



PRESS RELEASE

22 April 2010

Offshore Hydrocarbon Mapping plc ("OHM")

Interim Results for six months ended 28 February 2010

Offshore Hydrocarbon Mapping plc, the provider of remote electromagnetic sensing services designed to detect the presence of offshore oil and gas (CSEM), and of integrated CSEM, Seismic and Rock Physics analysis, today announces its interim results for the six months ended 28 February 2010.

- First half revenues adversely impacted by delayed CSEM projects but growing order backlog will drive a second half improvement
- Future vessel charter liabilities of \$45 million exchanged for equity
- £2.5 million raised in placing of new ordinary shares during the period
- £3.36 million conditionally raised post period end
- OHM leads way in integration of CSEM with seismic and well data

Dave Pratt, Offshore Hydrocarbon Mapping's Chairman, said:

"We are beginning to see a renewed upward trend in activity for both our CSEM and Rock Solid Images business lines. At the same time we have made advances in the integration of CSEM, seismic and well data which positions the group well for winning further business.

We are grateful for the support of shareholders in providing further funds for not only working capital but to allow us to move ahead rapidly in development of a next generation joint seismic and CSEM interpretation system."

Offshore Hydrocarbon Mapping plc

Richard Cooper - Chief Executive Officer
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Chairman's Statement

The OHM Group has always believed that the future of CSEM lies with the careful integration of these data with seismic, the remote sensing geophysical tool of choice for oil and gas companies. Following our acquisition of Rock Solid Images in 2007, OHM leads the way in this integration effort, through its WISE (Well driven Integration of Seismic and Electromagnetics) products and services and the industry research consortium we lead. The realisation that integration of data sets creates significant value is becoming well accepted in the industry and our expertise in this area would appear to be a very positive differentiating factor for our clients in considering their choice of contractor.

Our leadership in the CSEM industry has been further recognised by the appointment of our Chief Technology Officer, Dr Lucy MacGregor as the 2011 Honorary Lecturer to Europe by the industry's leading body, the Society of Exploration Geophysicists. The SEG Honorary lecture program is designed to facilitate lectures from prominent geophysicists to SEG Sections, universities and other interested groups throughout a region. This role will see Lucy travelling throughout Europe to present the technical and commercial benefits of integrated seismic, well log and CSEM data. This should significantly help with the adoption of the technology.

Group revenues amounted to £3.25 million in the six months to 28 February 2010 compared to £6.2 million for the six months to 28 February 2009. The Group is expected to have a much stronger second half than in the last financial year when total revenue fell back to £3.0 million in the six months to 31 August 2009. The pre-tax loss for the six months to 28 February 2010 of £6.2 million includes a £2.1 million one-off non cash charge on conversion of vessel charter commitments into shares.

Although the Group's performance in the first six months of our FY2010 year has been severely impacted by recent challenges in our industrial environment, we have deliberately adopted a long term approach to re-building shareholder value and have achieved some very significant milestones along this path.

Important steps we have now successfully completed include:

- Integration of Rock Solid Images which was acquired in 2007, which provides an important seismic based revenue stream independent of our CSEM business, and also provides key technology for our WISE integration strategy;
- Conclusion, early in the current financial year, of an important transaction with the owner of our chartered vessels, OHM Express and OHM Leader. In this transaction, we exchanged \$45 million of future charter liabilities for equity, thus significantly reducing our ongoing fixed costs and our working capital requirements. As we pointed out in the shareholders' circular issued at the time, we are obliged to recognise a charge related to the equity issued in this transaction. This extraordinary, non cash charge of £2.1 million is included in these half year accounts. This transaction provides us with a very low fixed-cost base, unique in the industry, as well as a key partner for the development of our marine capabilities; and
- Raising of additional capital in FY2009 and FY2010 through equity and debt instruments to ensure availability of funds to allow OHM to develop and deliver on its long term plans.

We have recently announced an important two stage round of additional fund-raising, which, subject to shareholder approval of the second stage, will provide a further £3.36 million in total to the Group of which we have already received £556,000. As part of this funding, we welcome Sector Asset Management to our investor list. Sector is a sophisticated Norwegian private equity house, with a long track record of successful investments in all areas of the oil and gas industry.

As well as providing working capital, these funds allow us to move ahead rapidly in development of a next generation joint seismic and CSEM interpretation system, advancing our WISE strategy. In addition to the steps we have taken to bolster our financial position, we are pleased to note some signs of industrial optimism.

Our order backlog at Rock Solid Images continues to remain at record levels bolstered by our reputation for excellence grown from significant successes in the complex emerging transform margin play offshore West Africa and from innovative solutions which guide well placement for optimum production in the burgeoning shale plays in North America. New software tools which will significantly enhance both our speed of throughput and our ability to scrutinise large seismic data volumes are in the final testing stages and should come into full production in the next few months, increasing the volumes of data we can analyse every month while further enhancing the quality of our services.

Bid levels, particularly for our marine CSEM services, are substantially higher than this time last year. We have recently been awarded several CSEM acquisition projects in the Asia Pacific market, with additional awards in the North Sea. Some of these projects have been won in competitive tender and this success underlines the competitiveness of our new cost structure and the value of our WISE integration capabilities. Other projects have been directly awarded by discerning clients who are becoming more and more sophisticated in their understanding of the issues and value of CSEM data. We now have three CSEM acquisition projects in backlog, and expect to add more as the year progresses. Although at present we remain cautious on financial performance, successful execution of these projects should drive improved revenues in our second half year and the upward trends we are observing in planned CSEM work gives us growing confidence for the future,

David Pratt
Chairman

Offshore Hydrocarbon Mapping plc
Condensed Consolidated Statement of Comprehensive Income
For the six months ended 28 February 2010

	Note	Six months to 28 February 2010 (Unaudited) £'000	Six months to 28 February 2009 (Unaudited) £'000	Year to 31 August 2009 (Audited) £'000
Revenue		3,251	6,221	9,227
Cost of sales		4,823	8,569	12,238
Gross loss	3	(1,572)	(2,348)	(3,011)
Administrative expenses		2,448	3,353	5,770
Charge on conversion of vessel charter commitments into shares	4	2,140	-	-
Group operating loss		(6,160)	(5,701)	(8,781)
Finance income		1	73	81
Finance costs		(23)	(8)	(11)
Loss before taxation		(6,182)	(5,636)	(8,711)
Income tax credit/(expense)	5	153	(162)	(121)
Loss for the period attributable to equity holders of the parent company		(6,029)	(5,798)	(8,832)
Other comprehensive income:				
Exchange differences on translating foreign operations		1,154	3,783	1,555
Other comprehensive income and expense for the period, net of tax		1,154	3,783	1,555
Total comprehensive income for the period attributable to equity holders of the parent company		(4,875)	(2,015)	(7,277)
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Loss per ordinary share				
Basic	6	(8.82) p	(13.42) p	(20.41) p
Diluted	6	(8.82) p	(13.42) p	(20.41) p

No dividends were declared in any period disclosed.

Offshore Hydrocarbon Mapping plc
Condensed Consolidated Balance Sheet
At 28 February 2010

	Note	At 28 February 2010 (Unaudited) £'000	At 28 February 2009 (Unaudited) £'000	At 31 August 2009 (Audited) £'000
Assets				
Non-current assets				
Intangible assets - goodwill		13,557	14,345	12,636
- multi client data library		2,629	3,325	2,679
- software		2,632	2,926	2,575
- patent costs		1,144	1,193	1,101
- consortium fees		157	189	153
	7	<u>20,119</u>	<u>21,978</u>	<u>19,144</u>
Plant and equipment	8	<u>3,454</u>	<u>4,821</u>	<u>4,283</u>
		<u>23,573</u>	<u>26,799</u>	<u>23,427</u>
Current assets				
Inventories		612	642	607
Trade and other receivables	9	1,778	1,672	749
Cash and cash equivalents	10	1,381	2,297	1,043
		<u>3,771</u>	<u>4,611</u>	<u>2,399</u>
Total assets		<u>27,344</u>	<u>31,410</u>	<u>25,826</u>
Liabilities				
Current liabilities				
Trade and other payables	11	3,048	3,128	2,941
Borrowings	12	333	-	-
Current tax liabilities		49	92	48
Finance leases		26	28	9
		<u>3,456</u>	<u>3,248</u>	<u>2,998</u>
Non current liabilities				
Borrowings	12	999	-	-
Deferred tax liabilities		765	899	736
Finance leases		57	1	-
		<u>1,821</u>	<u>900</u>	<u>736</u>
Total liabilities		<u>5,277</u>	<u>4,148</u>	<u>3,734</u>
Net assets		<u>22,067</u>	<u>27,262</u>	<u>22,092</u>
Shareholders' equity				
Share capital	13	695	434	434
Share premium		41,062	36,668	36,668
Share based payments reserve		1,517	1,230	1,322
Merger reserve		5,355	5,355	5,355
Retained earnings		(30,560)	(21,497)	(24,531)
Cumulative translation reserve		3,998	5,072	2,844
Total shareholders' equity		<u>22,067</u>	<u>27,262</u>	<u>22,092</u>

Offshore Hydrocarbon Mapping plc
Condensed Consolidated Statement of Changes of Equity
For the six months ended 28 February 2010

Attributable to equity holders of the parent company

	Share capital	Share premium account	Share based payments reserve	Merger Reserve	Retained earnings	Translation reserve	Total equity attributable to equity holders of the parent (Unaudited) £'000
	(Unaudited) £'000	(Unaudited) £'000	(Unaudited) £'000	(Unaudited) £'000	(Unaudited) £'000	(Unaudited) £'000	(Unaudited) £'000
At 1 September 2008	432	36,668	1,107	5,355	(15,699)	1,289	29,152
Total comprehensive income for the period	-	-	-	-	(5,798)	3,783	(2,015)
Share based payments	-	-	123	-	-	-	123
Share issues	2	-	-	-	-	-	2
At 28 February 2009	434	36,668	1,230	5,355	(21,497)	5,072	27,262
Total comprehensive income for the period	-	-	-	-	(3,034)	(2,228)	(5,262)
Share based payments	-	-	92	-	-	-	92
At 31 August 2009	434	36,668	1,322	5,355	(24,531)	2,844	22,092
Total comprehensive income for the period	-	-	-	-	(6,029)	1,154	(4,875)
Share based payments	-	-	195	-	-	-	195
Share issues	261	4,394	-	-	-	-	4,655
At 28 February 2010	695	41,062	1,517	5,355	(30,560)	3,998	22,067

The movements in the share based payments reserve represents the fair value of the shares to be awarded under the Group's Share Option Plans and Share Award and Annual Bonus Plans together with treasury share transactions which satisfy these obligations. Corresponding amounts for the share based charges are included in the loss for the relevant periods with the consequence that the Company's accounting for share based payments has no net impact on total equity.

The merger reserve represents the excess of the fair value of the shares issued over the nominal value which is recorded when shares are issued in exchange for shares to effect an investment in an undertaking.

Retained earnings comprise net gains and losses recognised in the Condensed Consolidated Statement of Comprehensive Income. The translation reserve comprises gains and losses arising on the translation of the net assets of overseas operations.

Offshore Hydrocarbon Mapping plc
Condensed Consolidated Cashflow Statement
For the six months ended 28 February 2010

	Note	Six months to 28 February 2010 (Unaudited) £'000	Six months to 28 February 2009 (Unaudited) £'000	Year to 31 August 2009 (Audited) £'000
Cash flow from operating activities				
Loss before taxation		(6,182)	(5,636)	(8,711)
Adjustments for:				
Depreciation of tangible fixed assets		945	440	947
Amortisation of intangible fixed assets		298	618	1,345
Share based payments charge		195	123	215
Intangible asset transfer from balance sheet		-	53	53
Loss on disposal of plant and equipment		75	36	35
Charge on conversion of vessel charter commitments into shares		2,140	-	-
Finance income		(1)	(73)	(81)
Operating cash flow before changes in working capital and provisions		(2,530)	(4,439)	(6,197)
(Increase)/decrease in inventories		(5)	103	138
(Increase)/decrease in trade and other receivables		(1,029)	2,247	3,170
Increase/(decrease) in trade and other payables		261	(3,241)	(3,577)
Cash absorbed by operations		(3,303)	(5,330)	(6,466)
Foreign taxes paid		-	-	-
Net cash flows used in operating activities		(3,303)	(5,330)	(6,466)
Cash flows from investing activities				
Payments to acquire multi -client data library		-	(12)	(59)
Payments to acquire software		(32)	(179)	(294)
Payments to acquire patents		(31)	(106)	(124)
Payments to acquire plant and equipment		(89)	(326)	(200)
Proceeds from sale of plant and equipment		-	11	11
Interest received		1	73	81
Net cash used in investing activities		(151)	(539)	(585)
Cash flows from financing activities				
Proceeds from issue of ordinary share capital		2,515	2	2
Borrowings under \$2 million credit line		1,332	-	-
Capital lease obligation		(4)	(21)	(41)
Net cash from/(used in) financing activities		3,843	(19)	(39)
Net increase/(decrease) in cash and cash equivalents		389	(5,888)	(7,090)
Opening cash and cash equivalents		1,043	8,222	8,222
Effect of foreign exchange rate changes		(51)	(37)	(89)
Closing cash and cash equivalents	10	1,381	2,297	1,043

Offshore Hydrocarbon Mapping plc

Notes to the Condensed Interim Financial Statements

For the six months ended 28 February 2010

1 Basis of preparation and accounting policies

The interim condensed financial statements for the six months ended 28 February 2010 have been prepared using the recognition and measurement principles of IFRS and in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union.

The accounting policies used in the preparation of these condensed financial statements are set out in the statutory financial statements for the year ended 31 August 2009. There have been no changes in accounting policies so these policies are expected to be applicable at 31 August 2010 except as stated below.

Standards and amendments to standards applicable this period and which have impacted on the Condensed Interim Financial Statements and will affect the Group Financial Statements

IAS 1 Presentation of Financial Statements (2007) became effective for the Group this year. As a result, the Group presents in the consolidated statement of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the condensed consolidated statement of comprehensive income.

As permitted under the revised IAS 1, the Group has elected to present one statement comprising the condensed consolidated statement of comprehensive income. Comparative information has been re-presented on this basis.

IFRS 8 'Operating Segments' became effective for the group this year and has replaced IAS 14 'Segmental Reporting' and the amendment to IFRS 8 from the Improvements to IFRSs in April 2009 has been adopted early.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Board of Directors. Management has determined the operating segments based on the internal reports used by the Board of Directors and the measures of segment revenues, profits or losses are based on the measures reviewed internally in those reports.

Standards, amendments to standards and interpretations applicable this period but which have had no impact on the Condensed Interim Financial Statements and are not expected to significantly affect the Group Financial Statements

The following standards, amendments to standards and new Interpretations became effective this year but had no impact:

- Amendments to IAS 1 and IAS 32: Financial Instruments (Puttable Instruments and Obligations Arising on Liquidation)
- Amendments to IAS 27: Cost of an investment in a subsidiary, jointly-controlled entity or associate
- IAS 23: Borrowing Costs (Revised)
- Amendments to IFRS 2: Share-based Payment (Vesting Conditions and Cancellations)
- Improvements to IFRSs (May 2008)
- IFRS 3 (Revised 2008): Business Combinations
- Amendments to IAS 27: Consolidated and Separate Financial Statements
- Amendment to IAS 39: Financial Instruments – Recognition and Measurement - Eligible Hedging Items
- IFRIC 12: Service Concession Arrangements
- IFRIC 15: Agreements for the Construction of Real Estate
- IFRIC 16: Hedges of a Net Investment in a Foreign Operation
- IFRIC 17: Distributions of Non-Cash Assets to Owners
- IFRIC 18: Transfer of Assets from Customers
- Embedded Derivatives – amendments to IFRIC 9 and IAS 39

Standards, amendments to standards and endorsed for use by the European Union that, with the exception of the amendment to IFRS 8, have not been adopted early in respect of the year ended 31 August 2010

Title	Implementation	Anticipated effect on the Group
Improvements to IFRSs (April 2009)	Annual periods beginning on or after 1 January 2010	Amendment to IFRS 8 has been adopted early otherwise no effect on Group anticipated
Amendment to IAS 32: Classification of Rights Issues	Annual periods beginning on or after 1 February 2010	None
Amendments to IFRS 2: Group Cash-settled share based payment transactions.	Annual periods beginning on or after 1 January 2010	None

Standards, amendments to standards not as yet endorsed for use by the European Union and as such have not been adopted early:

IFRS 9: Financial Instruments	Annual periods beginning on or after 1 January 2013	Management considering future impact
IAS 24 (Revised in 2009): Related Party Disclosures	Annual periods beginning on or after 1 January 2011	None
IFRIC 19: Extinguishing Financial Liabilities with Equity Instruments	Annual periods beginning on or after 1 July 2010	Management considering future impact

The directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the Group except for additional disclosures when the relevant standards come into effect.

The results for the half-year are unaudited. The financial information in this interim announcement does not constitute statutory accounts within the meaning of Section s434 of the Companies Act 2006.

The comparative financial information for the year ended 31 August 2009 does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. The statutory accounts of Offshore Hydrocarbon Mapping plc for the year ended 31 August 2009 have been reported on by the Company's auditors and have been delivered to the Registrar of Companies.

The report of the auditors was unqualified, and did not include references to any matters to which the auditors drew attention by way of emphasis without qualifying their report and did not contain statements under Section 498 of the Companies Act 2006.

2 Seasonality of operations

Due to the seasonal nature of the Controlled Source ElectroMagnetic (CSEM) business, higher revenues and operating profits are usually expected in the second half of the year than in the first six months. Higher revenues during the summer period are mainly attributed to the increase in demand for data acquisition services in the North Sea and North Atlantic where there is a higher level of adoption of the CSEM technology.

3 Segmental reporting

At 28 February 2010 and 31 August 2009 the Group is organised into three reportable operating segments - Controlled Source ElectroMagnetic (CSEM) business, Well-driven Integration of Seismic and Electromagnetics (WISE) business and the Well and Surface Seismic (WSS) business.

Controlled Source ElectroMagnetic (CSEM)

OHM provides offshore CSEM acquisition and data processing services. CSEM surveying can detect the presence of resistive features in the earth which when carefully interpreted can provide evidence for and information on hydrocarbon accumulations prior to drilling. The Group has not divided financial information for its CSEM activities into further different segments as it offers only one CSEM surveying product range to its clients, who are international and state owned oil and gas companies.

The risk and profitability of the Group's operations is similar in different geographical regions of the world. Most of the Group's plant and machinery is deployed on survey vessels and, as the CSEM surveys are executed worldwide with equipment often being relocated to meet capacity requirements, the Group is not able to allocate these assets specifically to any geographical region.

Well-driven Integration of Seismic and Electromagnetics (WISE)

The value of geophysical data and interpretations derived from them is significantly increased when different data types are integrated to utilise the strengths of each. The Group's WISE interpretation approaches use available seismic, CSEM and well log data to add value to interpretations at all stages of the oil field life cycle, by providing quantitative measurements of rock and fluid properties.

The directors view the WISE product range and focus as being critical to the future success of the Group and are allocating resources to this business segment and monitoring performance accordingly.

Well and Surface Seismic (WSS)

The Group's subsidiary Rock Solid Images (RSI), is the industry leader in the integration of fundamental rock physics with well data and surface seismic in order to interpret geophysical signatures in terms of reservoir properties. Careful integration of these data can lead to quantitative measurements of rock and fluid properties such as porosity and hydrocarbon saturation.

The following table presents revenue, profit and loss information regarding the Group's three operating segments for the periods ended 28 February 2010, 28 February 2009 and the year ended 31 August 2009. The comparatives are restated for consistency of presentation.

	Revenues			Gross profit/(loss)		
	Six months to 28 February 2010 £'000	Six months to 28 February 2009 £'000	Year ended 31 August 2009 £'000	Six months to 28 February 2010 £'000	Six months to 28 February 2009 £'000	Year ended 31 August 2009 £'000
CSEM	1,562	3,737	4,486	(2,102)	(3,567)	(5,216)
WISE	352	287	972	112	189	573
WSS	1,337	2,197	3,769	418	1,030	1,632
Total	3,251	6,221	9,227	(1,572)	(2,348)	(3,011)

The Gross loss can be reconciled to the total comprehensive income for the period attributable to equity holders of the parent company as per the Condensed Consolidated Statement of Comprehensive Income.

4 Charge on conversion of vessel charter commitments into shares

On 9 September 2009 the Company issued 14,030,171 new ordinary shares to Euro Trans Skips AS in exchange for removing most of the future years charter liabilities.

In accordance with International Accounting Standards the Company has accounted for a charge in its Condensed Consolidated Statement of Comprehensive Income which is equivalent to the fair value of the 14,030,171 ordinary shares. The fair value charge of £2,140,000 was based on the closing bid price of 15.25p on the date that the transaction was completed which was when those shares were admitted to trading on AIM (14 September 2009).

5 Income tax credit/(expense)

	Six months to 28 February 2010 (Unaudited) £'000	Six months to 28 February 2009 (Unaudited) £'000	Year to 31 August 2009 (Audited) £'000
<i>UK Corporation tax</i>			
Corporation tax	-	-	-
<i>Foreign tax</i>			
Current tax on foreign income for the period	115	(200)	(197)
<i>Deferred tax</i>			
Relating to the origination and reversal of temporary differences	38	38	76
Income tax expense as reported in the Condensed Consolidated Statement of Comprehensive Income	153	(162)	(121)

6 Loss per share

Loss per ordinary share has been calculated using the weighted average number of shares in issue during the relevant financial periods.

The weighted average number of ordinary shares in issue for the six months to 28 February 2010 was 68,348,379 (six months to 28 February 2009: 43,193,357, year to 31 August 2009: 43,282,093).

Losses after tax are £6,029,000 (Six months to 28 February 2009: loss of £5,798,000, year to 31 August 2009: loss of £8,832,000).

	Six months to 28 February 2010 (Unaudited) Number of shares	Six months to 28 February 2009 (Unaudited) Number of shares	Year to 31 August 2009 (Audited) Number of shares
Reconciliation of denominator for diluted EPS calculation			
Number of shares used in calculation of basic EPS	68,348,379	43,193,357	43,282,093
Dilutive potential ordinary shares held under Share Option Plan and Share Award and Annual Bonus Plans	-	-	-
Number of shares used in calculation of diluted EPS	<u>68,348,379</u>	<u>43,193,357</u>	<u>43,282,093</u>

In both 2010 and 2009, the loss for the periods has resulted in any potential ordinary shares held under Share Option Plans and Share Award and Annual Bonus Plans being anti-dilutive and, in accordance with IAS 33 "Earnings per share", these shares have therefore been excluded from the calculation of diluted EPS. At 28 February 2010 there were 5,363,532 ordinary shares (at 28 February 2009: 2,821,179 ordinary shares, at 31 August 2009: 2,797,518 ordinary shares) held under the Company's Share Option Plans and Share Award and Annual Bonus Plans which could potentially dilute the basic EPS in the future.

7 Intangible assets

	Six months to 28 February 2010 (Unaudited) £'000	Six months to 28 February 2009 (Unaudited) £'000	Year to 31 August 2009 (Audited) £'000
Opening balance	19,144	18,458	18,458
Additions	63	297	477
Disposals	-	(53)	(53)
Amortisation	(298)	(618)	(1,345)
Foreign exchange differences	1,210	3,894	1,607
Closing balance	<u>20,119</u>	<u>21,978</u>	<u>19,144</u>

Goodwill and fair valuation adjustments to intangible assets arising from the acquisition of the overseas operation, Rock Solid Images, in August 2007 are denominated in US Dollars. The retranslation of these balances at the closing exchange rates has resulted in exchange differences which go directly to the translation reserve. These exchange differences were significant during the six month period to 28 February 2010 when the opening and closing US Dollar translation rate used reflected a strengthening of approximately 7% of the US Dollar against the Group's functional currency which is Sterling. In the comparative six month period to 28 February 2009 the US Dollar strengthened by approximately 21%.

8 Plant and equipment

	Six months to 28 February 2010 (Unaudited) £'000	Six months to 28 February 2009 (Unaudited) £'000	Year to 31 August 2009 (Audited) £'000
Opening balance	4,283	5,029	5,029
Additions	169	326	200
Disposals	(75)	(194)	(47)
Depreciation	(945)	(440)	(947)
Foreign exchange differences	22	100	48
Closing balance	<u>3,454</u>	<u>4,821</u>	<u>4,283</u>

Capital expenditure

Capital expenditure during the six month period to 28 February 2010 amounted to £169,000 (28 February 2009: £326,000, 31 August 2009: £200,000) and mainly related to costs of offshore survey equipment and IT equipment.

9 Trade and other receivables

	At 28 February 2010 (Unaudited) £'000	At 28 February 2009 (Unaudited) £'000	At 31 August 2009 (Audited) £'000
Trade receivables	1,369	917	173
Less provision for impairment of trade receivables	-	(22)	-
	<u>1,369</u>	<u>895</u>	<u>173</u>
Other receivables	49	383	61
Prepayments and accrued income	360	394	515
	<u>1,778</u>	<u>1672</u>	<u>749</u>

All amounts shown fall due for payment within one year.

10 Cash and cash equivalents

	At 28 February 2010 (Unaudited) £'000	At 28 February 2009 (Unaudited) £'000	At 31 August 2009 (Audited) £'000
Cash at bank and on hand	1,381	2,297	1,043
Short-term bank deposits	-	-	-
Cash and cash equivalents	<u>1,381</u>	<u>2,297</u>	<u>1,043</u>
Bank overdraft repayable on demand	-	-	-
	<u>1,381</u>	<u>2,297</u>	<u>1,043</u>

11 Trade and other payables

	At 28 February 2010 (Unaudited) £'000	At 28 February 2009 (Unaudited) £'000	At 31 August 2009 (Audited) £'000
Trade creditors	1,198	728	431
Accruals and deferred income	1,850	2,400	2,510
	<u>3,048</u>	<u>3,128</u>	<u>2,941</u>

12 Borrowings

	At 28 February 2010 (Unaudited) £'000	At 28 February 2009 (Unaudited) £'000	At 31 August 2009 (Audited) £'000
Current liabilities			
Borrowings	333	-	-
Non current liabilities			
Borrowings	999	-	-
	<u>1,332</u>	<u>-</u>	<u>-</u>

Facility

The total facility available to the Group at 28 February 2010 is \$2,000,000 provided equally by affiliates of East Hill Hedge Fund, LLC and Euro Trans Skips AS to Offshore Hydrocarbon Mapping plc. Both of these lenders are significant share holders and strategic partners of the Company. This facility was set up on 23 December 2009.

Interest

The interest rate is set at 5% above US Prime (which is currently 3.25%) and is payable by the Company to the lenders quarterly in arrears commencing 31 March 2010 and quarterly thereafter on 30 June, 30 September and 31 December.

Repayment terms

The availability of the facility will end on 30 June 2010 and the loan balance outstanding at that date is to be repaid as soon as possible by the Company, but in any event in four equal quarterly instalments by 30 September 2011, unless otherwise agreed by both lenders.

Security

Security cover comprises a Floating Charge in favour of the lenders covering all of the assets of the Company and its main trading subsidiaries, OHM Ltd and Rock Solid Images Inc.

13 Share capital

	At 28 February 2010 (Unaudited) £'000	At 28 February 2009 (Unaudited) £'000	At 31 August 2009 (Audited) £'000
Authorised			
90,000,000 (28 February 2009: 60,000,000, 31 August 2009: 60,000,000) ordinary shares of 1p each	900	600	600
Allotted, called up and fully paid	£'000	£'000	£'000
69,517,689 (28 February 2009: 43,369,382, 31 August 2009: 43,369,382) ordinary shares of 1p each	695	434	434
	Amount raised £'000	Ordinary shares of 1p each Number	£'000
Share capital in issue at 1 September 2009		43,369,382	434
Issued on 9 September 2009 – charter agreement	2,140	14,030,171	140
Issued on 9 September 2009 - share placing	2,514	12,023,572	120
Issued on 5 October 2009 - exercise of share options	1	94,564	1
Share capital in issue at 28 February 2010	4,655	69,517,689	695

14 Capital commitments

At 28 February 2010 the Group had capital commitments of £66,000 (28 February 2009: £13,000, 31 August 2009: £64,000).

15 Related party transactions

During the period the Group had transactions with various operating subsidiaries of its strategic partner Compagnie Generale de Geophysique – Veritas S.A. These transactions were in the normal course of business and comprised charges of £nil (28 February 2009: £58,000, 31 August 2009: £73,000) and receipts of £nil (28 February 2009: £246,000, 31 August 2009: £176,000). At the period end there was a balance of £nil (28 February 2009: £58,000, 31 August 2009: £9,000) due to the Group.

During the period the Group had transactions with various operating subsidiaries of its strategic partner Euro Trans Skips AS. These transactions were in the normal course of business and comprised charges of £1,010,000 (28 February 2009: £6,261,000, 31 August 2009: £6,847,000) and receipts of £2,000 (28 February 2009: £59,000, 31 August 2009: £69,000). At the period end there was a balance of £318,000 due by the Group (28 February 2009: £199,000, 31 August 2009: £199,000) and there was a balance of £5,000 (28 February 2009: £47,000, 31 August 2009: £45,000) due to the Group.

At 28 February 2010 there is an outstanding balance on the investor loan facility of \$2,000,000 (£1,332,000) which is due equally to Euro Trans Skips AS and East Hill Hedge Fund, LLC (see Note 12). For the period to 28 February 2010 interest of £6,000 was payable by the Group to each of the lenders.

16 Auditors

The audit engagement partner, having acted in this role now for five years, would cease to act in this capacity to accord with ethical standards. Considering the recent changes made to the business, principally the significant financial restructuring of the Group's leasing commitments, and the audit engagement partner's knowledge of the Group's evolving activities and challenges at this time, the Company's Audit Committee, in agreement with BDO LLP, determined that it would be preferable if he continued in this role for a further period of two years in the interests of audit quality as permitted by the APB Ethical Standard 3 (Revised).

17 Post balance sheet events

On 8 April 2010 the Company announced that Sector Asset Management had agreed to invest up to £3.36 million in the Company via a cash subscription for 21,000,000 new ordinary shares at a price of 16p per share, representing a premium of approximately 220 per cent to the closing mid-market price at 7 April 2010. The first tranche of 3,475,000 new ordinary shares has been issued on 15 April 2010 under existing shareholder authorities. The balance of 17,525,000 new ordinary shares shall be issued if shareholder approval is obtained at a General Meeting of the Company to be held on 28 April 2010.

The funds of £556,000 received from the first tranche will largely provide working capital for the recently announced CSEM surveys in India. The net proceeds of approximately £2.7 million from the second tranche will, if shareholder approval is obtained, be invested in further improvements in WISE data processing and interpretation technology, upgrading the Group's marine CSEM acquisition equipment, further investment in sales and marketing activities directed towards seismic inversion and appraisal and monitoring applications for CSEM and general working capital purposes.

Independent Review Report to Offshore Hydrocarbon Mapping plc

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 28 February 2010 which comprises Condensed Consolidated Statement of Comprehensive Income, Condensed Consolidated Balance Sheet, Condensed Consolidated Statement of Changes in Equity, Condensed Consolidated Cash Flow Statement and the related explanatory notes.

We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of and has been approved by the directors. The directors are responsible for preparing the interim report in accordance with the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market which require that the half-yearly report be presented and prepared in a form consistent with that which will be adopted in the Company's annual accounts having regard to the accounting standards applicable to such annual accounts.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Our report has been prepared in accordance with the terms of our engagement to assist the Company in meeting the requirements of the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 28 February 2010 is not prepared, in all material respects, in accordance with the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market.

BDO LLP

Chartered Accountants and Registered Auditors

Glasgow

22 April 2010