



FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2010

AMERISUR RESOURCES PLC

REGISTERED NUMBER: 4030166 (England and Wales)

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CORPORATE DIRECTORY

DIRECTORS

Giles Clarke (Chairman)
John Wardle (Chief Executive Officer)
Victor Valdovinos (Executive Director)
Nick Harrison (Finance Director)
Douglas Ellenor (Non Executive Director)

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Chairman's Statement

We are pleased to report that we have made excellent operational and financial progress during the period; the enhanced production at Platanillo has increased our revenues and improved our cash position, all this while conducting safe and environmentally responsible operations.

As announced previously we have moved our financial year end to 31 December, this change in reporting will bring us in line with other companies, reduce costs and also align us with the statutory bodies in the countries where we operate.

Looking forward, we anticipate another exciting period for the Company. Post period end we have modified our operational plan following the positive results of the interpretation of the 3D3C seismic survey over Platanillo and we expect to begin drilling before mid-year.

Lastly, we would like to thank all our shareholders, host Governments, local communities and employees for their support during this exciting phase for the Company.

Chief Executive's Statement

Colombia

Platanillo

Our strategy in Platanillo during the period was to maximise the yield of the wells, using techniques which do not pose a risk to the established production, and without significant well intervention. We have worked hard to define the full field potential via 3D3C seismic and have strengthened our operating base in this challenging and, in some ways frontier area. Hence throughout the period we have been focused on enhancing and maintaining the production from the existing wells in the field. These efforts have been successful, and the average production during the 9 months was 452 barrels of oil per day ("BOPD"), for a total of 124,273 net BO produced. Given the limited zones which are currently in production we feel this is a considerable achievement, and a strong turnaround from the days of 180 BOPD and fewer in 2009. That production generated net revenue of US\$9M as detailed in the accounts. We also focused upon reducing average operating costs, achieving US\$10.16/barrel of oil ("bbl") by period end.

As part of our forward planning we have also installed and commissioned enhancements to our processing and storage facilities, with a view to minimising future delays in placing new production on line. Additionally, looking further into the future to potential new environmental legislation we are currently trialling a produced water concentration/evaporation system.

Post period end, the lifting cost at Platanillo has been further reduced and stood at US\$9.94/bbl in January 2011, resulting in netback to the Company of approximately US\$85 per barrel of oil at current prices. Production was reduced during March due to a pump failure at Platanillo, however we are now trialling a new system, and expect to return to previous levels shortly.

Following receipt of an independent reserves report as at 31 December 2010 undertaken by Petrotech Engineering Ltd ("Petrotech") using the standards set by the Oil and Gas Reserves Committee of the Society of Petroleum Engineers, certified 2P reserves increased to 3.6 MMBO from 1 MMBO of internally calculated reserves in 2009. The structural model used in this analysis was that existing at 31 December 2010. These 2P reserves were evaluated by Petrotech as representing a Net Present Value ("NPV") of US\$200m undiscounted and a 10% discounted NPV of US\$115m.

We have long considered that the Platanillo accumulation is on trend with the VHR field in Ecuador, and so it was particularly important that Amerisur acquired the acreage between the original contract boundary and the national border. This was achieved without additional cost or work commitment and the extension of our exploitation area by these 705 Ha was ratified by ANH (the National Hydrocarbons Agency) post period end. As you will see below, this area has important value for the Company.

However, the most important and challenging work programme has been the design, acquisition, processing and interpretation of a 125 km² 3D3C seismic survey over the entire block, from the national border in the south to the northern contractual limit. This survey used the latest digital technology and sensors which detect 3 orthogonal wave components. Usually only the vertical component is recorded, which is generally dominated by the compressional, or "P" wave. The benefit of recording additional components comes from capturing aspects of the shear or "S" wave. This wave can be used to indicate rock and rock fluid characteristics in the zones of interest. Multi component processing is still at an early stage globally, but we are sure this data will be most useful. Acquisition was completed on 23 December 2010, and post period end processing to date has utilised the vertical component, and has been performed in both Bogota and Buenos Aires.

This data has been interpreted and a new structural map of the southern half of the block has been created. This mapping has resolved a previous ambiguity regarding the presence and degree of throw of the bounding fault at some points along the structure, with confirmation of continuity towards the north, and importantly towards the south, into the extended commercial area. In addition, the structure observed to the south of the existing Alea-1R and Platanillo-2 wells is significantly more developed than previously supposed. The 3D3C structure map and petrophysical data were analysed in a Monte Carlo simulation and indicated the following management estimated prospective resources within the Platanillo Field:

P90	45 MMBO
P50	69 MMBO
P10	95 MMBO

The operational plan was modified to take account of the new high potential in the southern section, and the drilling programme has been redesigned. This has necessitated some further environmental licensing activity and will require civil work road construction in the next months. It is envisaged that the first new wells will now be located in the southern sector, followed by wells to the north in the area previously called "Platanillo-3". The Company expects to begin this 6 well drilling programme before mid-year. The objective is to prove up 35 MMBO of 2P reserves, and exit the year with a production rate of 5,000 BOPD.

Also post period end, the Company signed a Letter of Intent with Calmena Energy Services for the use of the Calmena Rig 836. Calmena is an experienced drilling contractor that currently operates one rig in Colombia. Rig 836 has been previously working on wells up to 10,000ft for Pemex in Mexico, and is expected to be mobilised to Colombia during April 2011.

Fenix

Isabel-1 continued on Long Term Test with production levels steady at approximately 20 BOPD, having declined strongly from initial test flow rates. This information, though unwelcome, has been important in understanding the reservoir. Based on well behaviour and the interpretation of the data acquired while drilling we conclude that the orientation of the well was not optimised with respect to where the oil bearing sands are located. The thrust plane rises towards the west; hence the wells should be drilled from west to east beneath the fault, not east to west as in the case of Isabel-1.

Iguasa-1 has been the subject of a series of clean up and stimulation treatments, which, although showing improvement in oil delivery have subsequently tended to decline sharply and lose their effect. The Company believes that the natural tightness of the reservoir is further affected in this part of the structure by some compartmentalisation, which further impacts productivity per zone. The well continues to produce at low levels in natural flow.

The Fronterra study has been delivered and the Company is currently reviewing the conclusions. An additional geological study of the block has also defined a previously undetected structure in the back limb of the block which is under review.

During the period the Company received a number of offers for participation in the Fenix Block, which are being evaluated. This demonstrates that, despite the issues resulting from the complex geology, there is clear value and opportunity in this block.

Paraguay

Amerisur has commissioned a 12,800 line km Aeromagnetic survey over its San Pedro block and the Parana basin up to the border with Brazil. This survey is designed to map the general development of the sedimentary series in the basin, and give detailed data within the San Pedro block, which will allow the Company to refine the structural forms and confirm the sourcing pathways to the block which were indicated by the Company's previous Geochemical work.

The company contracted to acquire and process this survey is Fugro Geophysical, based in Brazil. The Company plans to mobilise the survey during April 2011, with completion during July.

Financial Review

Revenue for the period increased to US\$9 million (2009: US\$2.8 million). The profit before tax for the nine months was US\$2.3 million (2009: loss of \$2.0 million).

At the period end, the Group had cash of US\$20.7 million (2009: US\$8.0 million), following the successful completion of a Placing to raise US\$ 20.859 million (before issue costs) in April 2010.

Outlook

The coming year is a key period in Amerisur's development. The locations in which we work are extremely demanding environments, and require understanding and delicate management to achieve success. However those demands create attractive opportunities for those who can operate efficiently. Our careful contractual and technical work has brought us to the point of a great opportunity to transform the Company's profile, with significant reserves, uplifted production, further exploration work in Fenix, the potential for the addition of new assets in Colombia and the materialisation of drilling prospects in Paraguay. It is a dynamic and ambitious programme, and the Board is confident that it has the correct strategy and resources to deliver the right result.

John Wardle
Chief Executive Officer
5 April 2011

REPORT OF THE DIRECTORS

The Directors present their report for the period ended 31 December 2010.

PRINCIPAL ACTIVITIES

The principal continuing activity of the Company and the Group is investing in oil and gas exploration and development in South America, principally in Paraguay and Colombia.

NAMES, QUALIFICATIONS, EXPERIENCE AND SPECIAL RESPONSIBILITIES OF DIRECTORS

The names and details of the Directors of the Company in office during the period to 31 December 2010 and/or as at the date of this report were as follows:

GILES CLARKE (Chairman)

Mr Clarke (57) has considerable experience in the City and a number of commercial interests. He is Chairman of the England and Wales Cricket Board and Chairman of several private organisations. He founded Majestic Wine in 1981 and built it into a national chain of wine warehouses. He also co-founded Pet City Plc in 1990, which he expanded nationwide before it was listed and subsequently sold in 1996 for \$150 million. He also co-founded Safestore plc and orchestrated the sale of the company to Bridgepoint in 2003.

JOHN WARDLE (Executive Director – Chief Executive Officer and Technical)

Dr Wardle (51) has been managing the Company's operations since 2006. He holds a B.Sc. in Mining Engineering from the University of Nottingham and a Ph.D. in Rock Mechanics and Geophysics from the University of Wales. He is an experienced drilling engineer, having worked with BP, and has held a number of senior management positions with oil exploration companies. Dr Wardle first arrived in Colombia in 1994, when he was working for BP Exploration Colombia, and subsequently was General Manager for Emerald Energy in Colombia, where he was responsible for the discovery of the Campo Rico and Vigia oilfields.

VICTOR M. VALDOVINOS (Regional Director – South America)

Mr Valdovinos (46) is a Paraguayan lawyer, with a Masters degree in Energy and Environmental Law from Tulane University School of Law, and is resident in Asunción. He has been a legal adviser to both the United Nations Development Programme and the Minister of the Environment for the Government of Paraguay and has a professional affiliation to the Environmental Law Institute in Washington. Mr Valdovinos is the Group's Regional Director for South America, dealing with administrative issues in Paraguay and Colombia.

NICK HARRISON (Finance Director)

Mr Harrison (52) is a graduate of Liverpool University. He qualified with Arthur Andersen and subsequently worked at Deloitte, Midland Bank (International) and Coopers & Lybrand. He was Finance Director of Pet City Plc and has been Finance Director of a number of private companies with international activities.

DOUGLAS ELLENOR (Non Executive Director – Technical)

Mr Ellenor (67) has over 38 years experience in the E&P industry, having spent 25 of those on international assignments with the Royal Dutch Shell Group in Australasia, Europe, and North and South America. Douglas left Royal Dutch Shell in 1996 after four years as CEO of the Shell Companies of Colombia to become CEO of the Colombian E&P company Hocol SA, a position he held until 1998. After a posting as Business Development Director in London with Nimir Petroleum Limited, he returned to Canada and established an oil and gas consulting company. In 2002 Douglas returned to Hocol SA on temporary assignment as CEO, serving until the end of 2004. In 2004-05 he was CEO of Orca Petroleum Inc.

DIRECTORS' REPORT (CONTINUED)

DISCLOSURE OF DIRECTORS' INTERESTS

The beneficial and other interests of the Directors and their families in the shares of the Company and its subsidiary undertakings as at 1 April 2010 (or date of appointment, if later) and 31 December 2010 were as follows:

SHARES	Shares Held 1 April 2010	Shares Held 31 December 2010
G Clarke	10,527,448	10,527,448
J Wardle	8,865,860	8,865,860
N Harrison	2,245,025	2,245,025
V Valdovinos	1,000,000	1,000,000
D Ellenor	-	-

SHARE OPTIONS Director	1 April 2010	Number of options during the period		31 December 2010	Exercise price	Exercise dates
		Granted	Exercised			
G Clarke	26,100,000	—	—	26,100,000	7.15p	2007–2012
	3,000,000	—	—	3,000,000	15.00p	2009–2019
J Wardle	8,500,000	—	—	8,500,000	7.15p	2007–2012
	10,000,000	—	—	10,000,000	7.53p	2008–2013
	8,000,000	—	—	8,000,000	11.05p	2009–2019
N Harrison	8,720,000	—	—	8,720,000	7.15p	2007–2012
	5,500,000	—	—	5,500,000	7.53p	2008–2013
	3,000,000	—	—	3,000,000	15.00p	2009–2019
V Valdovinos	1,450,000	—	—	1,450,000	7.53p	2008–2013
	550,000	—	—	550,000	5.75p	2009–2014
D Ellenor	1,450,000	—	—	1,450,000	7.53p	2008–2013
	500,000	—	—	500,000	15.00p	2009–2019

The fair values of the share options listed above have been arrived at using a Black-Scholes model. The assumptions inherent in the use of this model have been set out in Note 17.

DIRECTORS' EMOLUMENTS

	Basic salary and fees \$'000	Benefits \$'000	Pension \$'000	Dec 2010 Total \$'000	Mar 2010 Total \$'000
J Wardle	225	—	—	225	308
N Harrison	87	—	—	87	120
V Valdovinos	52	—	—	52	71
G Clarke	110	—	—	110	152
D Ellenor	82	—	—	82	105
	556	—	—	556	756

Director's emoluments include fees paid to certain directors for consultancy services.

RETIREMENT OF DIRECTORS

In accordance with the Company's Articles of Association, Victor Valdovinos will retire by rotation and will be seeking re-election.

RESULT AND DIVIDENDS

There was a profit for the period after taxation of \$1,217,000 (12 months to Mar 2010: \$815,000).

The Directors recommend that no final dividend be declared or paid for the period ended 31 December 2010 (Mar 2010: £nil).

BUSINESS REVIEW

On a Group basis, the business review is contained within the Chairman's Statement and CEO's Review.

An analysis of the business using financial and non-financial Key Performance Indicators is not included as, in the opinion of the Directors, given the current stage of development of the business and its operations; there are no appropriate financial or non-financial Key Performance Indicators that can be disclosed at this time.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group uses financial instruments, other than derivatives, comprising cash and other liquid resources and various other items such as trade receivables and payables that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations. The main risks arising from the Group's financial instruments are liquidity risk and foreign currency risk and, to a limited extent, interest rate risk. The Directors review and agree policies for managing each of these risks and they are summarised below. The policies have remained unchanged from previous periods.

Liquidity Risk

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and by investing cash assets safely and profitably. During the exploration phases of the Group's development, fundraising has been achieved through private placings, which are regarded as the most cost-effective method of fundraising. The Group policy throughout the year has been to ensure continuity of funding so that planned fundraisings cover at least 100% of contractual obligations and 12 months of operating and administration costs.

Currency Risk

The Group is exposed to transaction and translation foreign exchange risk. In relation to translation risk, assets held in foreign currency are in the form of cash for specific obligations in that same currency and are therefore not separately hedged. Transaction exposures are hedged when known, mainly using the forward hedge market. The Group holds both US Dollars and Colombian Pesos, which it uses to settle foreign currency payments thus reducing transaction risk.

Interest Rate Risk

The Group finances its operations through equity placing. Deposits made at banks receive interest at commercial rates which are variable and therefore exposed to movements in those rates.

Principal Risks and Mitigation Strategies

The group faces a number of business risks in its operations. These are recognised by the Board and are addressed in a systematic way. The principal risks and mitigation strategies are summarised below:

Oil price fluctuations – the group takes a conservative view of a oil prices when undertaking capital appraisal. In addition the group has a relatively low level of operating costs, which mean that any reduction in oil prices would have to be very significant before production costs exceeded production revenues

Inability to fund capital expenditure – the group takes a prudent approach to budgeting and business planning

Shortfall in operational cash flow – the group undertakes scenario planning for both oil price and production volumes to provide comfort as to funding headroom.

Health, safety and environmental incidents – the group has rigorous health, safety, environment and quality processes and procedures.

Ineffective capital expenditure – the group undertakes rigorous analysis before any drilling program or other capital expenditure is undertaken.

Failure to maintain regulatory approval for projects/operations – the group has a detailed understanding of legal and regulatory requirements and has regular engagement with government and regulators to ensure compliance

GOING CONCERN

The directors have reviewed the cash position of the Group as at the year end against the expected recurring operational income, expenditure and anticipated specific contractual costs in Colombia and Paraguay. On this basis the Directors consider that the Group has more than sufficient resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the Group's financial statements.

The cash held in Group bank accounts at the balance sheet date was \$20,656,000 (Mar 2010: \$7,978,000).

SUBSTANTIAL SHAREHOLDERS

At 7 March 2011 the following had a disclosable interest in 3% or more of the nominal value of any class of the Company's shares carrying voting rights:

Name	Shareholding	Percentage
Williams De Broe	158,645,553	17.34
Rex Harbour	74,755,222	8.17
Michinoko Ltd	65,400,000	7.15
AXA Framlington	59,543,000	6.51
Asset Value Investors Ltd	50,892,384	5.56
Fidelity Investments	34,310,860	3.75
Waterhouse Securities	32,817,650	3.59

SHARE OPTIONS

Unissued shares

As at the balance sheet date there were 80,520,000 unissued ordinary shares of 0.1p under options. Note 17 of the financial statements sets out further details of the options outstanding.

Option holders do not have any right, by virtue of the option, to participate in any share issue of the Company or any related body corporate or in the interest issue of any other registered scheme.

PAYMENT POLICY AND PRACTICE

It is the Company's policy to settle the terms of payment with suppliers when agreeing the terms of the transaction, to ensure that suppliers are aware of these terms and to abide by them. Trade payables at the period-end were paid at an average of 21 days (Mar 2010: 21 days).

ANNUAL GENERAL MEETING

The Annual General Meeting will be held on the date stated in the Notice of Meeting, which accompanies this Annual Report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs).

Under company law 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 and profit or loss of the company and group for that period. 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 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as each of the directors is aware:

- there is no relevant audit information of which the company's auditor 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 auditor are aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITOR

Grant Thornton UK LLP have expressed their willingness to continue in office as auditors and a resolution will be proposed to reappoint them at the Annual General Meeting.

Signed on behalf of the Board in accordance with a resolution of the Directors.

N. Harrison
Director
5 April 2011

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
AMERISUR RESOURCES PLC**

We have audited the group financial statements of Amerisur Resources plc for the period ended 31 December 2010 which comprise the Consolidated income statement, the Consolidated statement of comprehensive income, the Consolidated balance sheet, Consolidated statement of changes in equity, 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 Chapter 3 of Part 16 of the Companies Act 2006. 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 Directors' Responsibilities Statement set out on page 12, the directors are responsible for the preparation of the group 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 group 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the group financial statements:

- give a true and fair view of the state of the group's affairs as at 31 December 2010 and of its profit for the period 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 Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the group financial statements are prepared is consistent with the group financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Other matter

We have reported separately on the parent company financial statements of Amerisur Resources plc for the period ended 31 December 2010.

J.Geraint Davies
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
CARDIFF
5 April 2011

AMERISUR RESOURCES PLC

Consolidated income statement for the 9 months ended 31 December 2010

		9 mths ended 31 December 2010 \$'000	Restated Year ended 31 March 2010 \$'000
Revenue	Notes 3	9,013	2,753
Cost of sales		(4,693)	(1,486)
Gross profit		4,320	1,267
Other administrative expenses		(2,077)	(2,276)
Share option charge		-	(1,840)
Total administrative expenses		(2,077)	(4,116)
Operating profit / (loss)		2,243	(2,849)
Finance charge	7	(56)	-
Finance income	7	71	886
Profit / (loss) before tax	5	2,258	(1,963)
Taxation	8	(1,041)	2,778
Profit attributable to equity holders of the parent		1,217	815
Earnings per share			
Basic (cents per share)	9	0.13	0.10
Diluted (cents per share)	9	0.13	0.10

Consolidated statement of comprehensive income for the 9 months ended 31 December 2010

		9 mths ended 31 December 2010 \$'000	Restated Year ended 31 March 2010 \$'000
Profit attributable to equity holders of the parent		1,217	815
Other comprehensive income:			
Foreign exchange differences		(1,502)	5,923
Total other comprehensive income		(1,502)	5,923
Total comprehensive income for the year		(285)	6,738

Consolidated balance sheet

		31 December 2010 \$'000	Restated 31 March 2010 \$'000	Restated 31 March 2009 \$'000
	Notes			
Assets				
Non-current assets				
Goodwill	10	514	514	485
Other intangible assets	10	42,165	31,365	21,823
Property, plant and equipment	11	754	633	554
Deferred tax asset	12	1,852	2,640	-
Total non-current assets		45,285	35,152	22,862
Current assets				
Trade and other receivables	14	2,071	1,700	244
Inventory (crude oil)		95	101	-
Cash and cash equivalents	15	20,656	7,978	13,035
Total current assets		22,822	9,779	13,279
Total assets		68,107	44,931	36,141
Equity and liabilities				
Equity				
Issued capital	18	1,307	1,180	1,178
Share premium	18	60,677	40,982	40,929
Other reserve		4,248	4,276	2,538
Foreign exchange reserve		9,871	11,373	5,450
Retained earnings		(13,021)	(14,266)	(15,081)
Total equity		63,082	43,545	35,014
Current liabilities				
Trade and other payables	16	5,025	1,386	1,127
Total current liabilities		5,025	1,386	1,127
Total liabilities		5,025	1,386	1,127
Total equity and liabilities		68,107	44,931	36,141

The financial statements were approved by the Board of Directors on 5 April 2011.

N. Harrison
Director

Company number: 4030166

Consolidated statement of changes in equity

	Share capital \$'000	Share premium \$'000	Other reserve \$'000	Foreign exchange reserve \$'000	Retained earnings \$'000	Total equity \$'000
At 1 April 2009	1,178	40,929	2,538	5,450	(15,081)	35,014
Share options exercised	2	53	-	-	-	55
Equity settled share options	-	-	1,738	-	-	1,738
Total transactions with owners	2	53	1,738	-	-	1,793
Profit for the year	-	-	-	-	815	815
Other comprehensive income	-	-	-	5,923	-	5,923
Total comprehensive income	-	-	-	5,923	815	6,738
At 31 March 2010	1,180	40,982	4,276	11,373	(14,266)	43,545
Share placing	126	19,650	-	-	-	19,776
Share options exercised	1	45	(28)	-	28	46
Equity settled share options	-	-	-	-	-	-
Transactions with owners	127	19,695	(28)	-	28	19,822
Profit for the year	-	-	-	-	1,217	1,217
Other comprehensive income	-	-	-	(1,502)	-	(1,502)
Total comprehensive income	-	-	-	(1,502)	1,217	(285)
At 31 December 2010	1,307	60,677	4,248	9,871	(13,021)	63,082

Consolidated cash flow statement	9 mths ended 31 December 2010 \$'000	Restated Year ended 31 March 2010 \$'000
	Notes	
Cash flows from operating activities		
Profit for the year	1,217	815
Adjustments for:		
Finance income in the income statement	(15)	(886)
Tax in the income statement	1,041	(2,778)
Depreciation	89	125
Amortisation	1,848	292
Share option charge	-	1,840
Decrease / (increase) in inventory	6	(101)
(Increase) in trade and other receivables	(371)	(1,441)
Increase in trade and other payables	3,639	192
Net cash generated by / (used in) operations	7,454	(1,942)
Interest paid	(56)	-
Tax paid	(253)	(17)
Net cash generated by / (used in) operating activities	7,145	(1,959)
Cash flows from investing activities		
Interest received	71	886
Payments for property, plant and equipment	(229)	(170)
Payments for intangible assets	(13,629)	(4,980)
Net cash used in investing activities	(13,787)	(4,264)
Cash flows from financing activities		
Proceeds from issue of equity shares (placing and option exercise)	20,905	55
Issue costs	(1,083)	-
Net cash generated by financing activities	19,822	55
Net increase / (decrease) in cash and cash equivalents	13,180	(6,168)
Foreign exchange differences	(502)	1,111
Cash and cash equivalents at the start of the year	7,978	13,035
Cash and cash equivalents at the end of the year	15	20,656
		7,978

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies - basis of preparation

The consolidated financial statements are for the period ended 31 December 2010. They have been prepared under the historic cost convention and in compliance with International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretations Committee (IFRIC) interpretations as adopted by the European Union and company law applicable to companies reporting under IFRS as at 31 December 2010.

Going concern

The directors have reviewed the cash position of the Group as at the year end against the expected recurring operational income, expenditure and anticipated specific contractual costs in Colombia and Paraguay. On this basis the Directors consider that the Group has more than sufficient resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the Group's financial statements.

The cash held in Group bank accounts at the balance sheet date was \$20,656,000 (Mar 2010: \$7,978,000).

Change in financial reporting date

The Board has changed the financial year end of the Group from 31 March to 31 December. As a result of this change, the Group is publishing, in these financial statements, audited results for the 9 months ending 31 December 2010. The next audited results will be for the 12 months to 31 December 2011.

The next set of interim accounts produced will be for the 6 months to 30 June 2011.

Change of accounting policy

Presentational currency

The group has selected US dollars as its presentational currency for the purposes of financial reporting. All comparatives have been restated in US dollars.

Functional currency

The functional currency of the parent company and the Colombian subsidiary has been changed from Sterling and Colombian Peso respectively to US Dollars with effect from 1 April 2010. This was not a policy choice but driven by the change in circumstances due to the change in commercial activities of the entities in the United Kingdom and Colombia. The change in functional currency has been applied prospectively from 1 April 2010.

The parent entity is operating as an extension of its Colombian subsidiary, Amerisur Exploracion (Colombia) Limited and provides strategic administrative and managerial support to the entity. This has been the case since Platanillo's transition from exploration to production at the end of the March 2010 accounting period when the first revenues were recorded. This is the first accounting period where the entity has traded throughout.

The Parent Entity's balance sheet is primarily in US Dollar denominated assets and liabilities, and the change in functional currency reflects the underlying transactions that are undertaken between the entities.

The circumstances of Amerisur Exploracion (Colombia) Limited have changed since full production has commenced in that all revenue is US Dollar denominated and the significant majority of all expenditure and capital transactions are undertaken in US Dollars which is the industry norm. This has led to the decision to change the entity's functional currency from Colombian Peso's to reflect the currency of the day to day transactions of the entity.

Standards and amendments to existing standards adopted in these accounts

The following standards, amendments and interpretations became effective in 2010:

Standard/ interpretation	Content	Applicable for financial years beginning on/after
IFRS 3 (revised)	Business combinations	1 July 2009
IAS 27 (revised)	Consolidated financial statements	1 July 2009
IAS 39*	Financial instruments: Recognition and measurement – Eligible hedged items	1 July 2009
IFRS 1*	First-time adoption of International Financial Reporting Standards	1 July 2009
Amendment: IFRS 5*	Specifies disclosures for disposal groups	1 July 2009
Amendment: IFRS 1*	Additional exemptions for first-time adopters	1 January 2010
Amendment: IFRS 2*	Group cash-settled share-based payment transactions	1 January 2010
IFRIC 9*	Reassessment of embedded derivatives	1 July 2009
IFRIC 16*	Hedge of a net investment in foreign operations	1 July 2009
IFRIC 17*	Distribution of non-cash assets to owners	1 July 2009
IFRIC 18*	Transfers of assets from customers	1 July 2009

*Not expected to be relevant to the Group.

Adoption of IFRS 3 (revised), ‘Business combinations’

IFRS 3 (revised), ‘Business combinations’ and consequential amendments to IAS 27 ‘Consolidated and separate financial statements (Revised 2008)’, IAS 31, ‘Interests in Joint ventures’, are effective prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. The revised standard continues to apply the acquisition method to business combinations but with some significant changes e.g. all payments to purchase a business are recorded at fair value on the date of acquisition with contingent payments classified as debt subsequently re-measured through the income statement. There is a choice on an acquisition by acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest’s proportionate share of the acquiree’s net assets.

Adoption of IAS 27 (revised), ‘Consolidated financial statements’

IAS 27 (revised) requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains or losses. The standard also specifies the accounting when control is lost.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group in the 31 December 2010 financial statements

At the date of authorisation of these financial statements certain new Standards, amendments and Interpretations to existing standards have been published but are not yet effective. The Group has not early adopted any of these pronouncements. The new Standards, amendments and Interpretations that are expected to be relevant to the Group's financial statements are as follows:

Standard/interpretation	Content	Applicable for financial years beginning on/after
IFRS 9	Financial instruments: Classification and measurement	1 January 2013
IAS 24*	Related party disclosures	1 January 2011
IAS 32**	Classification of rights issues	1 February 2010
IFRIC 19**	Extinguishing financial liabilities with equity instruments	1 July 2010
Amendments to IFRIC 14	Prepayments of a Minimum Funding Requirement	1 January 2011
	Improvements to IFRS issued May 2010	1 January 2011
Amendments to IFRS 7	Disclosures - Transfers of Financial Assets	1 July 2011
Amendments to IAS 12 Income Taxes	Deferred Tax: Recovery of Underlying Assets	1 January 2012

*Not expected to impact the Group **Not expected to be relevant to the Group.

IFRS 9, 'Financial instruments: Classification and measurement'

IFRS 9 will ultimately replace IAS 39. The standard requires an entity to classify its financial assets on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, and subsequently measures the financial assets as either at amortised cost or fair value. The new standard is mandatory for annual periods beginning on or after 1 January 2013.

'Improvements to IFRS' (issued in May 2010)

'Improvements to IFRS' comprise amendments that result in accounting changes for presentation, recognition or measurement purposes, as well as terminology or editorial amendments related to a variety of individual IFRS standards. Most of the amendments are effective for annual periods beginning on or after 1 January 2011 respectively, with earlier application permitted. No material changes to accounting policies are expected as a result of these amendments

In 2010, the Group did not early adopt any new or amended standards and do not plan to early adopt any of the standards issued not yet effective.

2. Summary of significant accounting policies

Consolidation

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

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

Inter-company transactions, balances and unrealised gains and losses on transactions between Group companies are eliminated.

Consolidation adjustments have been made where necessary to align the management accounts with Group accounting policies.

Goodwill

Goodwill arising from business combinations is the difference between the fair value of the consideration paid and the fair value of the assets acquired and liabilities and contingent liabilities assumed. It is recognised initially as an intangible asset at cost and is subject to impairment testing on an annual basis or more frequently if circumstances indicate that the asset may have been impaired. Details of impairment testing are described in the accounting policies.

Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (“CODM”). The CODM is the person or Group that allocates resources to and assesses the performance of the operating segments of an entity. The Group has determined that its CODM is the Board of Directors of the Group.

Foreign currency translation

1. 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 reporting period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

2. Group companies

The results and financial position of all Group entities that have a functional currency different from the presentation currency adopted in these Group financial statements are translated into the presentation currency as follows:

- i) Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of the balance sheet;
- ii) Income and expenses for each income statement are translated at the actual rate on the date of the transaction, and;
- iii) All resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities are taken to equity. Differences initially brought to equity are recycled to the income statement on disposal of the business.

In presenting the financial statements in United States Dollars (US\$) balance sheets items have been translated at US\$1.54 to £1 (Mar 10 US\$1.51 to £1). Transactions in the income statement have been converted at an average exchange rate of US\$1.53 to £1 (Mar 10: US\$1.60 to £1).

Income and expense recognition

Revenues associated with the sale of oil, natural gas, natural gas liquids and liquefied natural gas and all other such items are recognised when the title passes to the customer. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods provided in the normal course of business, net of discounts, customs duties and sales taxes. Operating expenses are recognised in the income statement upon utilisation of the service or at the date of their origin.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective rate applicable.

Oil and gas expenditure

Intangibles - exploration and evaluation assets

Capitalisation

Costs incurred prior to acquiring the rights to explore are charged directly to the income statement.

Licence acquisition costs and all costs incurred after the rights to explore an area have been obtained, such as geological and geophysical costs and other direct costs of exploration (drilling, trenching, sampling and technical feasibility and commercial viability activities) and appraisals are accumulated and capitalised as intangible exploration and evaluation (E & E) assets, pending determination.

E & E costs are not amortised prior to the conclusion of appraisal activities. At completion of appraisal activities if technical feasibility is demonstrated and commercial reserves are discovered, then, following development sanction, the carrying value of the relevant E & E asset will be reclassified as a development and production asset in Intangible Assets, but only after the carrying value of the E & E asset has been assessed for impairment and, where appropriate, its carrying value adjusted. If, after completion of appraisal activities in an area, it is not possible to determine technical feasibility and commercial viability or if the legal rights to explore expire or if the Group decides not to continue exploration and evaluation activities then the costs of such unsuccessful exploration and evaluation are written off to the income statement in the period the relevant events occur.

Impairment

On an annual basis a review for impairment indicators is performed. If an indicator of impairment exists an impairment review is performed. The recoverable amount is the higher of its fair value less costs to sell and its value in use. If the carrying value exceeds the recoverable amount the carrying value is reduced by writing off the difference to the income statement in that period.

Intangibles – development and production assets

Capitalisation

Development and production (D&P) assets represent the cost of developing the commercial reserves and bringing them into production together with the E & E expenditures incurred in finding the commercial reserves previously transferred from intangible E & E assets as outlined in the policy above.

Development assets are not depreciated until production commences. Depreciation is estimated on a unit of production method based on commercially provable reserves. The calculation takes account of the estimated future costs of development of recognised proven and probable reserves, based on current price levels. Changes in reserve quantities and cost estimates are recognised prospectively from the last reporting date. The depreciation is charged to Cost of Sales within the Consolidated Income Statement.

Impairment

An impairment review is performed each year to assess whether the value of the Group's oil and gas D&P assets may be impaired. If the carrying value of the assets is estimated to exceed the value in use of the assets based on the discounted future cash flows then the excess value is written off to the income statement in that period.

Non oil and gas exploration assets

Property, plant and equipment

Property, plant and equipment (P,P&E) is recorded at cost net of accumulated depreciation and any provision for impairment. Depreciation is provided using the straight line method to write off the cost of the asset less any residual value over its useful economic life as follows:

Office equipment	10 years
Computer equipment	4 years
Motor vehicles	4 years
Plant and machinery	8 years

Impairment

The Group's goodwill, other intangible assets and property, plant and equipment are subject to annual impairment testing.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Goodwill is allocated to those cash generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management controls the related cash flows.

Individual assets or cash generating units that include goodwill and other intangible assets with an indefinite useful life or those not yet available for use are tested for impairment at least annually. All other individual assets or cash generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount is in excess of the recoverable amount.

An impairment loss is recognised for the amount by which the assets or cash generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value in use, based on an internal discounted cash flow evaluation. Impairment losses recognised for cash generating units, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

Inventory

The Group's stocks of crude oil resulting from drilling operations are valued on the basis of the average historical operating cost.

Financial assets

Financial assets consist of cash and trade and other receivables and initial recognition is at fair value. Financial assets are assigned to their different categories by management on initial recognition depending on the contractual arrangements. Trade receivables are subsequently measured at amortised cost less any impairment.

Derecognition of financial assets occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred. An assessment for impairment is undertaken at least at each balance sheet date whether or not there is objective evidence that a financial asset or a group of financial assets is impaired.

Provision against trade receivables is made when there is objective evidence that the Group will not be able to collect all amounts due to it in accordance with the original terms of those receivables. The amount of the write-down is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows.

Financial liabilities

Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Group becomes a party to the contractual provisions of the instrument. The Group's financial liabilities consist of trade and other payables. All interest related charges are recognised as an expense in 'Finance costs' in the income statement.

Trade payables are recognised initially at their fair value and subsequently measured at amortised costs less settlement payments.

A financial liability is derecognised only when the obligation is extinguished, that is, when the obligation is discharged or cancelled or expires.

Income taxes

Current income tax assets and liabilities comprise those obligations to fiscal authorities in the countries in which the Group carries out its operations. They are calculated according to the tax rates and tax laws applicable to the fiscal period and the country to which they relate. All changes to current tax liabilities are recognised as a component of tax expense in the income statement.

Deferred income taxes are calculated using the liability method on temporary differences. This involves the comparison of the carrying amount of assets and liabilities in the consolidated financial statements with their respective tax bases. IAS 12 'Income taxes' does not require deferred tax to be recognised on temporary differences relating to the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and that affected neither the accounting nor taxable profit.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the income statement, except where they relate to items that are charged or credited to other comprehensive income or equity in which case the related deferred tax is also charged or credited to other comprehensive income or equity.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Provisions, contingent liabilities and contingent assets

Provisions are recognised when the present obligations arising from legal or constructive commitments resulting from past events will probably lead to an outflow of economic resources from the Group which can be estimated reliably.

Provisions are measured at the present value of the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the balance sheet date.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Remediation provision

Exploration and drilling operations are generally subject to decommissioning costs at the end of their producing lives. Provisions in the accounts are made when obligations arise and can be quantified. The directors provide for decommissioning and remediation expense in line with the ANH formula.

Liabilities for remediation costs are recognised when the group has an obligation to dismantle and remove a facility or an item of plant and to restore the site on which it is located, and when a reliable estimate of that liability can be made.

Where an obligation exists, the amount recognised is the present value of the estimated future expenditure determined in accordance with local conditions and requirements. A corresponding item of property, plant and equipment of an amount equivalent to the provision is also recognised. This is subsequently depreciated as part of the asset.

Other than the unwinding discount on the provision, any change in the present value of the estimated expenditure is reflected as an adjustment to the provision and the corresponding item of property, plant and equipment. Such changes include foreign exchange gains and losses arising on the retranslation of the liability into the functional currency of the reporting entity, when it is known that the liability will be settled in a foreign currency.

Share based employee compensation

The Group operates equity settled share based compensation plans for the remuneration of its employees.

All employee services received in exchange for the grant of any share based compensation are measured at their fair values. These are indirectly determined by reference to the fair value of the share option awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (e.g. profitability or sales growth targets).

All share based compensation is ultimately recognised as an expense in the income statement with a corresponding credit to the other reserve, net of deferred tax where applicable. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of shares options expected to vest. Non market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. No adjustment to expense recognised in prior periods is made if fewer share options ultimately are exercised than originally estimated.

Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, up to the nominal value of the shares issued are allocated to share capital with any excess being recorded as share premium. At this time, the appropriate balance in the other reserve relating to the share options exercised is transferred to retained earnings by way of a transfer within reserves.

Equity

Equity comprises the following:

- "Issued capital" represents the nominal value of equity shares.
- "Share premium" represents the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issue.
- "Other reserve" represents equity-settled share-based employee remuneration until such share options are exercised.
- "Foreign exchange reserve" represents the differences arising from translation of investments in overseas subsidiaries and differences arising on changing the presentational currency from Sterling to US Dollars.
- "Retained earnings" represents retained profits and losses.

Use of accounting estimates and judgements

Many of the amounts included in the financial statements involve the use of judgement and/or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimation is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarised below:

- a) Capitalisation of exploration costs: detailed analysis of the technical feasibility and commercial viability of projects is needed to decide whether the costs incurred should be capitalised or expensed. Capitalisation is required where it is judged that there will be future benefits in excess of the costs which are capitalised. Estimates are required as to asset carrying values and impairment charges, which apply to Goodwill, Intangible assets and PPE. These total \$43,433,000 (notes 10 and 11).
- b) Assessment of the impairment of assets is a judgement based on analysis of the likely future cash flows from the relevant income generating unit and an estimate of value in use. Depreciation rates are based on estimates of the useful lives and residual values of the assets involved which are in PPE and amount to \$1,026,000 (note 11).
- c) The directors must judge whether future profitability is likely in making the decision whether or not to create a deferred tax asset. Estimates of future profitability are required for the decision whether or not to create a deferred tax asset (note 12).
- d) Identification of functional currencies requires analysis of the economic environments of the subsidiaries of the Group and the selection of the presentational currency must reflect the requirements of the users of those statements.
- e) Calculation of fair value used in share based payments require judgement of the share price volatility, the risk free interest rate and which method or model to use to calculate the fair value.
- f) Assessment of the level of the remediation provision is a judgement whether the group has an obligation, the quantum of any obligation and the timing of the cash flows. The Directors are in the early stages of discussions with local authorities and relevant parties in this area and do not consider that a reliable estimate of remediation costs can be made at this stage.

3. Segmental reporting

Segment Reporting

Our management information system produces reports for the Board grouping financial performance under the following business areas:

- Colombia
- Paraguay
- United Kingdom

All business areas are responsible initially for the exploration and evaluation of oil reserves and then the development and production of oil wells. As permitted by IFRS 8, since these business areas are deemed to have similar economic characteristics and are similar, if not the same, in all of the following:

- business areas derive their revenue from the supply of crude oil,
- the production and distribution process is the same across all business areas,
- business areas supply to similar customers
- all business areas are subject to the same regulatory environment,

The business areas have been aggregated into a single reportable operating segment, namely oil exploration and development. Each month the CODM is presented with financial information prepared in accordance with IFRS as adopted in the EU and the accounting policies set out in Note 2 to the financial information as such information regarding this operating segment has already been disclosed in the financial statements.

In the period, a single customer contributed the entire revenue.

Geographical information

	Non-current assets			Revenue	
	Dec 2010 \$'000	Mar 2010 \$'000	Mar 2009 \$'000	Dec 2010 \$'000	Mar 2010 \$'000
Colombia	39,442	28,179	19,112	9,013	2,753
Paraguay	411	672	298	-	-
United Kingdom	3,580	3,661	3,452	-	-
	<u>43,433</u>	<u>32,512</u>	<u>22,862</u>	<u>9,013</u>	<u>2,753</u>

The revenue split is based on revenue by origin by supply. Non-current assets exclude the deferred tax asset of \$1,852,000 (Mar 10 - \$2,640,000).

4. Remuneration of key management personnel

	Dec 2010 \$'000	Mar 2010 \$'000
Short term employee benefits	556	756
Social security	19	14
Share based payment	-	1,655
	<u>575</u>	<u>2,425</u>
Aggregate gains made on the exercise of share options	-	-
	<u>575</u>	<u>2,425</u>
	Dec 2010 \$'000	Mar 2010 \$'000
Highest paid director's emoluments	<u>225</u>	<u>308</u>

The directors consider the key management personnel of the Group to be the Board of Directors. Further details of the remuneration of the directors are given in the Directors Report.

No directors exercised share options during the year.

5. Profit / (loss) before tax

	Dec 2010 \$'000	Mar 2010 \$'000
Profit / (loss) before tax has been arrived at after charging / (crediting):		
Foreign exchange	(27)	(638)
Depreciation and amortisation:		
Depreciation of property, plant and equipment	89	132
Amortisation of intangible assets	1,848	310
Employee benefits expense:		
Employee costs (Note 6)	1,522	3,509
Audit and non-audit services:		
Fees payable to the Company's auditor for the audit of the Group accounts	44	51
Fees payable to the Company's auditor and its associates for other services:		
The audit of the Company's subsidiaries pursuant to legislation	16	11
Tax services	5	10
Other services pursuant to legislation	-	6

6. Employees

	Dec 2010 \$'000	Mar 2010 \$'000
Employee costs (including directors):		
Wages and salaries	1,371	1,479
Social security costs	103	136
Pension costs – defined contribution plans	48	54
Share based payments	-	1,840
	1,522	3,509
The average number of employees (including directors) during the year was made up as follows:		
Management	8	5
Administration	10	11
Manual	5	4
	23	20

7. Finance income and charges

	Dec 2010 \$'000	Mar 2010 \$'000
Foreign exchange gains	27	638
Interest income	44	248
Total interest income	71	886
Interest charge	(56)	-

Foreign exchange gains derive from the translation of the Groups foreign currency denominated cash assets into US Dollars.

8. Taxation

	Dec 2010 \$'000	Mar 2010 \$'000
Current Tax:		
Overseas tax - Colombia	253	18
Deferred tax		
Origination and reversal of temporary differences (see note 12)	788	(2,796)
Tax on profit / (loss) for the period / year	1,041	(2,778)

The tax assessed for the period differs from the standard rate of corporation tax as applied in the respective trading domains where the Group operates. The differences are explained below:

	Dec 2010 \$'000	Mar 2010 \$'000
Profit / (loss) for the period / year before tax	2,258	(1,963)
Profit / (loss) for period / year multiplied by the respective standard rate of corporation tax applicable in each domain (average 28%)	632	(550)
Effects of:		
Expenses not deductible for tax purposes	341	27
Share based payment charge	(12)	517
Differing tax rate in overseas jurisdictions	123	3
Trading losses carried forward	-	(2,796)
Carry forward of unutilised tax losses	337	21
Other	(637)	-
Overseas tax based on net worth (*)	253	-
Overseas tax losses forfeited	30	-
Prior year deferred tax	(26)	-
Tax on profit / (loss) for the period / year	1,041	(2,778)

* - Under article 189 of the Colombian tax code, the company is liable to pay a tax based on 3% of its net worth in Colombia.

Unrelieved UK tax losses remain available to offset against future taxable profits. These losses have not been recognised as deferred tax assets within the financial statements as they do not meet the conditions required in accordance with IAS 12. Losses carried forward in the UK total \$8,388,000 – tax effect is \$2,349,000 (March 2010 : \$6,441,000 – tax effect is \$1,803,000). In addition there are capital losses in the UK carried forward at 31 December 2010 of \$45,857,000 (March 2010: \$45,857,000).

Losses carried forward in Colombia total \$5,613,000 – tax effect is \$1,852,000 (March 2010: £\$8,107,000 – tax effect is \$2,675,000). A deferred tax asset has been recognised in respect of these losses. See note 12 for details.

The tax losses in respect of Paraguay are restricted in use and are not available to offset against future taxable profits.

9. Earnings per share

	Dec 2010 \$'000	Mar 2010 \$'000
Profit for the period / year attributable to equity shareholders	1,217	815
Earnings per share		
Basic (cents per share)	0.13	0.10
Diluted (cents per share)	0.13	0.10
	Shares	Shares
Issued ordinary shares at start of the period	830,385,304	828,885,304
Ordinary shares issued in the period	83,388,530	1,500,000
Issued ordinary shares at end of the period	<u>913,773,834</u>	<u>830,385,304</u>
Weighted average number of shares in issue for the period	904,338,722	829,312,701
Dilutive effect of options in issue	<u>36,921,687</u>	<u>2,088,180</u>
Weighted average number of shares for diluted earnings per share	<u>941,260,409</u>	<u>831,400,881</u>

10. Intangible assets

The Group has made investments in deferred exploration and evaluation costs as follows:

	Platanillo	Fenix	Other – Paraguay	Total
	\$'000	\$'000	\$'000	\$'000
Share of field	100%	100%	100%	
Cost				
1 April 2009	12,446	8,989	388	21,823
Foreign exchange	3,690	1,691	29	5,410
Additions	-	4,406	18	4,424
Disposal	-	-	-	-
31 March 2010	16,136	15,086	435	31,657
Foreign exchange	(627)	(396)	7	(1,016)
Additions	8,527	5,036	66	13,629
31 December 2010	<u>24,036</u>	<u>19,726</u>	<u>508</u>	<u>44,270</u>
Amortisation				
1 April 2009	-	-	-	-
Charge for the year	292	-	-	292
At 31 March 2010	292	-	-	292
Foreign exchange	(35)	-	-	(35)
Charge for period	1,848	-	-	1,848
At 31 December 2010	<u>2,105</u>	<u>-</u>	<u>-</u>	<u>2,105</u>
Net book value				
31 December 2010	21,931	19,726	508	42,165
31 March 2010	15,844	15,086	435	31,365
1 April 2009	<u>12,446</u>	<u>8,989</u>	<u>388</u>	<u>21,823</u>

The Net Book Value of \$21,931,000 relating to Platanillio includes \$12,694,000 of Development and Production (D&P) Assets. Total amortisation charge in the year was \$1,848,000. D & P Assets are essentially intangible in nature and therefore have not been reclassified to P,P&E.

Goodwill

The Group has goodwill resulting from past business combinations:

	Goodwill on acquisition \$'000
At 1 April 2009	485
Foreign exchange	29
	<hr/>
At 31 March 2010	514
	<hr/>
	-
	<hr/>
At 31 December 2010	514
	<hr/>

Impairment of goodwill

The annual impairment review of the goodwill carried by the Group has been undertaken. The whole of the historical goodwill results from the acquisition of the subsidiary companies in Paraguay and the value in use of the blocks is calculated based on the estimates of future potential on a discounted cash flow basis. Discounted cash flow calculations make reference to the price of oil (US\$ 83 per barrel) and the timescale of 20 years over which they will be extracted together with an appropriate discount factor of 15%. Further information in respect of the Group's investments in Paraguay can be found in the Chief Executive Officer's review. Based on this review the Directors conclude that no impairment of this goodwill is required.

11. Property, plant and equipment

	Land and buildings	Plant and machinery	Office and computer equipment	Motor vehicles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Cost					
At 1 April 2009	-	509	55	51	615
Additions	-	134	23	14	171
Foreign exchange	-	31	3	3	37
At 31 March 2010	-	674	81	68	823
Additions	107	-	84	38	229
Foreign exchange	-	(23)	(2)	(1)	(26)
At 31 December 2010	107	651	163	105	1,026
Depreciation					
At 1 April 2009	-	21	23	17	61
Charge for the year	-	89	18	18	125
Foreign exchange	-	2	1	1	4
At 31 March 2010	-	112	42	36	190
Charge for the year	-	61	13	15	89
Foreign exchange	-	(5)	(1)	(1)	(7)
At 31 December 2010	-	168	54	50	272
Net book value					
At 31 December 2010	107	483	109	55	754
At 31 March 2010	-	562	39	32	633
At 1 April 2009	-	488	32	34	554

12. Deferred taxation

	\$'000
At 1 April 2009	-
Recognised in the year	2,640
At 31 March 2010	2,640
Released in the period	(788)
At 31 December 2010	1,852

The Group has recognised a deferred tax asset as there is now the prospect of generating a profit within the following 12 months. The deferred tax asset results from losses incurred in Colombia.

13. Financial instruments

Risk management

The Group manages its capital to ensure that entities within the Group will be able to continue as a going concern whilst maximising the return to stakeholders through the effective management of liquid resources raised through share issues. The principal risks faced by the Group resulting from financial instruments are liquidity risk, foreign currency risk and, to a certain extent, interest rate risk. The Directors review and agree policies for managing each of these risks and they are summarised below. The policies have remained unchanged from previous periods.

Categories of financial instrument

	Dec 2010 \$'000	Mar 2010 \$'000	Mar 2009 \$'000
<i>Financial assets</i>			
Trade and other receivables – loans and receivables	944	1,296	152
Cash and cash equivalents – loans and receivables	20,656	7,978	13,035
	<u>21,600</u>	<u>9,274</u>	<u>13,187</u>
Trade and other receivables – non-financial assets	1,222	404	92
	<u>22,822</u>	<u>9,678</u>	<u>13,279</u>
<i>Financial liabilities</i>			
Trade and other payables – other financial liabilities at amortised cost	4,705	1,355	1,109
Trade and other payables – non financial liabilities	320	32	18
Total trade and other payables	<u>5,025</u>	<u>1,387</u>	<u>1,127</u>

There is no material difference between the book value and the fair value of these financial assets and financial liabilities.

Capital

The Group objectives when managing capital are:

- to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders;
- to provide an adequate return to shareholders by pricing products and service commensurately with the level of risk; and
- to maintain an optimal capital structure to reduce the cost of capital.

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

There is currently no debt in the Group and capital is made up only of cash and cash equivalents.

Foreign currency risk

The cash balances carried within the Group comprise the following currency holdings:

	Dec 2010 \$'000	Mar 2010 \$'000	Mar 2009 \$'000
British Pound	3,057	984	1,797
Colombian Peso	1,986	231	4,388
Paraguayan Guarani	22	60	10
	<u>5,065</u>	<u>1,275</u>	<u>6,195</u>

The effect of a 10 % weakening or strengthening of the British Pound, Colombian Peso or Paraguayan Guarani against the US Dollar would give rise to an increase/decrease respectively (all other variables remaining constant) in the year end balance and hence on equity:

	Dec 2010 \$'000	Mar 2010 \$'000	Mar 2009 \$'000
British Pound	306	988	180
Colombian Peso	199	233	439
Paraguayan Guarani	2	66	1

Interest rate risk

The Group finances its operations through equity fundraising and therefore does not carry significant borrowings. Interest rate risk is therefore considered to be immaterial. The Group's cash balances and short term deposits are held at floating interest rates based on LIBOR and are reviewed to ensure maximum benefit is obtained from these resources. Deposits are held at interest rates of between 0.1% and 5.25% and a rise or fall of interest rates over the year of 1% would have resulted in an increase/decrease respectively in deposit interest income of \$210,000 (Mar 2010: \$114,000) all other variables remaining constant.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. In order to minimise this risk the Group endeavours only to deal with companies which are demonstrably creditworthy and this, together with the aggregate financial exposure, is continuously monitored. The maximum exposure to credit risk is the value of the outstanding amount.

Liquidity risk

The Group currently holds substantial cash balances in both Sterling and US dollar to provide funding for day to day activity. The Group policy is to ensure continuity of funding so that planned fundraisings cover at least 100% of contractual obligations and 12 months of operating and administration costs. Management expects to continue this method successfully in the future. Short term flexibility is achieved by the use of overdraft facilities.

14. Trade and other receivables

	Dec 2010 \$'000	Mar 2010 \$'000	Mar 2009 \$'000
Trade receivables	923	1,139	-
Other receivables	9	140	143
VAT	12	17	9
Prepayments	1,127	404	92
	<u>2,071</u>	<u>1,700</u>	<u>244</u>

All trade and other receivables are due within three months. There were no trade receivables overdue for receipt.

15. Cash and cash equivalents

	Dec 2010 \$'000	Mar 2010 \$'000	Mar 2009 \$'000
Cash at bank and short term deposits	20,656	7,978	13,035

16. Trade and other payables

	Dec 2010 \$'000	Mar 2010 \$'000	Mar 2009 \$'000
Trade payables	3,569	1,152	967
Other payables	1,035	89	38
Social security and other taxes	320	32	18
Accrued expenses	101	113	104
	<u>5,025</u>	<u>1,386</u>	<u>1,127</u>

All trade and other payables are due within three months.

17. Share based payments

The Group has an unapproved share option plan for the benefit of employees.

Options in issue	Exercise price	Exercise period on or before:
43,310,000	7.15p	31 May 2012
350,000	6.45p	12 September 2012
18,550,000	7.52p	3 July 2013
1,000,000	5.68p	22 August 2013
1,550,000	5.75p	29 August 2014
9,250,000	11.05p	23 December 2019
6,500,000	15.00p	23 December 2019

Details of the number of share options and the weighted average exercise price (WAEP) outstanding during the year are as follows:

	Dec 2010 WAEP		Mar 2010 WAEP	
	Number	pence	Number	pence
Outstanding at the beginning of the period	81,020,000	8.14	65,720,000	7.10
Granted during the period	-	-	17,300,000	12.06
Exercised during the period	(500,000)	5.68	(1,500,000)	2.44
Lapsed during the period	-	-	(500,000)	5.68
Expired during the period	-	-	-	-
Outstanding at the period end	<u>80,520,000</u>	<u>8.16</u>	<u>81,020,000</u>	<u>8.14</u>
Exercisable at the period end	<u>80,520,000</u>	<u>8.16</u>	<u>74,520,000</u>	<u>7.55</u>

There are no vesting conditions in connection with these share options.

The fair value of options granted has been arrived at using a Black-Scholes model. The assumptions inherent in the use of this model are as follows:

- The option life is assumed to be at the end of the allowed period
- There are no vesting conditions
- No variables change during the life of the option (e.g. dividend yield)
- Volatility has been calculated based on historic share price over the two years prior to the grant date

Date of grant	Date of vesting	Exercise price (cents)	Risk-free rate	Share price at grant (cents)	Volatility of share price	Fair value (cents)	Number outstanding
31.05.07	31.05.07	7.15p	5.0%	6.59p	74%	3.170	43,320,000
12.09.07	12.09.07	6.45p	5.0%	6.75p	74%	3.260	350,000
03.07.09	03.07.09	7.52p	5.0%	4.25p	63%	1.590	18,550,000
22.08.09	22.08.09	5.68p	5.0%	4.25p	63%	1.880	1,000,000
23.12.09	23.12.09	11.05p	5.0%	11.05p	79%	7.017	9,250,000
23.12.09	23.12.10	15.00p	5.0%	11.05p	79%	7.017	6,500,000
29.08.09	29.08.09	5.75p	5.0%	5.75p	79%	2.798	1,550,000

The Group recognised total expenses of \$nil (Mar 2010: \$1,737,000) related to equity-settled share based payment transactions during the year.

18. Share capital

The authorised share capital of the Company is 1,250,000 comprising 1,250,000,000 of 0.1pence each.

	Shares	Nominal Value (0.1p) \$'000	Premium net of costs \$'000	Total \$'000
Issued share capital				
1 April 2009	828,885,304	1,178	40,929	42,107
Exercise of share options	1,500,000	2	53	55
31 March 2010	830,385,304	1,180	40,982	42,162
Share placement 6 May 2010	82,888,530	126	19,650	19,776
Option exercises	500,000	1	45	46
31 December 2010	913,773,834	1,307	60,677	61,984

On 6 May 2010 a total of 82,888,530 shares with a nominal value of 0.10 pence were placed at a price of 16.5 pence which raised a total of \$20,859,000 (£13,677,000) before the cost of issue.

19. Related party transactions

Amerisur Resources Plc paid \$72,000 (Mar 2010: \$91,000) for accounting and other office services to Westleigh Investment Holdings Limited, where Giles Clarke and Nick Harrison have an interest.

Amerisur Exploracion Colombia paid \$nil (Mar 2010: \$34,000) to Upside Energy & Mining Services Ltd for consulting services where Douglas Ellenor has an interest.

20. Events after the balance sheet date

There are no significant events to report after the balance sheet date.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
AMERISUR RESOURCES PLC**

We have audited the parent company financial statements of Amerisur Resources plc for the period ended 31 December 2010 which comprise the parent company balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 Directors' Responsibilities Statement set out on page 12, the directors are responsible for the preparation of the parent company 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 parent company 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the parent company financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2010 ;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the parent company financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Other matter

We have reported separately on the group financial statements of Amerisur Resources plc for the period ended 31 December 2010.

J.Geraint Davies
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
CARDIFF
5 April 2011

PARENT COMPANY BALANCE SHEET

		31 December 2010 \$'000	Restated 31 March 2010 \$'000
	Notes		
FIXED ASSETS			
Intangible assets	5	106	106
Investments	6	3,901	3,901
		<u>4,007</u>	<u>4,007</u>
CURRENT ASSETS			
Debtors due within one year	7	50	53
Debtors due in more than one year	7	30,658	22,997
Cash at bank and at hand		18,647	7,687
		<u>49,355</u>	<u>30,737</u>
CREDITORS			
Amounts falling due within one year	8	(136)	(145)
		<u>49,219</u>	<u>30,592</u>
NET CURRENT ASSETS			
		<u>53,226</u>	<u>34,599</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
CAPITAL AND RESERVES			
Called up share capital	9	1,307	1,180
Share premium	10	60,677	40,982
Other reserves	10	4,248	4,276
Profit and loss account	10	(13,006)	(11,839)
		<u>53,226</u>	<u>34,599</u>
SHAREHOLDER'S FUNDS			

The parent company financial statements were approved by the Board of Directors on 5 April 2011.

N Harrison
Director

Company number: 4030166

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

1. Accounting convention

The parent company financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and under the historical cost convention and comply with the Companies Act 2006 and applicable accounting standards. The particular accounting policies adopted by the directors are described below and are considered suitable, have been consistently applied and are supported by reasonable and prudent judgements and estimates in accordance with FRS 18.

Change in financial reporting date

The Board has changed the financial year end of the Company from 31 March to 31 December. As a result of this change, the Company is publishing, in these financial statements, audited results for the 9 months ending 31 December 2010. The next audited results will be for the 12 months to 31 December 2011.

The next set of interim accounts produced will be for the 6 months to 30 June 2011.

Change of accounting policy

The Board has also changed the presentational and functional currency of the Company accounts from Sterling to US dollars with effect from 31 March 2010. All comparatives have been restated in US dollars. This was not a policy choice but driven by the change in circumstances due to the change in commercial activities of the entities in the United Kingdom and Colombia. The change in functional currency has been applied prospectively from 1 April 2010.

The parent entity is operating as an extension of its Colombian subsidiary, Amerisur Exploracion (Colombia) Limited and provides strategic administrative and managerial support to the entity. This has been the case since Platanillo's transition from exploration to production at the end of the March 2010 accounting period when the first revenues were recorded. This is the first accounting period where the entity has traded throughout.

The Parent Entity's balance sheet is primarily in US Dollar denominated assets and liabilities, and the change in functional currency reflects the underlying transactions that are undertaken between the entities.

Going concern

The directors have reviewed the cash position of the Group as at the year end against the expected recurring operational expenditure and anticipated specific contractual costs for a period of at least 12 months from the date of signing the Group financial statements. On this basis the Directors consider that the Group has more than sufficient resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the Group's financial statements.

2. Principal accounting policies

Investments

Investments held as fixed assets are stated at the lower of cost and net realisable value, less provision for any impairment. They comprise investments in subsidiary undertakings. In the opinion of the directors the value of such investments is not less than that shown at the balance sheet date.

Intangible fixed assets

Intangible fixed assets are included at cost and amortised on a straight line basis over their useful economic life, which will be based on the expected life of the exploration area, once determined.

Share based payments

All share based payment arrangements granted after 7 November 2002 that had not vested prior to 1 April 2006 are recognised in the financial statements. All goods and services received in exchange for the grant of any share based payment are measured at their fair values. Where employees are rewarded using share based payments the fair values of their services are determined indirectly by reference to the fair value of the instrument granted to the employee. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (e.g. profitability and sales growth targets).

All equity settled share based payments are ultimately recognised as an expense in the profit and loss account with a corresponding credit to 'other reserves'.

Upon exercise of share options the proceeds received, net of attributable transaction costs, are credited to share capital and, where appropriate, share premium.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

3. Company profit and loss account

The parent company has taken advantage of section 408 of the Companies Act 2006 and has not included its own profit and loss account in these financial statements. The parent company's loss for the period ended 31 December 2010 was \$1,195,000 (12 months to Mar 2010: loss of \$1,269,000). The parent company auditor's remuneration is disclosed in note 5 to the Group accounts.

4. Directors and employees

The directors are the only employees of the parent company. Disclosure of their emoluments is given in note 4 to the Group financial statements.

5. Intangible fixed assets

	Other intangible assets \$'000
Cost	
At 1 April 2009	99
Foreign exchange	<u>7</u>
At 31 March 2010	106
Foreign exchange	<u>-</u>
At 31 December 2010	<u>106</u>
Amortisation	
At 1 April 2009, 31 March 2010 and 31 December 2010	-
Net book value	
At 31 December 2010	106
At 31 March 2010	106
At 1 April 2009	<u>99</u>

This represents the capitalised market value of 1,000,000 ordinary shares awarded to Expet S.A. as consideration for introduction services rendered to the Company in Colombia in the year ended 31 March 2006.

6. Investments

	Subsidiary undertakings \$'000
Cost	
At 1 April 2009	3,678
Foreign exchange	<u>223</u>
At 31 March 2010	3,901
Foreign exchange	<u>-</u>
At 31 December 2010	<u>3,901</u>
Impairment	
At 1 April 2009, 31 March 2010 and 31 December 2010	<u>-</u>
Net book value	
At 31 December 2010	3,901
At 31 March 2010	3,901
At 1 April 2009	<u>3,678</u>

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

The parent company holds the following investments in subsidiary undertakings:

Name of subsidiary	% voting rights and shares held	Country of incorporation	Business
Amerisur S.A.	100	Paraguay	Mineral resource hydrocarbon E&P permit applications
Amerisur Exploracion (Colombia) Limited	100	British Virgin Islands	Intermediate holding company
E-Plus S.A. (sub – subsidiary)	100	Paraguay	Dormant
Fenix Oil & Gas S.A. (sub – subsidiary)	100	Colombia	Mineral resource hydrocarbon E&P permit applications
Cindra Equities Corporation	100	British Virgin Islands	Intermediate holding company

7. Debtors

	Dec 2010 \$'000	Mar 2010 \$'000
Amounts due from Group undertakings (greater than one year)	30,658	22,997
Prepayments and sundry debtors	50	53
	<u>30,708</u>	<u>23,050</u>

8. Creditors – amounts falling due within one year

	Dec 2010 \$'000	Mar 2010 \$'000
Trade creditors	22	17
Other creditors and accruals	114	128
	<u>136</u>	<u>145</u>

9. Share capital and share based payments

For share based payment and share capital disclosures see notes 17 and 18 respectively in the Group financial statements.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

10. Reserves

	Share premium \$'000	Other reserves \$'000	Profit and loss account \$'000
At 1 April 2009	40,929	2,538	(10,570)
Share options exercised	53	-	-
Share based payments	-	1,738	-
Retained loss for the year	-	-	(1,269)
At 31 March 2010	40,982	4,276	(11,839)
Shares issued	19,650	-	-
Share options exercised	45	(28)	28
Retained loss for the period	-	-	(1,195)
At 31 December 2010	60,677	4,248	(13,006)

11. Reconciliation of shareholders funds

	\$'000
At 1 April 2009	34,075
Option exercise	55
Share based payments	1,738
Retained loss for the year	(1,269)
At 31 March 2010	34,599
Share issues	19,776
Option exercise	46
Retained loss for the period	(1,195)
At 31 December 2010	53,226

12. Related party transactions

Amerisur Resources Plc paid \$72,000 (Mar 2010: \$91,000) for accounting and other office services to Westleigh Investment Holdings Limited, where Giles Clarke and Nick Harrison have an interest.

Amerisur Exploracion Colombia paid \$nil (Mar 2010: \$34,000) to Upside Energy & Mining Services Ltd for consulting services where Douglas Ellenor has an interest.

The company has taken advantage of the exemptions available under FRS 8 – Related Party Disclosures not to disclose transactions entered into during the period with 100% wholly owned subsidiaries of the group

13. Events after the balance sheet date

Please refer to note 20 of the Group financial statements.