16 to 38 form part of these Financial Statements.

MAYAN ENERGY LIMITED
CONSOLIDATED CASH FLOW STATEMENT
YEAR ENDED 31 DECEMBER 2017

	Notes	**Year to 31 December 2017 US$ 000's**	Year to 31 December 2016 US$ 000's
Cash flows from operating activities:			
Loss for the year before taxation		**(3,836)**	(7,149)
Adjustments for:			
Impairment	**10**	**2,064**	4,721
Finance cost	**3**	**120**	137
Finance income	**3**	**(4)**	(2)
Share based payments	**14**	**-**	200
Foreign exchange		**(236)**	(91)
Change in working capital items:			
Decrease in inventories		**31**	-
(Increase)/Decrease in trade and other receivables	**11**	**38**	(33)
Increase/(Decrease) in trade and other payables	**13**	**(642)**	214
Net cash outflow used in operating activities		**(2,465)**	(2,003)
Cash flows from investing activities			
Purchase of Investments		**(1,035)**	-
Purchases of property, plant, and equipment	**10**	**(491)**	(1,403)
Proceeds from farm-in/sale		**-**	720
Net cash used in investing activities		**(1,526)**	(683)
Cash flows from financing activities			
Proceeds from issue of share capital		**5,315**	3,538
Share issue costs		**(560)**	(417)
Repayment of borrowings		**-**	(236)
Net finance costs	**3**	**(116)**	(135)
Net cash inflow from financing activities		**4,639**	2,750
Net increase in cash and cash equivalents		**648**	64
Cash and cash equivalents at beginning of year		**155**	91
Cash and cash equivalents at end of year		**803**	155

Major Non-Cash Transactions

Share Issue costs of US$ 325,000 were settled through share based payments.

Part of the payment for the Deloro acquisition was settled through the issuance of shares valuing $US 509,000.

Creditors of USD$ 510,000 were settled through the issue of equity.

The accounting policies and notes on pages 16 to 38 form part of these Financial Statements.

1. General Information

The principal activity of Mayan Energy Limited ('The Group') during the year was as an oil & gas exploration and production business focussed in the United States of America. The Group 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 Group 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 2017 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
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 Financial Statements of its subsidiary undertakings made up to 31 December 2017.

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			
Mayan 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
Mayan USA LLC	100%	USA	Administrative Company and holds Forrest Hill and Stockdale assets
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

Name	Interest	Country of Incorporation	Nature of Business

Northcote Mexico, LLC *	100%	USA	US HoldCo Mexican Interests
Northcote Energy Mexico S de RL de CV	100%	Mexico	Mexican HoldCo 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.
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.*
Registered office for Cayman registered company: Nemours Chambers, Road Town, Tortola, VG1110 BVI
Registered office for USA registered companies: 8588 Katy Fwy, Suite 226, Houston, TX 77024
Registered office for Mexico registered companies: Rio Panuco 43, Col. Cuauhtemoc, Mexicom D.F. 06500

Except for entities connected with the Groups Shoats Creek, Texas and Oklahoma assets, the majority of the US Companies are dormant and it is the Group's intention 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 Oil and Gas sales from recently commissioned sites, and consideration as to the timing of production and cashflow receipts;
- the ability to raise funds on the market; and
- successful settlement of unpaid payroll taxes.

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 a material uncertainty.

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 designated as the CODM.

2.5. Financial assets

The Group has classified all of its financial assets as loans and receivables or available for sale financial investments. 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

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 recognised, 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 whether 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.

Available for sale financial assets

Available for sale financial assets include non-derivative financial assets that are either designated as such or do not qualify for inclusion in any of the other categories of financial assets. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period. Available for sale financial assets are carried at fair value with changes recognised in other comprehensive income.

2.6. 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.

2.7. 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.

2.8. 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" represents the reserve 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.

2.9. 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 any entity that is a related party of the Group.

2.10. 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.

2.11. 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 equity, in which case it is charged to the share premium account.

2.12. 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. Revenues are recognised when crude oil has been lifted and title passed to the buyer or when services are rendered.

2.13. 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 or loss differs from net profit or loss 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 or loss. 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 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.

2.14. 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.

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).

2.15. 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. From time to time different scenarios occur that call for specific policy guidance.

The following specific policies are applied by the Group:

- CGUs ("Cash Generating Units") – 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.

D&P 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, 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%, (2016: 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.

2.16. 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 2017, mineral leases and capitalised daily costs and equipment on producing properties have a total carrying value of US$ 990,000 (2016: US$ 2,554,000). Management tests annually whether the assets have future economic value in accordance with the accounting policies. These assets 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 – at present assets are calculated assuming an oil price of $50), discount rate, operating costs, future capital requirements and resource estimates. These estimates and assumptions are subject to risk and uncertainty. Therefore there is a possibility that changes in circumstances will impact the recoverable amount.

B) Decommissioning provision (Note 16)

The Group has decommissioning obligations in respect of its interests. The full extent to which a 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.

C) 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.

D) Payroll tax provision (Note 16)

The Group has incurred payroll tax liabilities dating back to 2014, which is included in trade and other payables and provisions.

The Group has estimated the additional amounts which will be payable to the US State in terms of penalties and interest in terms of the penalties due as follows:

- Failure to file (25%)
- Failure to deposit (10%)
- Interest on payable (0.5% per month)

E) Available for sale financial assets (Note 12)

Available for sale financial assets have a carrying value of $1,626,000 at 31 December 2017 following equity share acquisitions in the year. An impairment charge of $Nil (2016: $Nil) has been recognised in the year.

The Group follows the guidance of IAS 39 to determine when an available-for-sale equity investment is impaired. This determination requires significant judgement. In making this judgement, the Company evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of the short-term business outlook for the investee, including factors such as industry and sector performance and operational and financing cash flow. Some available for sale financial assets are valued using the cost model. This is because there is no identifiable inputs can be obtained. Management have considered external indicators such as commodity prices, investment performance and demand for the underlying commodity.

Management has concluded that there is no requirement to impair the carrying value of available for sale financial assets based on its valuation of the equity instruments held.

3. Finance income and Finance costs

Finance income	2017 US$ 000's	2016 US$ 000's
Income on cash and cash equivalents	**4**	2
	4	2

Finance costs	2017 US$ 000's	2016 US$ 000's
Bank charges and finance expense on borrowings	**120**	137
	120	137

4. Segmental analysis

As the Group made investments during the year in order to commence the establishment of a strategic portfolio of investments in listed and unlisted entities in the oil and gas sector, the Directors believe the operations of the Group now comprise two operating segments. The other segment comprising the production, development and sale of hydrocarbons and related activities in the USA.

Information per the segments reportable to the Chief Operating Decision Maker are as follows:

	USA $ 000's	Investments $ 000's	Total $ 000's
Revenues	30	-	30
Interest expense	120	-	120
Impairment of assets	2,064	-	2,064
Reportable segment assets	1,829	1,910	3,739
Reportable segment liabilities	2,144	-	2,144

The comparative segmental analysis related to one segment only being the production, development and sale of hydrocarbon and related activities in the USA. As said, this is the same as the information in the prior year primary statements and supporting notes. As such no separate analysis is shown here.

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	2017 US$ 000's	2016 (post consolidation) US$ 000's	2016 US$ 000's
Loss attributable to owners of the parent	**(3,836)**	(7,147)	(7,147)
Weighted average number of ordinary shares in issue	**206,124,133**	29,461,073	11,784,429,398
Earnings per share (cents)	**(1.86)**	(24.27)	(0.06)

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	2017 US$ 000's	2016 US$ 000's
Auditors' remuneration - audit services	**46**	30
Professional and consulting fees	**345**	330
Travel and accommodation	**141**	81
Impairment	**2,064**	4,721
Rent and office costs	**41**	150
Staff costs (including share-based payments)	**857**	714
Loss on fair value through profit and loss investments	**-**	17
Joint Brokers & Nomad	**354**	106
Legal fees	**21**	175
Other expenses and foreign exchange	**(156)**	174
Net movement in decommissioning provision	**(200)**	-
Total	**3,513**	6,498

During the year a number of creditor balances were settled for less than their stated amount with the balance going against the individual expense line to which it originally related.

7. Staff Costs (including Directors)

The Group employed 5 members of staff, including 3 directors (2016: 9 and 4 respectively).

Staff costs (including Directors)	2017 US$ 000's	2016 US$ 000's
Directors remuneration	**428**	316
Other benefits	**-**	-
Share based payments	**-**	149
Staff costs	**429**	277
Staff benefits	**-**	-
	857	742

Staff costs includes an expense for payroll taxes payable of $163,000 which relates to previous periods.

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 2017	Total 2016
	US$ 000's	US$ 000's	US$ 000's	US$ 000's	US$ 000's
Eddie Gonzalez	**220**	-	-	**220**	137
JD Mc Graw	**90**	-	-	**90**	38
Charlie Wood	**118**	-	-	**118**	107
Ross Warner	-	-	-	-	104
Randy Connally	-	-	-	-	62
Kevin Green	-	-	-	-	17
Total Key Management	**428**	-	-	**428**	465

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 2017 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.

(e) Fair Value Estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The fair values for the Group's assets and liabilities are not materially different from their carrying values in the financial statements.

The following table presents the Company's financial assets that are measured at fair value:

31 December 2017:	Level 1	Level 2	Level 3	Total
	US$ 000's	US$ 000's	US$ 000's	US$ 000's
Available for sale financial assets				
Equity Securities	-	-	1,626	1,626

The Company does not have any liabilities measured at fair value. There have been no transfers in to or transfers out of fair value hierarchy levels in the period.

(i) Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in Level 1.

(ii) Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

(iii) Financial instruments in level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. The Company has valued all level 3 financial instruments at cost. Cost is considered to represent fair value given the proximity of the current period acquisitions to the reporting date, together with a lack of sufficient appropriate information on which to base an alternative valuation technique. As a result, there is no sensitivity of any management estimates on the carrying value of the financial instruments.

The following table presents the changes in level 3 instruments for the year.

	2017	2016
	US$ 000's	US$ 000's
Opening balance	**-**	-
Additions into level 3	**1,626**	-
Losses recognised in profit or loss	**-**	-
Closing balance	**1,626**	-

9. Taxation

Taxation	**2017 US$ 000's**	2016 US$ 000's
Current income tax charge	-	-
Deferred tax charge/ (credit)	-	-
Total taxation charge/ (credit)	-	-

Taxation reconciliation

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

Tax Reconciliation	**2017 US$ 000's**	2016 US$ 000's
Loss before income tax	**(3,836)**	(7,147)
Tax on loss at the weighted average Corporate tax rate of 26.5% (2016: 26.5%)	**(1,017)**	(1,894)
Effects of:		
Tax losses carried forward	**1,017**	1,893
Non-taxable income/Non-deductible expenses for tax purposes	**-**	1
Total income tax expense	**-**	-

Unprovided deferred tax asset:	**2017 US$ 000's**	2016 US$ 000's
Group tax losses carried forward amount to US$ 21.2M (2016: US$ 16.4 M) as determined by cumulative losses multiplied by the US standard rate of corporation tax 21% (2016: 30%). Such tax losses will be recoverable only when it is probable that taxable profits will be available.	**4,452**	7,116

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 2016	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**
Additions	-	-	491	491
Disposal	-	-	-	-
At 31 December 2017	**11**	**955**	**13,928**	**14,894**
Depreciation and impairment charge				
At 1 Jan 2016	**(2)**	**-**	**(7,117)**	**(7,119)**
Impairment	-	(955)	(3,766)	(4,721)
Disposal	-	-	-	-
Charge for the year	-	-	-	-
At 31 December 2016	**(2)**	**(955)**	**(10,883)**	**(11,840)**
Impairment	(9)	-	(2,055)	(2,064)
Charge for the year	-	-	-	-
At 31 December 2017	**(11)**	**(955)**	**(12,938)**	**(13,904)**
Net book value				
At 31 December 2017	**-**	**-**	**990**	**990**
At 31 December 2016	9	-	2,554	2,563

Property, plant and equipment: Analysis of NBV by project	Other Tangible Assets	Assets under construction	Development and production assets	Total 2017	Total 2016
	US$ 000's	US$ 000's	US$ 000's	US$ 000's	US$ 000's
Shoats Creek	-	-	-	-	1,800
Zink Ranch	-	-	500	500	500
Stockdale	-	-	260	260	-
Forrest Hill	-	-	230	230	-
South Weslaco	-	-	-	-	95
Horizon Project (including Mathis)	-	-	-	-	169
At 31 December 2017	**-**	**-**	**990**	**990**	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 on income in prices to around the US$ 60-70 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 2017 the Group divested several assets that were no longer deemed economically viable to progress and set about building a portfolio of multiple producing wells and development opportunities in underdeveloped projects where production can be optimised effectively and economically by the Company.

The Group re-gained full ownership of Zink Ranch and entered into agreements to secure material working interests in a portfolio of wells on the Stockdale and Forest Hill Fields in Texas, the latter two being the immediate focus for the Group with a plan to implement a workover and well stimulation programme. As part of the programme, the Group intend to invest in technology and techniques to best enhance production and identify new horizons.

Capital constraint

The Group only has a finite amount of capital available, management therefore prioritised capital allocation to new opportunities at Forrest Hill and Stockdale as they 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:		**2017**	2016
Project	*Rationale*	**US$ 000's**	US$ 000's
Shoats Creek	Lack of sustainable production given the considerable expense to establish production. High operating and maintenance costs.	**1,800**	3,179
Horizon	High operating costs continue to impact ability to develop. Swapped for remaining interests in Zinc in 2017.	**169**	331
South Weslaco	Was assigned in a prior period.	**95**	255
Other	Mexico-Delivery failure by Joint Venture partner. Now in dispute	**-**	955
Total impairment charge for the year		**2,064**	4,721

11. Trade and other receivables

	2017	2016
	US$ 000's	US$ 000's
Trade receivables and accrued income	**36**	358
Block Energy (convertible loan portion)	**284**	-
Total	**320**	358

- 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$.
- In June 2017, the company invested £300,000 into Block Energy plc ("Block Energy"), at the time a NEX listed oil and gas company with interests primarily in Georgia. This included a £210,000 (US$ 284,000) investment via a Secured Convertible Loan Note with a 10% flat coupon with conversion to equity at a 10% discount to any price at which Block Energy's shares are listed or admitted to trading on any stock exchange other than NEX.

12. Available for sale financial assets

	2017	2016
	US$ 000's	US$ 000's
Block Energy (equity portion)	**121**	-
Deloro	**1,505**	-
Total	**1,626**	-

The company made two investments during the financial year:

- In June 2017, invested £300,000 into Block Energy plc ("Block Energy"), at the time a NEX listed oil and gas company with interests primarily in Georgia. Investment consisted of a £90,000 (US$ 121,000) equity investment via a placing of new shares at £0.0085 per Block Energy Share which will result in Mayan acquiring a 2.47% equity interest in Block Energy. In addition, a £210,000 (US$ 284,000) investment via a Secured Convertible Loan Note with a 10% flat coupon with conversion to equity at a 10% discount to any price at which Block Energy's shares are listed or admitted to trading on any stock exchange other than NEX.
- In November 2017, invested US$1,505,000 into Deloro Energy LLC ("Deloro"). The investment consisted of US$ 1,005,000 paid in cash and US$500,000 settled by way of 64,102,564 Mayan Ordinary shares. Deloro, is a newly formed private company which has been established to acquire a 49% interest in the Asphalt Ridge heavy oil project in Utah, USA ('Asphalt Ridge') which is being 'spun out' of TSX listed Petroteq Energy Inc ("Petroteq").

13. Trade and other payables

	2017	2016
	US$ 000's	US$ 000's
Trade payables and accruals	**531**	2,064
Taxes and social security	**362**	156
Total	**893**	2,220

14. Share based payment

The following is a summary of the share options and warrants outstanding and exercisable as at 31 December 2017 and 31 December 2016 and changes during the period:

Summary of Share Options and Warrants	**2017** Number of options and warrants	**2017** Weighted Average Exercise price	2016 Number of options and warrants	2016 Weighted Average Exercise price
	(000's)	**Pence**	(000's)	Pence
Outstanding and exercisable, beginning of year	**11,270***	**0.05**	713,137	0.44
Granted	**76,742**	**0.09**	3,870,904	0.02
Exercised	-	-	-	-
Expired	**(170)**	**0.97**	(26,669)	0.97
Cancelled	**(750)**	**0.00**	(49,000)	0.00
Outstanding and exercisable, end of year	**87,092**	**0.05**	4,508,372	0.05

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

**This represents the amount post share consolidation.*

MAYAN ENERGY LIMITED
CONSOLIDATED CASH FLOW STATEMENT
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The following share options or warrants were outstanding in respect of the ordinary shares:

Grant Date	Expiry Date	Ex Price Pence	01-Jan-16	Exercised	Granted	Cancelled	31-Dec-16	**Expired**	**Exercised**	**Granted**	**Cancelled**	**31-Dec-17**
26/02/2014	26/02/2017	4.4	136,363	-	-	-	136,363	(136,363)	-	-	-	**-**
11/07/2014	11/07/2017	4.4	34,090	-	-	-	340,906	(340,906)	-	-	-	**-**
12/02/2015	12/02/2018	0.36	157,451	-	-	-	157,451	-	-	-	-	**157,451**
20/04/2015	20/04/2020	0.9	224,096	-	-	-	224,096	-	-	-	-	**224,096**
27/11/2015	27/11/2018	0.6	1,041,666	-	-	-	1,041,666	-	-	-	-	**1,041,666**
20/04/2016	21/04/2018	0.126	-	-	396,825	-	396,825	-	-	-	-	**396,825**
01/09/2016	02/09/2019	0.06	-	-	1,111,110	-	1,111,110	-	-	-	-	**1,111,110**
01/09/2016	01/09/2021	0.06	-	-	5,150,000	-	5,150,000	-	-	-	(750,000)	**4,400,000**
28/10/2016	29/10/2018	0.07	-	-	3,019,322	-	3,019,322	-	-	-	-	**3,019,322**
27/06/2017	27/06/2020	0.03	-	-	-	-	-	-	-	24,583,333	-	**24,583,333**
08/08/2017	08/08/2020	0.03	-	-	-	-	-	-	-	28,824,999	-	**28,824,999**
23/11/2017	23/11/2020	0.03	-	-	-	-	-	-	-	23,333,333	-	**23,333,333**
			1,593,666	-	9,677,257	-	11,577,739	**(170,453)**	**-**	**76,741,665**	**(750,000)**	**87,092,135**

1) *Director options granted 01.09.2016 vests after 01.09.2021 on condition that the Director remain employed. It has subsequently been 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 cent)
27/06/17	0.275	0.3	190	3	0	1	0.3138
08/08/17	0.260	0.3	190	3	0	1	0.3047
22/11/17	0.600	0.6	190	2	0	1	0.6850

The Group recognised US$324,817 (2016: $US828,000) relating to equity-settled share based payment transactions during the year which was charged to share premium.

For the share options and warrants outstanding as at 31 December 2017, the weighted average remaining contractual life was 2.33 years (2016: 2.65).

15. Share capital

Allotted, called-up and fully paid	Number	Share price (pence per share)	Share Premium US$ 000's
Balance at 1 January 2016	**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	-	-	(954)
Balance at 31 December 2016	**21,144,630,415**		**33,126**
Mar 17 Placing	12,000,000,000	0.05	747
Consolidation	(33,061,768,839)	0.2	
June 17 Placing	195,833,333	0.03	749
June 17 Broker/Consultant	60,000,000	0.03	230
Aug 17 Placing	203,666,666	0.03	795
Aug 17 Broker/Consultant	85,128,205	0.03	331
Aug17 Placing	83,333,334	0.03	325
Sept 17 Placing	12,820,514	0.03	50
Sept 17 Broker/Consultant	343,333,332	0.03	2,689
Nov 17 Placing	64,102,563	0.06	509
Nov 17 Directors & Consultants	5,064,102	0.06	40
Nov 17 Broker/Consultant	30,192,306	0.06	240
Total Issue costs	-	-	(885)
Balance at 31 December 2017	**1,166,335,931**		**38,946**

16. Provisions

Provisions:	Plug & Abandonment	Payroll interest and penalties	Other provisions	Total 2017	Total 2016
	US$ 000's	US$ 000's	US$ 000's	US$ 000's	US$ 000's
Brought forward	1,073	-	-	1,073	1,250
Provision for the year	588	203	175	966	-
Released in year	(788)	-	-	(788)	(264)
Amortisation	-	-	-	-	87
Carried forward	873	203	175	1,251	1,073
Current	210	203	175	588	800
Non-Current	663	-	-	663	273
Total	873	203	175	1,251	1,073

The provision in respect of Plug & Abandonment represents the present value of the decommissioning of up to 44 (2016: 118) existing producing and currently shut-in well bores. Decommissioning is due to take place from 2018 to 2027 (2016: 2017 to 2027). The provisions are made using the Group's internal estimates that Management believes form a reasonable basis for the expected future costs of decommissioning.

The provision in respect of payroll interest and liabilities relates to fines and penalties due on unpaid payroll taxes.

Other provisions includes amounts expected to be settled with Springer Drilling Partners LP ($150,000) and Wind River Designs Inc ($25,000) subsequent to the year end.

17. Contingent liabilities

As at the Consolidated Statement of Financial Position date, there were no contingent liabilities.

18. 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 2017 (31 December 2016: None).

19. Ultimate Controlling party

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

20. Related party transactions

The following transactions were undertaken with related parties:

Director's remuneration has been disclosed in Note 7.

Transactions			**2017 $'000**	2016 $'000
Orana Corporate LLP	Entity under common directorship: C Wood	Administration costs	**14**	-
Deloro LLP	Entity under common directorship: H Gonzalez & C Wood (who held a 48.4% related shareholding pre-investment)	Investment	**1,505**	-

21. Events after the reporting date

Capital Raise

On 25 June 2018 the Group announced that it has raised £850,000 (before expenses) with institutional and private investors through a Company arranged subscription of 141,666,666 new ordinary shares of no par value each at a price of 0.6p per share (the "Subscription Price"). The purpose of the capital raise was to finance the acquisition of a 60% interest in a further 12 wells in the Stockdale and Austin Chalk Fields in Wilson County Texas for $605,000 (50% cash and 50% Mayan Ordinary shares) and to fund ongoing working capital.

Block Energy

On 11 June 2018, Block Energy commenced trading on AIM at an issue price of 4 pence. At the date of admission, Mayans investment in Block was valued 13.5% higher than the original investment made in June 2017.

Relinquishment of Shoats Creek

In May 2018 Mayan announced that it had relinquished its 50% working interest in Shoats Creek. The decision followed an evaluation by Mayan based on both external and internal developments impacting Shoats Creek as well as an assessment of the potential to realize a positive outcome for shareholders through continued investment in this asset. While the decision to exit Shoats Creek is based entirely on considerations specific to that field, the decision taken by the Board was made easily given the level of success the Group is enjoying at Stockdale and Forest Hill Fields. The relinquishment also protected the Group from potentially significant Plug & Abandonment ('P&A') liabilities associated with abandoned well bores at Shoats Creek.

Deloro

In May 2018, Deloro's investment in Asphalt Ridge was structured directly with the TSX and OTC listed entity, Petroteq Energy Inc via the issue of listed equity and unlisted warrants in the company. The Group's equity interest in Deloro is 17.3%.