Thalassa Holdings Limited - THAL Final Results
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Thalassa Holdings Ltd

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("Thalassa" or the "Company")

Final results for the year ended 31 December 2014 and notice of AGM

Thalassa announces its final results for the year ending 31 December 2014. The audited financial statements are being posted to shareholders and are available on the Company website at www.thalassaholdingsltd.com.

HIGHLIGHTS

SEISMIC OPERATIONS

- Revenue from core Seismic Operations up 50.5% to US$15.5m from US$10.3m in 2013
- Gross Profit from core Seismic Operations up 144.2% to US$6.6m from US$2.7m in 2013
- Gross Margin up 61.6% to 42.6% from 26.4% in 2013

MANUFACTURING OPERATIONS

- Manufacturing Revenue US$0.0m versus US$20.3m in 2013 following conclusion of one-off Statoil manufacturing contract

GROUP RESULTS

- Group Revenue US$15.5m versus US$30.6m in 2013
- Group Gross Profit down 29.0% to US$6.6m from US$9.3m in 2013 following conclusion of manufacturing contract
- Group Gross Margin increased by 40.1% to 42.6% from 30.4% in 2013 due to change in revenue mix and increased pricing on seismic activities
- Non-recurring costs of US$11.7m including US$6.5m impairment of assets and US$4.1m provision for doubtful debts
- Adjusted Group Net Profit US$0.5m versus US$4.2m in 2013 (excluding non-recurring costs of US$11.7m and R&Dcosts at Autonomous Robotics of US$1.0m)
- Group Net Loss US$12.2m versus US$4.4m profit in 2013
- Adjusted Group Earnings Per Share (basic and diluted) US$0.02 (£0.01) versus US$0.26 (£0.17) in 2013 (excluding non-recurring costs of US$(0.47)and impact of R&D costs at Autonomous Robotics of US$(0.04))*
- Group Earnings Per Share (diluted)* US$(0.49) (£0.32) versus US$0.26 (£0.17) in 2013
- Book value per share US$1.57 (£1.01) versus US$2.04 (£1.37) in 2013

- Debt US$ nil (2013: US$ nil)
- Cash US$17.7m (2013: US$32.2m)
- Pipeline of order-enquiry and tenders submitted US$93.4m

  *based on weightedaverage number of shares in issue of 25,064,289 (2013: 16,567,796)

OPERATIONAL HIGHLIGHTS

- Completion of 3 surveys (2 x Snorre, 1 x Grane) as part of the ongoing contract to provide seismic source services to Statoil's PRM activities in the North Sea
- Completion of the 17th Life of Field Seismic ("LoFS") survey undertaken on behalf of BP over the Valhall field in the North Sea
- The Group's first business in Multi-Client Data Acquisition with TGS using WGP's mini-PMSS system utilising P-CableTM High Resolution 3Dtechnology
- Completion of shallow water seismic acquisition project in Prudhoe Bay, North Slope, Alaska

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CHAIRMAN'S STATEMENT

2014 was a very challenging year for the oil industry and particularly challenging for WGP, which suffered a number of unforeseen operational problems.

Over the past 5 years WGP revenues have grown at an average annual rate of 28.5%, but managing growth is not as easy in practice as it is in theory. Companies, like humans, experience growing pains and 2014 was definitely one of those years. WGP took on multiple projects in 2014, in diverse geographic areas, inevitably relying on local support, which was not, as had been agreed with counterparties, always forthcoming.

However, 2014 was not just a story about the numbers. WGP had operational problems, Autonomous Robotics Limited ("ARL") incurred high costs associated with a complete review of operations of the GO Science node and the Group's operational expenditure increased. Nonetheless, the Company completed all projects safely and to the ultimate clients' satisfaction.

During the year the price of oil retreated from a peak of US$115 in May/June 2014, to a low of US$43 in January 2015; a 60% decline. This collapse followed the 2008/09 crash when oil fell 75% from US$135 to US$35. The first fall was due to economic slowdown, the financial crash and rapid fall in demand. The 2014 collapse differed being largely caused by over investment in US shale, which increased US oil production by nearly 2 million barrels to 9.5 million barrels per day, making the US the world's largest oil producer ahead of Russia and Saudi Arabia.

The impact on the oil service market has been brutal as exploration budgets in particular were slashed. In the first quarter of 2015 alone, Schlumberger (SLB, NYSE), the world's largest oil service company, announced 9,000 job layoffs in January 2015 followed by a further 11,000 in April 2015. These personnel cuts have also been matched by commensurate equipment write-downs or disposals.

As a result of these factors, the Thalassa board initiated a Group wide asset review and has taken the decision to write-down all assets which the Board considers are either now overvalued based on replacement cost or which the board believes will not generate sufficient future income to justify their current carrying value. The Board has also decided to expense the research and development costs associated with ARL rather than capitalising them in accordance with IFRS convention.

Furthermore, the Board has decided to take a reserve of US$3.4m against the entire JSC Sevmorgeo ("SMG") receivable, including interest, and will seek legal redress if management is unable to negotiate an acceptable settlement with SMG and its parent JSC Rusgeology ("Rosgeo"). In this connection, I am pleased to report that discussions have finally begun with Rosgeo, which we hope will lead to settlement of the outstanding trade receivable.

As is always the case when there is as much bad news as was experienced in 2014, both on a macro and micro basis, there is always a silver lining. That silver lining or good news is, in my opinion, very good news. Excess capacity in the marine seismic market is finally being retired. 3D, 2D and source vessel capacity is being withdrawn so rapidly that a recovery in demand should benefit our Portable Modular (PMSS™) solution. We are also pleased to report that whilst exploration budgets have been slashed, production budgets are being increased to include Permanent Reservoir Monitoring or Life of Field installation surveys. We anticipate that in 2015, RFP's for 3 new North Sea Life of Field projects will be put out to tender. We are quietly confident that we have the best equipment and people for any of these projects.

In 2014 WGP completed a significant piece of work in the Barents Sea with TGS. This was WGP's first business in the world of Multi- Client data acquisition. It is too early to tell how successful this piece of business will be as the Norwegian Government delayed the 23rd round of bidding and tendering for Barents Sea acreage and is not due to close until December 2015. This year we are again working with TGS in the Barents Sea, but this time as a contractor on a proprietary basis.

2014 was a year of substantial progress for ARL, which is now seeking operational sponsorship to continue the development of its deep water AUV.

2014 was, in financial terms, an "annus horribilis". Operationally we struggled at times to accommodate customers' requested variations without seeking to renegotiate contractual terms. However, behind the scenes, an enormous amount of time and effort has been invested to position the Group for success in the future.

Financially the Group is in rude health and well positioned to capitalise on improving market conditions and increased demand in our chosen areas of operation.

We have adapted quickly to the huge changes in market circumstances. We have repositioned WGP to meet these new challenges and are ready to capitalise on improving market conditions and increased demand in our chosen areas of operation.

I am sad to report that Rob Anderson has chosen not to stand for re-election at this year's meeting. I would like to extend the Board's sincere thanks to Rob for his sage advice and support and wish him the very best for the future.

As always, I would like to thank our employees for their hard work and dedication, our clients for their business and our shareholders for their participation; I am confident that their patience will, in time, be rewarded.

C. Duncan Soukup
Chairman

9 June2015

WGP2014 OPERATIONAL REVIEW

During 2014, WGP's strategy of 'Exploration and Beyond', was reinforced. WGP continued providing bespoke exploration solutions in frontier and challenging locations as well as permanent reservoir monitoring ("PRM") services with the objective of increasing production yields. In addition, WGP continued to develop its High Resolution 3D capabilities using P-CableTM displacement technology to provide data to enhance imaging of unconventional hydrocarbon resources (shallow gas hydrates) and geo-hazards.

The year was a mixture of successes but also unfortunately, frustrating failures both of which, under the mantra of continuous development and improvement, have provided an opportunity to 'do better'; learn from what went well, but more importantly where not to make the same mistakes again.
During 2014 WGP undertook several projects:

1. Permanent Reservoir Monitoring Project - Statoil
Completion of 3 surveys (2 x Snorre, 1 x Grane) as part of the ongoing contract to provide seismic source services to the PRM activities over the Snorre and Grane producing fields. The Dual Portable Modular Source System ("D-PMSSTM") as built by WGP for Statoil in 2013, was mobilised on the Platform Supply Vessel ("PSV") "Siem Sailor" (since re-named "Siddis Sailor") in Stavanger in April 2014 and continued operations until demobilisation in December. In addition to the 3 prime surveys, WGP was further tasked to complete additional "seismic-on-demand" surveys for two research projects in adjacent fields.

2. Permanent Reservoir Monitoring Project - BP
The 17th Life of Field Seismic ("LoFS") survey was undertaken on behalf of BP in April/May 2014. Having mobilised a Single Portable Modular Source System (PMSSTM) onboard the PSV "Stryl Myster" the crew proceeded to acquire some 2,728km of data over the trenched seabed seismic array at the Valhall platform.

3. High Resolution 3D (P-CableTM) Multi-Client Data Acquisition Project
As a continuation of the High Resolution 3D ("HR3D") survey utilising P-CableTM technology which WGP completed on behalf of Spring Energy (now Tullow Oil) in 2012, the company entered into an agreement with TGS-Nopec Geophysical Company AS ("TGS") (TGS:OSL) in March 2014 to acquire Multi-Client data in the Barents Sea. For this project the "Bergen Surveyor" was chartered and outfitted with a P-CableTM system and our newly developed Mini Portable Modular Source System ("M-PMSS™"). The vessel acquired data throughout the summer season in the Barents Sea (May through September) totalling some 580km2 of high resolution seismic data. The prime driver behind the program of work was the Norwegian 23rd Licensing Round which, after much delay was announced on the 20th January 2015. The project, in which WGP has a 50% interest, secured 58% client pre- funding. Subsequent data sales to "Late Participants" were concluded in 2015 and have to date covered a further 18% of the programs cost.

4. Transition Zone Source Vessels
WGP was sub-contracted to provide shallow water seismic source vessels as part of a Transition Zone ("TZ") Ocean Bottom Node ("OBN") contract for BP Exploration (Alaska) Inc, in Prudhoe Bay, North Slope, Alaska. For this purpose, partial mobilisation was completed in Anchorage before all equipment and personnel were shipped to the North Slope for final mobilisation and operations. The project ran from mid-June (mobilisation) through the beginning of October and involved the outfitting and operation of local vessels "Peregrine" and "Maxime" in rather challenging environmental conditions.

The company's superb QHSSE record was maintained during the year with over 190,000 man hours recorded, and a three year average Lost Time Incident Frequency ("LTIF") ratio of 0.54. Furthermore, the company continued its proactive approach towards "Zero Harm" through the focus on Training (1,444 hours recorded) and Safety Observation Cards (545 hours recorded) during the year.

From a quality and business perspective, in Q2 2014 WGP commenced the implementation of an 'Enterprise Resource Planning' ("ERP") system. Having identified the need to have integrated business processes (including procurement, finance, inventory, project management and customer relationship management) the company identified a system developed by IFS (Industrial and Financial Systems), a global enterprise software company, as being most suitable for its business needs. It is anticipated that the implementation and integration process will take 18 months to complete.

In 2015 WGP will continue to pursue core opportunities in the PRM and HR3D sectors.

OUTLOOK FOR 2015

- Continuation of the Statoil contract with deployment over Grane field in April 2015
- New multi-client contract with TGS to acquire further HR3D P-CableTM data in the South East Barents Sea.
- Bidding on a number of potential new PRM contracts

Mark Burnett
CEO
WGP Exploration

AUTONOMOUS ROBOTICS LTD (ARL) 2014 OPERATIONAL REVIEW

SUMMARY

The main target for ARL during 2014 was to perform a holistic review of the GO Science Ltd flying node system based on the stakeholder and market requirements, and to ensure a practical and deliverable system was presented for funding of development and manufacture of the flying node system. A new system concept has been created and rigorously reviewed during due diligence by third party experts. A clear recommendation of viability was provided by these third party experts with associated recommendations for further work in some key areas before progressing to full development. We are confident that a significant reduction in survey cost will be achieved for deep water ocean bottom seismic due to the improved efficiency of the flying node system over competing systems.

The company changed name from its interim name of GO Science 2013 Ltd to Autonomous Robotics Ltd. The facilities of GO Science Ltd in Bristol have been vacated and it is planned for ARL to relocate remaining staff to Eastleigh Court to share premises with WGP. I joined the company in April 14 and was appointed CEO in June 14.

HOLISTIC REVIEW OF GO SCIENCE FLYING NODE SYSTEM

A stakeholder's requirement document was created and its content was reviewed by an oil major. An associated risk register was created to analyse and mitigate the identified risks for consideration during the development of the concept of operations (CONOPS). A business structure utilising, where possible, tried and tested technology was initiated with the aim of subcontracting design and manufacture of major parts of the system to leading industry experts and ARL performing programme and technology management and system integration, test and service/customer support.

CONCEPT OF OPERATIONS (CONOPS)

A comprehensive CONOPS document was generated identifying both the technical and operational solution to match the stakeholder requirement. This resulted in very significant change from the concept proposed by Go Science including:

- New flying node concept for improved packing density, robust node handling and reduction inmanufacture cost
- Acoustic Navigation Field replaced with a dual USBL system with one unmanned surface vessel -this technology solution is currently undergoing acceptance testing by others
- New node deployment and recovery system using a node sorting and storage cage based onexisting ROV technology
- A compact system with 200-300 nodes and full system with 3,500 nodes identified for differentapplications. Equipment deck layout of these systems also identified
- Survey modelling of the various market opportunities for the system created to show survey timeand cost benefit

Due diligence of this CONOPS was performed by two recognised expert Geophysicists for the seismic recording, survey scenarios and market sections of the CONOPS and due diligence on the remaining aspects of the system was performed by a leading engineering consultancy. There was a strong recommendation to proceed from both sets of consultants with a number of areas identified for further analysis before proceeding to full development.

A roadmap was also created to show the main stages and gates for management of the proposed programme plan for development, test and manufacture of the equipment. A pool of potential main subcontractors has been identified and contacted.

BUSINESS PLAN
A business plan based on the new business structure, programme plan and CONOPS is being created but some refinement is required to complete the plan. A funding plan is outstanding and there has been little progress with gaining support from oil majors with current market difficulties possibly diverting focus from their support of new technology.

INTELLECTUAL PROPERTY
Due to the significant change in the new flying node and seismic sensor design compared with the original Go Science concept, the ARL management have reviewed the intellectual property (IP) held by ARL and Go Science Group and have recommended to the Board of Thalassa that the original GO Science IP be written down to zero as further development using the original IP will not be pursued at this time.

OUTLOOK FOR 2015

The following prioritytasks will be addressed in 2015:

- Finalise financial models, business plan and funding plan for the programme
- Address the key technical risks identified by the due diligence
- Identify oil majors which will support the development of the flying nodes system
- Minimise all costs associated with ARL in the meantime

Dave Grant
CEO
Autonomous Robotics Ltd

FINANCIAL REVIEW

SEISMIC OPERATIONS

Seismic Operations Revenue for the period to 31 December 2014 showed an increase of 50.5% to US$15.5m from US$10.3m in 2013. 2014 Revenue from Seismic Operations has been generated from the completion of the LoFS 17 survey on the Valhall field for BP, the survey's over the Snorre and Grane fields for Statoil, and the two new projects for SAExploration in Alaska and the Multi-Client project with TGS in the Barents Sea.

Cost of Sales in relation to Seismic Operations increased by 17.7% in 2014 to US$8.9m (2013: US$7.6m) as a result of the increase in operations in 2014 as compared to 2013. Cost of Sales as a proportion of Revenue decreased to 57.3% from 73.6% in the prior period.

Gross Profit from Seismic Operations increased by 144.2% to US$6.6m (2013: USD$2.7m) with Gross margin increasing by 61.6% to 42.6% from 26.4% in 2013. The increase in margin representing change in revenue mix and increased pricing on seismic activities.

Operating Profit before depreciation, non-recurring costs and ARL costs was US$1.0m (2013: US$2.1m) with operating margin 6.4% compared to 12.0% in 2013.

Profit before tax on Seismic Operations (excluding the non-recurring costs), was US$0.5m versus US$0.8m in 2013.

Net profit on Seismic Operations (excluding the non- recurring costs) was US$0.5m versus US$0.2m in 2013 with a net margin of 3.2% compared to 1.7% in 2013, the increase due to higher withholding tax estimates accrued for in 2013 on overseas operations, some of which was released in 2014. This resulted in adjusted basic and diluted EPS on seismic operations of US$0.02 per share (£0.01) (2013: US$0.01 (£0.01)).

MANUFACTURING

Manufacturing Revenue was US$nil versus US$20.3m in the prior period reflecting the non-recurring revenue recognised in relation to the manufacture and sale of equipment to Statoil in 2013.

GROUP RESULTS

Group results for the period to 31 December 2014 showed revenue of US$15.5m versus US$30.6m in 2013, a decrease of 49.3% as a result of the non-recurring revenue in 2013 from the manufacture and sale of equipment to Statoil.

Cost of Sales was US$8.9m versus US$21.3m in 2013, the decrease largely due to the non-recurring manufacturing costs in 2013.

Gross profit was US$6.6m, a decrease of 29.0% versus the same period last year of US$9.3m (including non-recurring manufacturing revenue and associated costs) however Gross margin increased by 40.1% to 42.6% from 30.4% in 2013 due to seismic activities factors described above.

Administrative expenses increased by 47.0% in 2014 to US$6.4m (2013: US$4.4m). This was largely due to the following:

ARL - investment in R&D related activities of ARL which contributed costs of US$0.8m in the period as compared to US$0.1m in 2013. This included a full years worth of costs as compared to a single month in 2013 (ARL was acquired late November 2013), largely made up of Payroll and Consultant related costs of US$0.5m (incorporating the impact of a reduction in headcount from 6 to 3 in Q3), Office related costs of US$0.1m including office rent and rates on the business premises and warehouse at Aztec West which was discontinued in July 2014, and Legal and Professional costs of US$0.1m including patent related costs.

WGP - an increase of US$1.0m to US$3.4m from US$2.4m in 2013 largely due to an increase in Payroll costs of US$0.5m, Office related costs including rent and rates of US$0.1m and Relocation/Restructuring costs associated with the move of UK operations to Eastleigh Court in Wiltshire of US$0.3m. The increase in Payroll related costs was predominantly due to an increase in headcount, with the average number of employees increasing to 21 from 13 in 2013.

Thalassa - an increase of US$0.6m predominantly due to legal and professional fees (US$0.1m), insurance (US$0.1m), directors' fees (US$0.1m), consultants (US$0.2m) and various other costs (US$0.1m) including PR and Marketing and IT maintenance costs on the new ERP software.

Operating Profit before depreciation was US$0.2m versus US$4.9m in 2013 with operating margin decreasing to 1.2%, from 16.1% in 2013.

Depreciation and Amortisation of US$1.3m (2013: US$0.7m) reflects depreciation on the Group's equipment of US$1.0m (2013: US$0.6m), the increase reflecting depreciation on additions purchased during the period, and amortisation of US$0.3m on the intellectual property in ARL (2013: US$0.1m).

NON-RECURRING COSTS

IMPAIRMENT - PLANT AND EQUIPMENT

An impairment review of the Group's equipment has been undertaken, taking into account obsolescence, market conditions, value in use and useful economic life. As a result an impairment charge of US$3.3m has been included in the period.

IMPAIRMENT - INTELLECTUAL PROPERTY AND DEVELOPMENT COSTS

An impairment review of the intellectual property (IP) held by ARL and Go Science Group was undertaken. Since the acquisition of the IP ARL have been reviewing and reconfiguring the concept of operation and technical solutions for the main equipment to be used to provide a practical and deliverable solution for 'flying nodes' as a cost effective method of acquiring ocean bottom seismic data for the oil & gas industry. Due diligence by third party experts has been performed on the technical, seismic, market and business aspects of this revised concept of operation and technical solution which supports the system solutions created by ARL management.

It is therefore appropriate that the applicability of the acquired IP is assessed by management against this revised concept of operation and technical solution and the value of the IP adjusted according to its applicability to the revised 'flying node' system. As a result an impairment charge of US$2.8m has been raised in relation to IP plus an additional US$0.4m of capitalized development costs that have been expensed.

PROVISION FOR DOUBTFUL DEBTS

The Company's subsidiary, WGP Energy Services Ltd received written notification from the new General Director of its client, Joint Stock Company Sevmorgeo ("SMG), that SMG now claims it has not received any documentation confirming that WGP fulfilled its obligations and therefore no longer recognises the compensation due to WGP of US$3.4m, including accrued interest of US$0.1m, for services provided in Ecuador during 2013. This is despite SMG's previous acceptance of all invoices issued by WGP and numerous correspondences from the former General Director of SMG confirming the unpaid compensation, including a legal confirmation executed by the parties in January 2014.

As a result, the outstanding receivable has been fully provided for in the period as a doubtful debt.

An additional provision has been included in full against an outstanding receivable from SAExploration of US$0.7m.

OTHER NON-RECURRING COSTS

In addition to the SMG provision on the outstanding debt the Company has also recognised a charge for repatriation and remediation of its equipment from Ecuador to Europe of US$1.2m.

Net financial income of US$0.6m included foreign exchange gains and interest income in the period partially offset by interest and share option expense (2013: US$0.7m).

Loss before tax, was US$(12.2)m versus US$4.9m profit in 2013. Adjusted profit before tax (excluding the non- recurring costs of US$11.7m and R&D related costs of ARL of US$0.8m) was US$0.5m compared to US$5.0m in the prior period.

Tax in the period of US$0.02m incorporates an estimate of the tax liability incurred from the Company's operations across its different regions of activity offset by the release of over accrued tax in the prior period.

Adjusted net profit (excluding the non-recurring costs of US$11.7m and R&D related costs of ARL of US$0.8m) was US$0.5m compared to US$4.2m in the prior period. Group net loss, was US$(12.2)m versus a profit of US$4.4m in 2013.

Net assets at 31 December 2014 amounted to US$39.4m (2013: US$51.2m) resulting in net assets per share of US$1.57 (£1.01) versus US$2.04 (£1.32) in 2013.

The Company had **debt** of US$0.0m at the period end (2013: US$0.0m).

Net cash flow from operating activities amounted to US$0.3m as compared to cash outflow of US$(0.9)m in 2013.

Net cash outflow from investing activities, excluding loans to the THAL Discretionary Trust, amounted to US$(10.0)m largely due to:

- capital expenditure of US$9.6m that includes the refurbishment and upgrade of existing equipment, and the purchase of new equipment including a mini-PMSSTM and high resolution 3D P-Cable system deployed on the multi-client project in the Barents Sea.
- capital expenditure of US$0.3m on a new ERP system and implementation.

During the period further loans were made to the THAL Discretionary trust of US$5.2m.

CONSOLIDATED STATEMENT OF INCOME

for the year ended 31 December 2014

	2014 $	2013 $
Continuing operations		
Revenue	15,517,200	30,551,967
Cost of sales	(8,909,444)	(21,259,292)
Gross profit	**6,607,756**	**9,292,675**
Administrative expenses	(6,417,859)	(4,366,937)
Operating profit before depreciation and non recurring costs	**189,897**	**4,925,738**

Depreciation and Amortisation	(1,307,414)	(685,173)
Operating (loss)/profit before non-recurring costs	**(1,117,517)**	**4,240,565**
Non-recurring costs		
Impairment - Plant and Equipment	(3,307,899)	-
Impairment - Intellectual Property	(2,763,131)	-
Impairment - Development Costs	(404,298)	-
Provision for doubtful debts	(4,060,021)	-
Other Provisions	(1,170,857)	-
Total Non-recurring costs	**(11,706,206)**	**-**
Operating (loss)/profit	**(12,823,723)**	**4,240,565**
Net financial income	592,362	721,227
(Loss)/Profit before taxation	**(12,231,361)**	**4,961,792**
Taxation	20,994	(575,722)
(Loss)/Profit for the year	**(12,210,367)**	**4,386,070**
Attributable to:		
Equity shareholders of the parent	(12,166,241)	4,285,931
Non-controlling interest	(44,126)	100,139
	(12,210,367)	**4,386,070**
Earnings per share - US$ (using weighted average number of shares)		
Basic and Diluted	**(0.49)**	**0.26**

CONSOLIDATED STATEMENT OFCOMPREHENSIVE INCOME

for the year ended 31 December 2014

	2014 $	2013 $
(Loss)/profit for the financial period	**(12,210,367)**	**4,386,070**
Other comprehensive income:		
Exchange differences on re-translating foreign operations	(255,229)	197,185
Impairment of AFS Securities	(38,675)	
Total comprehensive income	**(12,504,271)**	**4,583,255**
Attributable to:		
Equity shareholders of the parent	(12,460,145)	4,483,116
Non-Controlling interest	(44,126)	100,139
Total Comprehensive income	**(12,504,271)**	**4,583,255**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2014

	2014 $	2013 $
Assets		
Non-current assets		
Goodwill	368,525	368,525
Intellectual property	-	2,870,043
Property, plant and equipment	13,631,466	8,153,119
Multi-Client Library	1,889,693	-
Available for sale financial assets	-	38,675
Loans	7,124,648	1,885,583
Total non-currentassets	**23,014,332**	**13,315,945**
Currentassets		
Inventory	343,231	690,008
Derivative Financial Asset	66,563	-

Trade and other receivables	2,754,923	7,078,753
Cash and cash equivalents	17,728,074	32,235,155
Total current assets	**20,892,791**	**40,003,916**
Liabilities		
Current liabilities		
Trade and other payables	4,530,219	2,084,595
Total current liabilities	**4,530,219**	**2,084,595**
Net current assets	**16,362,572**	**37,919,321**
Net assets	**39,376,904**	**51,235,266**
Shareholders' Equity		
Share capital	250,675	250,575
Share premium	45,034,435	44,668,608
Treasury shares	-	(279,982)
Other reserves	(77,693)	177,536
Retained earnings	(5,830,513)	6,272,185
Total shareholders' equity	**39,376,904**	**51,088,922**
Non-controlling interest	-	146,344
Total equity	**39,376,904**	**51,235,266**

These financial statements were approved and authorised by the board on 9 June 2015.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2014

	2014 $	2013 $
Cash flows from operating activities		
(Loss)/profit for the period before taxation	**(12,231,361)**	**4,961,792**
Impairment of Non-current assets	6,071,030	-
Provision for doubtful debts	4,060,021	-
Share option expense	168,377	55,367
Loss on disposal of property, plant and equipment	66,243	-
Unrealised gain on FX option	(66,563)	
Decrease/(Increase) in inventory	346,777	(608,231)
Decrease/(Increase) in trade and other receivables	263,809	(6,450,675)
Increase in trade and other payables	2,466,617	1,846,699
Net foreign exchange gain	(255,229)	(1,109,570)
Increase in multi-client library	(2,369,523)	-
Taxation	-	(69,119)
Cash used in/generated by operations	**(1,479,802)**	**(1,373,737)**
Interest paid	-	(166,749)
Depreciation and Amortisation	1,307,414	685,173
Amortisation of multi-client library	479,830	-
Net cash flow from operating activities	**307,442**	**(855,313)**
Cash flows from investing activities		
Acquisition of intellectual property	(145,185)	(2,913,201)
Interest received	-	30,958
Purchase of equipment	(9,907,805)	(941,278)
Loan to THAL Discretionary Trust	(5,239,065)	(1,885,583)
Net cash flow from investing activities	**(15,292,055)**	**(5,709,104)**
Cash flows from financing activities		
Issue of ordinary share capital	-	35,366,920
Proceeds from exercise of share options	8,745	-

Disposal of treasury shares	468,787	950,183
Net cash flow from financing activities	**477,532**	**36,317,103**
Net (decrease)/increase in cash and cash equivalents	**(14,507,081)**	**29,752,686**
Cash and cash equivalents at the start of the period	32,235,155	2,482,469
Cash and cash equivalents at the end of the period	**17,728,074**	**32,235,155**

CONSOLIDATED STATEMENT OF CHANGESIN EQUITY

for the year ended 31 December 2014

	Share Capital	Share Premium	Treasury Shares	Foreign Exchange Reserve	Retained Earnings	Total Shareholders Equity	Non Controlling Interest	Total Equity
	US$	US$	US$	US$	US$	US$	US$	US$
Balance as at 31 December 2012	**133,175**	**8,517,782**	**(384,226)**	**(19,649)**	**1,986,254**	**10,233,336**	**46,205**	**10,279,541**
Issue of Ordinary Share Capital	117,400	35,304,887	-	-	-	35,422,287	-	35,422,287
Sale of treasury shares	-	845,939	104,244	-	-	950,183	-	950,183
Total comprehensive income for the period	-	-	-	197,185	4,285,931	4,483,116	100,139	4,583,255
Balance as at 31 December 2013	**250,575**	**44,668,608**	**(279,982)**	**177,536**	**6,272,185**	**51,088,922**	**146,344**	**51,235,266**
Shares issued on exercise of options	100	8,645	-	-	-	8,745	-	8,745
Sale of treasury shares	-	188,805	279,982	-	-	468,787	-	468,787
Share option expense	-	168,377	-	-	-	168,377	-	168,377
Acquisition of Non-Controlling Interest	-	-	-	-	102,218	102,218	(102,218)	-
Total comprehensive income for the period	-	-	-	(255,229)	(12,204,916)	(12,460,145)	(44,126)	(12,504,271)
Balance as at 31 December 2014	**250,675**	**45,034,435**	**-**	**(77,693)**	**(5,830,513)**	**39,376,904**	**-**	**39,376,904**

The Company's full year results, including the notes to the consolidated financial statements, and notice of AGM will shortly be mailed to all Thalassa shareholders and will be made available on the Company's website at www.thalassaholdingsltd.com

END

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Final Results - RNS