

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549



05085372

**Form CB**

**TENDER OFFER/RIGHTS OFFERING NOTIFICATION FORM  
(AMENDMENT NO. \_\_\_\_\_)**

Please place an X in the box(es) to designate the appropriate rule provision(s) relied upon to file this Form:

- Securities Act Rule 801 (Rights Offering)
- Securities Act Rule 802 (Exchange Offer)
- Exchange Act Rule 13e-4(h)(8) (Issuer Tender Offer)
- Exchange Act Rule 14d-1(c) (Third Party Tender Offer)
- Exchange Act Rule 14e-2(d) (Subject Company Response)

Filed or submitted in paper if permitted by Regulation S-T Rule 101(b)(8)

Note: Regulation S-T Rule 101(b)(8) only permits the filing or submission of a Form CB in paper by a party that is not subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act.

**Rocksource ASA**  
(Name of Subject Company)

N/A

(Translation of Subject Company's Name into English (if applicable))

**Norway**

(Jurisdiction of Subject Company's Incorporation or Organization)

**Rocksource ASA**  
(Name of Person(s) Furnishing Form)

**Ordinary Shares**  
(Title of Class of Subject Securities)

N/A

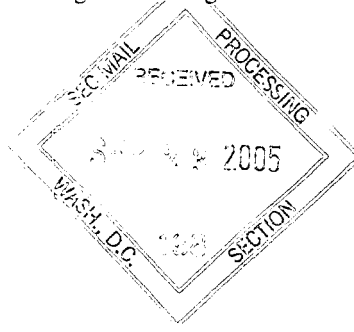
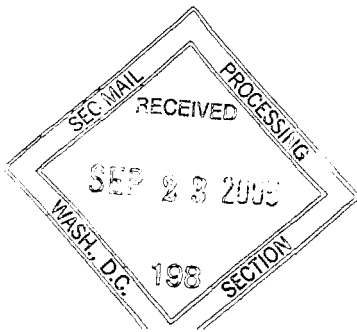
(CUSIP Number of Class of Securities (if applicable))

Martin Bekkeheien  
Chief Executive Officer  
Rocksource ASA  
Stranden 57  
0250 Oslo, Norway  
+47 22 83 28 86

(Name, Address (including zip code) and Telephone Number (including area code) of Person(s) Authorized to Receive Notices and Communications on Behalf of Subject Company)

**September 23, 2005**

(Date Tender Offer/Rights Offering Commenced)



PROCESSED  
SEP 28 2005  
THOMSON  
FINANCIAL

## GENERAL INSTRUCTIONS

### I. *Eligibility Requirements for Use of Form CB*

- A. Use this Form to furnish information pursuant to Rules 13e-4(h)(8), 14d-1(c) and 14e-2(d) under the Securities Exchange Act of 1934 (“Exchange Act”), and Rules 801 and 802 under the Securities Act of 1933 (“Securities Act”).

#### *Instructions*

1. For the purposes of this Form, the term “subject company” means the issuer of the securities in a rights offering and the company whose securities are sought in a tender offer.
  2. For the purposes of this Form, the term “tender offer” includes both cash and securities tender offers.
- B. The information and documents furnished on this Form are not deemed “filed” with the Commission or otherwise subject to the liabilities of Section 18 of the Exchange Act.

### II. *Instructions for Submitting Form*

- A. (1) If the party filing or submitting the Form CB has reporting obligations under Exchange Act Section 13 or 15(d), Regulation S-T Rule 101(a)(1)(vi) (17 CFR 232.101(a)(1)(vi)) requires the submission of the Form CB in electronic format via the Commission’s Electronic Data Gathering and Retrieval System (EDGAR) in accordance with the EDGAR rules set forth in Regulation S-T (17 CFR Part 232). For assistance with technical questions about EDGAR or to request an access code, call the EDGAR Filer Support Office at (202) 942-8900. For assistance with the EDGAR rules, call the Office of EDGAR and Information Analysis at (202) 942-2940.
- (2) If the party filing or submitting the Form CB is not an Exchange Act reporting company, Regulation S-T Rule 101(b)(8) (17 CFR 232.101(b)(8)) permits the submission of the Form CB either via EDGAR or in paper. When filing or submitting the Form CB in electronic format, either voluntarily or as a mandated EDGAR filer, a party must also file or submit on EDGAR all home jurisdiction documents required by Parts I and II of this Form, except as provided by the Note following paragraph (2) of Part II.
- (3) A party may also file a Form CB in paper under a hardship exemption provided by Regulation S-T Rule 201 or 202 (17 CFR 232.201 or 232.202). When submitting a Form CB in paper under a hardship exemption, a party must provide the legend required by Regulation S-T Rule 201(a)(2) or 202(c) (17 CFR 232.201(a)(2) or 232.202(c)) on the cover page of the Form CB.
- (4) If filing the Form CB in paper in accordance with Rule 101(b)(8) or a hardship exemption, you must furnish five copies of this Form and any amendment to the Form (see Part I, Item 1.(b)), including all exhibits and any other paper or document furnished as part of the Form, to the Commission at its principal office. You must bind, staple or otherwise compile each copy in one or more parts without stiff covers. You must make the binding on the side or stitching margin in a manner that leaves the reading matter legible.
- B. When submitting the Form CB in electronic format, the persons specified in Part IV must provide signatures in accordance with Regulation S-T Rule 302 (17 CFR 232.302). When submitting the Form CB in paper, the persons specified in Part IV must sign the original and at least one copy of the Form and any amendments. You must conform any unsigned copies. The specified persons may provide typed or facsimile signatures in accordance with Securities Act Rule 402(e) (17 CFR 230.402(e)) or Exchange Act Rule 12b-11(d) (17 CFR 240.12b-11(d)) as long as the filer retains copies of signatures manually signed by each of the specified persons for five years.

- C. You must furnish this Form to the Commission no later than the next business day after the disclosure documents submitted with this Form are published or otherwise disseminated in the subject company's home jurisdiction.
- D. If filing in paper, in addition to any internal numbering you may include, sequentially number the signed original of the Form and any amendments by handwritten, typed, printed or other legible form of notation from the first page of the document through the last page of the document and any exhibits or attachments. Further, you must set forth the total number of pages contained in a numbered original on the first page of the document.

### **III. Special Instructions for Complying with Form CB**

Under Sections 3(b), 7, 8, 10, 19 and 28 of the Securities Act of 1933, and Sections 12, 13, 14, 23 and 36 of the Exchange Act of 1934 and the rules and regulations adopted under those Sections, the Commission is authorized to solicit the information required to be supplied by this form by certain entities conducting a tender offer, rights offer or business combination for the securities of certain issuers.

Disclosure of the information specified in this form is mandatory. We will use the information for the primary purposes of assuring that the offeror is entitled to use the Form and that investors have information about the transaction to enable them to make informed investment decisions. We will make this Form a matter of public record. Therefore, any information given will be available for inspection by any member of the public.

Because of the public nature of the information, the Commission can use it for a variety of purposes. These purposes include referral to other governmental authorities or securities self-regulatory organizations for investigatory purposes or in connection with litigation involving the Federal securities laws or other civil, criminal or regulatory statutes or provisions.

### **PART I - INFORMATION SENT TO SECURITY HOLDERS**

#### **Item 1. Home Jurisdiction Documents**

- (a) You must attach to this Form the entire disclosure document or documents, including any amendments thereto, in English, that you have delivered to holders of securities or published in the subject company's home jurisdiction that are required to be disseminated to U.S. security holders or published in the United States. The Form need not include any documents incorporated by reference into those disclosure document(s) and not published or distributed to holders of securities.
- (b) Furnish any amendment to a furnished document or documents to the Commission under cover of this Form. Indicate on the cover page the number of the amendment.

#### **Item 2. Informational Legends**

You may need to include legends on the outside cover page of any offering document(s) used in the transaction. See Rules 801(b) and 802(b).

**Note to Item 2.** If you deliver the home jurisdiction document(s) through an electronic medium, the required legends must be presented in a manner reasonably calculated to draw attention to them.

### **PART II - INFORMATION NOT REQUIRED TO BE SENT TO SECURITY HOLDERS**

The exhibits specified below must be furnished as part of the Form, but need not be sent to security holders unless sent to security holders in the home jurisdiction. Letter or number all exhibits for convenient reference.

(1) Furnish to the Commission either an English translation or English summary of any reports or information that, in accordance with the requirements of the home jurisdiction, must be made publicly available in connection with the transaction but need not be disseminated to security holders. Any English summary submitted must meet the requirements of Regulation S-T Rule 306(a) (17 CFR 232.306(a)) if submitted electronically or of Securities Act Rule 403(c)(3) (17 CFR 230.403(c)(3)) or Exchange Act Rule 12b-12(d)(3) (17 CFR 240.12b-12(d)(3)) if submitted in paper.

(2) Furnish copies of any documents incorporated by reference into the home jurisdiction document(s).

**Note to paragraphs (1) and (2) of Part II:** In accordance with Regulation S-T Rule 311(f) (17 CFR 232.311(f)), a party may submit a paper copy under cover of Form SE (17 CFR 239.64, 249.444, 259.603, 269.8, and 274.403) of an unabridged foreign language document when submitting an English summary in electronic format under paragraph (1) of this Part or when furnishing a foreign language document that has been incorporated by reference under paragraph (2) of this Part.

(3) If any of the persons specified in Part IV has signed the Form CB under a power of attorney, a party submitting the Form CB in electronic format must include a copy of the power of attorney signed in accordance with Regulation S-T Rule 302 (17 CFR 232.302). A party submitting the Form CB in paper must also include a copy of the signed power of attorney.

### PART III - CONSENT TO SERVICE OF PROCESS

(1) When this Form is furnished to the Commission, the person furnishing this Form (if a non-U.S. person) must also file with the Commission a written irrevocable consent and power of attorney on Form F-X.

(2) Promptly communicate any change in the name or address of an agent for service to the Commission by amendment of the Form F-X.

### PART IV - SIGNATURES

(1) Each person (or its authorized representative) on whose behalf the Form is submitted must sign the Form. If a person's authorized representative signs, and the authorized representative is someone other than an executive officer or general partner, provide evidence of the representative's authority with the Form.

(2) Type or print the name and any title of each person who signs the Form beneath his or her signature.

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.



(Signature)

MARTIN BEKKEHEIEN, CEO

(Name and Title)

21 SEPTEMBER 2005

(Date)

# Offering Circular



## ROCKSOURCE

Rocksource ASA  
Org.no: 940376645

Listing of 100,000,000 new shares on Oslo Børs ASA,  
each with a nominal value of NOK 0.25 per share,  
placed in a Private Placement to a subscription price of NOK 2.60 per share  
with total proceeds of NOK 260,000,000.

Subsequent Offering of up to 25,000,000 additional shares  
directed towards Eligible Shareholders as of 6 September 2005  
to a subscription price of NOK 2.60 per share  
with total proceeds of NOK 65,000,000.

**Subscription Period is from and including 26 September 2005  
to and including 7 October 2005**

Managed by

 Pareto Securities ASA

The date of this Offering Circular is 22 September 2005

---

## Important Notice

This Offering Circular has been prepared in order to provide information about Rocksource and its business in connection with (i) the completed private placement and listing of 100,000,000 new shares and (ii) the subsequent offering of up to 25,000,000 shares in Rocksource as described in this Offering Circular.

This Offering Circular has been prepared in the English language only and has been prepared to comply with the Norwegian Stock Exchange Regulation chapter 15 and 18 and the Norwegian Securities Trading Act. Oslo Børs has reviewed this Offering Circular in accordance with the Norwegian Securities Trading Act clause 5-7 and the Norwegian Stock Exchange Regulation clause 14-4. The review by Oslo Børs does not include a review of the merits of this Offering Circular or the advisability of purchasing any of the securities offered hereby.

No person is authorized in connection with any offering made hereby to give any information or to make any representation not contained in this Offering Circular and, if given or made, such other information or representation must not be relied upon as having been authorized by the Company or the Manager.

The information contained in this Offering Circular was obtained from the Company and other sources, but no assurance can be given as to the accuracy or completeness of such information. No person has been authorized to give information or to make any representation concerning the Company or the New Shares other than as contained herein. If given or made, such other representation should not be relied upon.

The information contained herein is as of the date hereof and subject to change, completion or amendment without notice. In accordance with clause 14-6 of the Norwegian Stock Exchange Regulations, if any significant new factor or inaccuracy arises that might have effect on the assessment of the shares and/or the Company and emerges between the time of publication of the Offering Circular and the listing of the New Shares, will be included in a supplement to the Offering Circular. Neither the delivery of this Offering Circular at any time nor any subsequent commitment to the sale of shares shall, under any circumstances, create any implication that there has been no change in the information set forth herein or in the affairs of the Company since the date hereof.

In the ordinary course of their respective businesses, the Manager and certain of its affiliates have engaged, and may in the future engage, in investment banking and commercial banking transactions with the companies.

Without limiting the manner in which the Company may choose to make any public announcements and subject to the Company's obligations under applicable law, announcements relating to matters in this Offering Circular will be considered to have been made once they have been received by Oslo Børs ASA and distributed through its information system.

Unless otherwise specified, the accounting figures presented in this Offering Circular have been prepared in accordance with Norwegian GAAP and International Financial Reporting Standards.

The Company is organized under the laws of Norway. The majority of its directors are residents of Norway, and a substantial portion of its assets are located in various jurisdictions. As a result, it may not be possible for non-Norwegian investors to effect service of process in their own jurisdiction on the Company or any of such persons, or to enforce against them judgments obtained in non-Norwegian courts. Norway is party to the Lugano Convention and a judgment obtained in another Lugano Convention state will in general be enforceable in Norway. However, there is substantial doubt as to the enforceability in Norway of judgments of non-Lugano Convention state courts.

In making an investment decision, investors must rely on their own examination of the Company, including the merits and risks involved. The securities offered hereby have not been recommended, approved, or disapproved by any United States federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the adequacy or accuracy of this document. Any representation to the contrary is a criminal offence.

Any disputes that may arise regarding this Offering Circular or the securities described herein are subject to Norwegian law and the exclusive jurisdictions of the Norwegian courts.

---

### **Notice to United States Holders**

The offering of Subscription Rights is made for the securities of a foreign company. The offer is subject to the disclosure requirements of a foreign country that are different from those of the United States. Financial statements included in this offering circular have been prepared in accordance with foreign accounting standards that may not be comparable to the financial statements of United States companies.

It may be difficult for you to enforce your rights and any claim you may have arising under the U.S. federal securities laws, since the issuer is located in a foreign country, and some or all of its officers and directors may be residents of a foreign country. You may not be able to sue the foreign company or its officers or directors in a foreign court for violations of the U.S. securities laws. It may be difficult to compel a foreign company and its affiliates to subject themselves to a U.S. court's judgment.

### **Cautionary Statement Regarding Forward Looking Statements**

This Offering Statement contains certain forward-looking statements. Such statements reflect the current views of our management with respect to our disclosure and analysis of future events and are subject to risks, uncertainties and assumptions relating to our exploration and production activities, results of operations, growth strategy and liquidity. When used in this Offering Circular, words such as "anticipate", "believe", "estimate", "expect", "intend", "predict", "project", and similar expressions, as they relate to the Company, its advisors or management, identify forward-looking statements. These forward-looking statements are based on information currently available to our management. Actual results could differ materially from those contemplated by the forward-looking statements as a result of certain factors, including but not limited to:

- general economic conditions;
- legislative and regulatory actions and reforms, as well as geopolitical developments;
- competition from other exploration and production companies;
- changes in the demand for oil and natural gas or the other services we offer;
- inflation, interest rate, market and monetary fluctuations;
- timing, frequency and outcome of drilling wells;
- measurement of reserve estimates;
- timing and amount of future production of oil and natural gas;
- operating costs and other expenses;
- the price and availability of alternative fuels;
- commodity processing, gathering and transportation availability;
- estimates of proved reserves, exploitation potential or exploration prospect size;
- consequences of continued mergers and acquisitions in our industry, resulting in fewer but much larger and stronger competitors;
- acquisitions and integration of acquired businesses; and
- other factors described in "Section 11, Risk Factors."

All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by this paragraph. We undertake no obligation to publicly update or otherwise revise any forward-looking statements, whether as a result of new information, future events or otherwise.

---

## Table of contents

1	Responsibility Statements .....	4
2	Definitions and glossary.....	6
3	Summary .....	8
4	The Private Placement.....	11
5	The Subsequent Offering .....	13
6	Presentation of Rocksource.....	18
7	Organization, Board and management.....	26
8	Share Capital and Shareholder Matters.....	30
9	Financial information .....	33
10	Market status and outlook .....	41
11	Risk factors.....	48
12	Tax implications.....	52
13	Norsk Sammendrag (Norwegian Translation) .....	56

## Appendices

Appendix 1: Articles of association for Rocksource.....	A 1
Appendix 2: Annual report for Rocksource for 2004 (Norwegian) .....	A 2
Appendix 3: Half-year report for Rocksource as of 30 June 2005 .....	A 14
Appendix 4: Overview of the subscribers in the Private Placement .....	A 18
Appendix 5: Subscription Form for the Subsequent Offering.....	A 19

**This Offering Circular has been produced in the English language only. An unofficial Norwegian translation of Section 3 “Summary” has also been produced, and is incorporated in this Offering Circular under section 13 “Norsk Sammendrag (Norwegian Translation)”. In the event of any discrepancy between the contents of the English and Norwegian text, the English text will take precedence.**



---

# 1 Responsibility Statements

## 1.1 The Board of Directors of Rocksource ASA

This Offering Circular has been prepared by the Company to provide information to shareholders of Rocksource ASA in connection with the accomplished Private Placement for a total of NOK 260,000,000 and the subsequent offering of up to 25,000,000 New Shares.

The Board of Directors of the Company acknowledge responsibility for, and confirms, to the best of our knowledge, that the information contained in this Offering Circular is in accordance with the facts and contains no omissions likely to affect the import of this Offering Circular. The evaluations of markets and future developments have been produced in good faith.

Oslo, 22 September 2005

The Board of directors of Rocksource ASA

Arve Johnsen  
*(Chairman)*

Mimi K. Berdal  
*(Vice President)*

Berge Gerdt Larsen

Dag Dvergsten

Anne-Grete Ellingsen

## 1.2 The Manager

Pareto Securities ASA has, as the Manager, in connection with the Private Placement and the Subsequent Offering at the request of, and with the co-operation with the Board and the management of Rocksource, prepared this Offering Circular.

The assistance with regard to the preparation of the Offering Circular is based on information furnished to us by the Company and other publicly available information. In a separate statement, the Board has confirmed the completeness of the information submitted to Pareto Securities for the preparation of this Offering Circular.

This Offering Circular has been prepared on the basis of (i) available information, including Rocksource's 2004 and 2003 annual report, (ii) additional information submitted to us by Rocksource and (iii) discussions with the board and management. Based solely upon such information, Pareto Securities ASA has endeavoured to provide as accurate and complete presentation of the Company as possible.

On the basis of the above, Pareto Securities ASA cannot accept any legal or financial liability for the completeness or accuracy of this Offering Circular. In addition, Pareto Securities ASA cannot assume any legal and/or financial liability as a result of any decision that is made on the basis of the information presented in this Offering Circular.

Reference should also be made to the statements from the Company's Board and legal advisor.

As of 22 September 2005, Pareto Securities ASA and its employees hold 824 shares in Rocksource ASA.

Oslo, 22 September 2005

Pareto Securities ASA

---

### **1.3 Legal Advisor**

Kvale & Co has acted as legal counsel to Rocksource ASA in connection with the Private Placement and Subsequent Offering described in the Offering Circular dated 22 September 2005, and have reviewed section 12 of the Offering Circular covering tax implications. We further confirm, that the resolution by Rocksource ASA to increase the share capital by up to NOK 31,250,000 on the terms set forth in chapter 4 and 5 of the Offering Circular, has been duly adopted by the competent corporate body in accordance with Norwegian law.

Other than as stated above, we have made no investigation of, and express no opinion in relation to, the Offering Circular.

Oslo, 22 September 2005

Kvale & Co.

---

## 2 Definitions and glossary

*The following definitions and glossary apply in this Offering Circular unless dictated otherwise by the context, including the foregoing pages of this Offering Circular.*

### 2.1 Definitions

Company	Rocksource ASA, or when the context so requires, the Rocksource Group.
Eligible Shareholders	The shareholders in Rocksource as of 6 September (appearing in the VPS on the morning of 12 September 2005) who were not invited to participate in the Private Placement and are not restricted from participating in the Subsequent Offering due to laws and regulations in their applicable jurisdiction.
E&P	Exploration and Production.
Manager	Pareto Securities ASA.
New Shares	The ordinary shares in Rocksource to be issued in connection with the Private Placement.
NOK	Norwegian Kroner, the lawful currency of the Kingdom of Norway.
Non-Eligible Shareholder:	The shareholders in Rocksource as of 6 September 2005 (as appearing in the VPS on 12 September 2005) who were offered to participate in the Private Placement.
Norwegian Securities Trading Act	The Securities Trading Act of 19 June 1997 no. 79 ("Verdipapirhandeloven").
Norwegian Stock Exchange Regulations	The Stock Exchange Regulations of 17 January 1994 no. 30, last amended by Regulation of 1 July 2005 no. 786 ("Børsforskriften").
Oslo Børs	Oslo Børs ASA (translated "the Oslo Stock Exchange").
Private Placement	The share offering of 100,000,000 new shares with a subscription price of NOK 2.60 per share directed towards selected existing shareholders and external investors, as further described in section 4 herein.
Offering Circular	This Offering Circular, dated 22 September 2005, prepared in connection with the listing of the new shares sold in the Private Placement and the offering of New Shares in a Subsequent Offering.
Public Limited Companies Act	The Norwegian Public Limited Companies Act of 13 June 1997 no. 45 ("Allmennaksjeloven").
Record Date	The date for determination of Eligible Shareholders in the Subsequent Offering, being 6 September 2005 (as appearing in the VPS on 12 September 2005).
Rocksource	Rocksource ASA, created through a merger between Amergy AS and Ecuator ASA in September 2004, whereof Ecuator ASA was the acquiring company.
Rocksource Geotech	Rocksource Geotech AS, a Bergen-based company owned 100% by Rocksource.
Rocksource Energy	Rocksource Energy Corporation, a Texas corporation based in Houston, Texas, owned 100% by Rocksource.
Subsequent Offering	The offering of up to 25,000,000 Subsequent Offering Shares at a subscription price of NOK 2.60 per share and with preferential rights for Eligible Shareholders as further described in section 5 herein.

---

Subsequent Offering Shares	The ordinary shares being issued to subscribers in the Subsequent Offering.
Subscribers	Legal and natural persons subscribing for Subsequent Offering Shares.
Subscription Form	The subscription form to be used by Subscribers to subscribe for Subsequent Offering Shares.
Subscription Period	The period in which Subscription Forms may be submitted to the Manager in respect of the Subsequent Offering, being from and including 26 September 2005 to and including 7 October 2005 at 16:00 (Oslo time).
Subscription Rights:	Rocksource will issue one Subscription Right per 3.8727 share owned as of 6 September 2005. The Subscription Rights are non-transferable and will not be listed at Oslo Børs during the Subscription Period.
Unifob	Unifob AS, the University of Bergen's organisation for externally financed R & D.
United States or the US	The United States of America, its territories and possessions, any state of the United States of America, and the District of Columbia.
USD	United States Dollar.
VPS	Verdipapirsentralen (Norwegian Central Securities Depository), which organizes the Norwegian paperless securities registration system.

## 2.2 Glossary of terms

Bl	Barrels (oil).
Btu	British thermal units.
DOE	US Department of Energy.
g/t	Grams per metric tonne (metals).
IEA	International Energy Agency.
EIA	Energy Information Administration, official energy statistics from the US government.
Mbl.	Million barrels (oil)
mbl/d	Million barrels per day
Mmcf	Million cubic feet
Oz	Ounces (1 ounce equals 31.105 grams)
Sq.m	Square meters

### 3 Summary

*The following summary should be read in conjunction with, and is qualified in its entirety, by the more detailed information and the appendices appearing elsewhere in this Offering Circular.*

#### 3.1 The Company

Rocksource is a technology- and knowledge-driven exploration and production ("E&P") company that utilizes Norwegian expertise in petroleum related research.

The Company is engaged in two major business areas; oil & gas exploration and production and geo-technical services to the Company's own E&P assets.

The Company produces oil and gas onshore in the US through a purchase a 35% working interest in the New Ace field. In addition to the existing production, the leased prospect portfolio has an estimated net recoverable reserve potential of approximately 5.8 billion cubic feet of gas and 5.9 million barrels of oil.

The Company also holds four exploration licenses in Ecuador. Through the knowledge and presence in the mining and mineral explorations in the southern part of Ecuador, the Company is positioned to explore business opportunities in and around Ecuador.

#### 3.2 Purpose and background for the Offerings

The proceeds will be used to finance further farm-ins in E&P licences, to further exploit existing onshore activities and to apply for new exploration licenses in frontier areas both onshore and offshore. In addition, the Company will use the proceeds for research and development activities, as well as general working capital.

#### 3.3 Description of the Offerings

##### 3.3.1 The Private Placement

The Company commenced a Private Placement of NOK 260 million on 6 September 2005. In addition to new investors, existing shareholders holding approximately 80% of the share capital on 6 September 2005 were invited to participate in the Private Placement. A total of 100 million New Shares are to be issued at a subscription price of NOK 2.60 per share. The total issued share capital in Rocksource will, after registration of the Private Placement, increase to NOK 131,466,236.75, divided into 525,864,947 Shares with a nominal value of NOK 0.25 each.

##### 3.3.2 The Subsequent Offering

The Subsequent Offering is being conducted in order to give those of the Company's shareholders as of 6 September 2005 who were not invited to participate in the Private Placement the opportunity to maintain their relative shareholding in the Company.

Below is an overview of the main terms and the timetable for the Subsequent Offering:

Size of the Offering .....	Up to 25 million New Shares
Subscription price per share .....	NOK 2.60, equalling the price in the Private Placement.
Record date .....	6 September 2005
Eligible Shareholders .....	Shareholders as of 6 September 2005, who were not invited to participate in the Private Placement.
Subscription rights .....	The Company will issue 1 Subscription Right per 3.8727 Shares held by Eligible Shareholders as of Record Date. The subscription rights will be non-transferable and hence not be listed.
Over-subscription .....	Allowed.
Payment date .....	On or about 14 October 2005
Distribution of allocated shares .....	On or about 21 October 2005

Subscriptions for Subsequent Offering Shares must be made on the Subscription Form attached as appendix 5 hereto. The information on shareholdings and certain other matters relating to the relevant shareholders has already been entered on the Subscription Form.

Allotment of the Subsequent Offering Shares is expected to take place on or about 11 October 2005. The Board reserves the right to round off, cancel or reduce any subscription which is not covered by Subscription Rights.

The following criterias will be used in the Subsequent Offering:

1. Subscribers in the Subsequent Offering will be allocated shares based on received Subscription Rights.
2. In the event the Subsequent Offering is not fully subscribed based on Subscription Rights, shares shall be allocated among holders of Subscription Rights which have over-subscribed on a pro rata basis.

Each Subscriber must provide a one-time authorization to debit a specified bank account with a Norwegian bank for the amount (in NOK) payable for the Subsequent Offering Shares allotted to such subscriber by signing the Subscription Form when subscribing for Subsequent Offering Shares.

If there are insufficient funds on a Subscriber's bank account or it is impossible to debit a bank account for the amount the Subscriber is obligated to pay or payment is not received by the Manager according to other instructions, the allotted Subsequent Offering Shares will be withheld. Interest will in such event accrue at a rate of 9.0% per annum on any late payments.

### 3.4 Financial Data for Rocksource

#### 3.4.1 Profit and loss accounts

All figures are stated in NOK 1,000	As per	As per	2004	2003*	2002*
	30.06.2005 (IFRS)	30.06.2004 (IFRS)	(IFRS)	(NGAAP)	(NGAAP)
Total operating income	1,782	-	219	71	0
Total operating expenses	15,080	763	42,501	722	11,556
Operating result	-13,298	-763	-42,282	-651	-11,556
Net financial items	-522	-	-253	-57	-79
<b>Result</b>	<b>-13,820</b>	<b>-763</b>	<b>-42,534</b>	<b>-708</b>	<b>-11,635</b>

#### 3.4.2 Balance sheet

All figures are stated in NOK 1,000	30.06.2005	30.06.2004	2004	2003*	2002*
	(IFRS)	(IFRS)	(IFRS)	(NGAAP)	(NGAAP)
<b>ASSETS</b>					
Total fixed assets	165,357	-	118,607	10,550	10,550
Total current assets	66,635	110	26,553	465	23
<b>Total assets</b>	<b>231,992</b>	<b>110</b>	<b>145,160</b>	<b>11,015</b>	<b>10,573</b>
<b>EQUITY AND LIABILITIES</b>					
Total equity	206,119	-663	142,342	10,340	22
Total liabilities	<b>25,873</b>	<b>773</b>	<b>2,818</b>	<b>675</b>	<b>0</b>
<b>Total equity and liabilities</b>	<b>231,992</b>	<b>110</b>	<b>145,160</b>	<b>11,015</b>	<b>22</b>

\* Financial figures for 2003 and 2002 are the audited financial figures for Ecuator ASA before the merger with Amergy AS.

---

### **3.5 Share Capital**

The registered share capital of Rocksource prior the Private Placement and the Subsequent Offering is NOK 106,466,236.75, consisting of 425,864,947 Shares fully paid, with a par value of NOK 0.25 per Share. The Shares are equal in all respects, and each Share carries one vote at the Company's general meeting.

Subsequent the Private Placement and the Subsequent Offering (assuming full subscription), the Company's share capital will increase to a maximum of 550,864,947 shares, each with a nominal value of NOK 0.25 per Share.

### **3.6 Risk**

An investment in the New Shares involves risk. The Company's financial development and the value of the Company's shares may be affected by a number of risk factors, including, but not limited to, market risks, financial risk and operational risks connected to exploration and development of oil and gas reserves, geoscience technological developments and exploration and development of minerals and metals. For a further discussion of certain risk factors, see section 11 "Risk Factors". Investors should carefully review the disclosures in this Offering Circular paying special attention to the risks described in section 11 and should conduct their own evaluation of the risk factors before making a decision to invest in the New Shares/Subsequent Offering Shares.

---

## 4 The Private Placement

### 4.1 Share Capital prior to the Private Placement

The Company's registered share capital is NOK 106,466,236.75 consisting of 425,864,947 shares, fully paid with a par value of NOK 0.25 per share. The shares are equal in all respects and each share carries one vote at general meetings.

### 4.2 Resolution

On 21 September 2005, the Extraordinary General Meeting of the Company (the "EGM") resolved to (i) increase the share capital of the Company from NOK 106,466,236.75 to NOK 137,716,236.75 by issuing the 100,000,000 New Shares in the Private Placement and (ii) to issue up to 25,000,000 Subsequent Offering Shares in the Subsequent Offering. The EGM resolved the following: in relation to the Private Placement:

*"The share capital of the company is increased pursuant to Section 10-1 of the Norwegian Public Limited Liabilities Act:*

- 1. The share capital is increased with minimum NOK 0.25 and maximum NOK 25.000.000 by issuing up to 100.000.000 new shares.*
- 2. The nominal value is NOK 0,25.*
- 3. The subscription price is NOK 2,60 per share.*
- 4. The shares shall be subscribed by selected shareholders and external institutional investors.*
- 5. The shareholders subscription preference pursuant to Section 10-4, ref. Section 10-5 of the Norwegian Public Limited Liabilities Act is deviated.*
- 6. The shares shall be subscribed in the minutes from the meeting.*
- 7. The subscription amount shall be paid by money transfer to a designated account within 23 September 2005.*
- 8. In the event of over subscription, the Board of Directors shall, based on its own discretion, allot the shares.*
- 9. The shares will carry the right to dividend from the financial year 2005."*

The resolution for the Subsequent Offering is further described in section 5.2 in this Offering Circular.

### 4.3 Overview of the Private Placement

During the subscription period, the Company received orders to subscribe for New Shares corresponding to approximately NOK 364 million from 51 investors of which 21 were existing shareholders and 30 were new shareholders. The investors were divided geographically as follows:

Norway	34.6%
UK	39.0%
US	4.0%
ROW	22.4%

An overview of the allotment to the subscribers in the Private Placement is set out in appendix 4 of this Offering Circular.

On 7 September 2005, the subscribers in the Private Placement were notified of their allotment, pending the approval from the EGM. Payments for the New Shares will be made on 23 September 2005.

### 4.4 The Subscription Price in the Private Placement

The subscription price in the Private Placement was NOK 2.60 per share. The subscription price was set on the basis of the closing price on 6 September 2005 with a small discount of approximately 4.5%.



---

#### **4.5 Settlement of the Private Placement**

The payment for the New Shares being issued in the Private Placement is to be made on 23 September 2005. It is expected that the New Shares will be distributed to the investors participating in the Private Placement on or about 28 September 2005 at the earliest.

#### **4.6 The New Shares**

The New Shares will be issued with the same ISIN number as the Company's existing Shares, being ISIN NO 000 3987901.

The New Shares will carry the right to dividend as from the accounting year 2005 and otherwise rank *pari passu* with the other outstanding shares from the date of registration of the New Shares in the Company's register of shareholders, which will take place on or about 21 September 2005. For a further description of the rights and tradability of the Shares, see Section 8 "Share Capital and Shareholder Matters".

It is expected that the New Shares will be tradable at Oslo Børs from and including 28 September 2005, subject to registration in the Norwegian Registry of Business Enterprises and the VPS.

#### **4.7 Share capital following the Private Placement**

Following the registration of the New Shares to be issued in the Private Placement, the Company's share capital will be increased from NOK 106,466,236.75 to NOK 131,446,236.75, divided into 525,864,947 Shares with a nominal value of NOK 0.25 each. The Company has only one class of shares outstanding.

#### **4.8 Use of Proceeds**

The gross proceeds from the Private Placement were NOK 260 million. The net proceeds from the Private Placement will be approximately NOK 242 million, after payment of fees and commissions and other estimated transaction expenses. See Section 5.17 for a further description of the fees and expenses related to the Private Placement and the Subsequent Offering.

The proceeds will be used to finance further farm-ins in E&P licences, to further exploit existing onshore activities and to apply for new exploration licenses in frontier areas both onshore and offshore. In addition, the Company will use the proceeds for research and development activities, as well as general working capital.

The share premium resulting from the Private Placement less the direct expenses relating to the Private Placement will be transferred to the Company's share premium fund.

---

## 5 The Subsequent Offering

### 5.1 Background

The Subsequent Offering is conducted with the use of preferential rights for those shareholders as of 6 September 2005 (the "Record Date") who were not invited to participate in the Private Placement (the "Eligible Shareholders") in order to enable said shareholders to maintain their relative shareholding in the Company. See section 4.8 for a further description of the use of proceeds from the Private Placement and the Subsequent Offering.

The purpose of the Private Placement was to secure the necessary financing in a swift and satisfactory manner in order to finance further farm-ins in E&P licenses and to apply for new exploration licenses in frontier areas both onshore and offshore.

In order to secure this financing, it was necessary to carry out the Private Placement as a directed offering to selected investors as opposed to a rights offering with preferential rights of all the shareholders of the Company. As it was impossible to invite all of the shareholders to participate in the Private Placement, the Subsequent Offering is being executed in order to provide the Eligible Shareholders the opportunity to subscribe for new shares as well. Even though it is impossible to treat all shareholders entirely equally with this structure, it is believed that this structure has been designed to strike a fair balance between the various interest that had to be taken into account in order to enable the Company to secure the financing. The Subscription rights will be non-transferable in order to set the conditions for the Subsequent Offering as equal as in the Private Placement. No shareholder is given an unreasonably advantage over other shareholders in the Company with reference to the Public Limited Companies Act clause 5-21 and the Norwegian Stock Exchange Regulations clause 23-8.

### 5.2 Resolution regarding the Subsequent Offering

On 21 September 2005, the Extraordinary General Meeting of the Company (the "EGM") resolved to issue up to 25,000,000 Subsequent Offering Shares in the Subsequent Offering. The EGM resolved the following: in relation to the Subsequent Offering:

*"The share capital of the company is increased pursuant to section 10-1 of the Norwegian Public Limited Liabilities Act:*

- 1. The share capital is increased with minimum NOK 0.25 and maximum NOK 6,250,000 by issuing up to 25,000,000 new shares.*
- 2. The nominal value is NOK 0.25.*
- 3. The subscription price is NOK 2.60 per share.*
- 4. The shares shall be subscribed by shareholders that owned shares in the company 6 September 2005 and who were not invited to participate in the above share capital increase. Preferential rights to subscribe for new shares will be issued. The shareholders subscription preference pursuant to Section 10-4, ref. Section 10-5 of the Norwegian Public Limited Liabilities Act is deviated.*
- 5. The company shall issue a prospectus to be approved by Oslo Stock Exchange. The shares are to be subscribed on a separate subscription form enclosed the prospectus. The subscription period is suggested to be as from 26 September 2005 and until 7 October 2005. Further terms and conditions for the subscription will be determined by the Board of Directors and will be described in the prospectus.*
- 6. The subscription amount shall be paid by money transfer to a designated account. The Board of Directors shall determine the further conditions for the settlement, as shall be described in the prospectus. The due date for payment shall be 21 October 2005.*
- 7. Subscription exceeding assigned preferential rights will be allowed. Applicable provisions in the Norwegian Public Limited Liabilities Act shall apply in case of over subscription.*
- 8. The shares will carry the right to dividend from the financial year 2005."*

---

### **5.3 Share Capital following the Subsequent Offering**

The final number of Shares to be issued in the Subsequent Offering (the "Subsequent Offering Shares") will depend on the number of subscriptions received. The maximum number of Subsequent Offering Shares to be issued is 25,000,000 with a nominal value of NOK 0.25 per share, giving a further increase in the Company's total number of issued shares from 525,864,947 (following the Private Placement) to a maximum of 550,864,947, each with a nominal value of NOK 0.25 per Share. See section 8 "Share Capital and Shareholder Matters" for a further description of the Company's share capital.

The share premium resulting from the Subsequent Offering, less the direct expenses, will be transferred to the Company's share premium fund (see section 5.17).

### **5.4 Subscription Rights**

The Eligible Shareholders will receive one Subscription Right per 3.8727 share owned as of 6 September 2005 in order to allow them to maintain their level of ownership in the Company. The Subscription Rights will be rounded up or down to the nearest whole number of Subscription Rights on the basis of the share holdings of each Eligible Subscriber. One Subscription Right gives the right to subscribe for one Subsequent Offering Share. The number of Subscription Rights per existing Share as of the Record Date has been calculated as the number of shares to be issued in the Private Placement and the maximum number of shares to be issued in the Subsequent Offering divided by the number of ordinary shares prior to the Private Placement who were not invited to participate in the Private Placement.

No fractions of Subsequent Offering Shares will be issued. To the extent that the entitlement of any Eligible Shareholder does not result in a whole number of Subsequent Offering Shares, the number of Subsequent Offering Shares to be allotted to such Eligible Shareholder based on Subscription Rights will be rounded down to the nearest whole number.

The Subscription Rights cannot be transferred and hence not be listed on Oslo Børs during the Subscription Period. The non-transferable Subscription Rights will be transferred to the Eligible Shareholders' VPS-accounts on 23 September 2005. The Subscription Rights is registered in the VPS under ISIN NO 0010285208.

The Company will issue a total of 25 million Subscription Rights. The Subscription Rights may be used to subscribe for the Subsequent Offering Shares. Over-subscription is allowed. After the expiration of the Subscription Period, the Subscription Rights will be of no value. Eligible Shareholders not subscribing for entitled shares will entail no rights after expiration of the Subscription Period.

### **5.5 Subscription Period**

The Subscription Period for the Subsequent Offering will commence on 26 September 2005 and expire at 16:00 hours (CET) on 7 October 2005. The Subscription Period may not be extended.

### **5.6 The Subscription Price**

The Subscription Price in the Subsequent Offering is NOK 2.60 per Subsequent Offering Share, which is equal to the subscription price in the Private Placement.

The subscribers for Subsequent Offering Shares will not incur any costs related to the subscription for, or allotment of, the Subsequent Offering Shares.

### **5.7 Subscription Procedures**

Subscriptions for Subsequent Offering Shares must be made on the Subscription Form attached as appendix 5 hereto. The information on shareholdings and certain other matters relating to the relevant shareholders has already been entered on the Subscription Form.

Accurately completed Subscription Forms must be received by the Manager by 16:00 hours CET on 7 October 2005. Subscription Forms sent by regular mail on 7 October 2005 are likely to arrive after the deadline.

**In order to subscribe, the subscriber must satisfy the applicable requirements pursuant to the Money Laundering Act No. 41 of 20 June 2003 and associated regulations. The subscriber is responsible for complying with applicable identification verification requirements, and each subscriber is encouraged to complete any such required procedures as early as possible in the Subscription Period. Insufficient identification may lead to non-allocation of Subsequent Offering Shares.**

---

Neither the Company nor the Manager may be held responsible for delays in the mail system or for non-receipt of Subscription Forms forwarded by facsimile to the Manager.

Properly completed and signed Subscription Forms may be faxed, mailed or delivered to the Manager at the address set out below:

Pareto Securities ASA  
Dronning Mauds gate 5  
PO Box 1411 Vika  
N-0115 Oslo  
Facsimile: +47 22 83 43 09  
Telephone: +47 22 87 87 00  
[www.pareto.no](http://www.pareto.no)

The Board and the Manager may at their full discretion refuse any improperly completed, delivered or executed Subscription Form or any subscription which may be unlawful.

A subscription is irrevocable and may not be withdrawn, cancelled or modified.

## **5.8 Allotment**

Allotment of the Subsequent Offering Shares is expected to take place on or about 11 October 2005. The Board reserves the right to round off, cancel or reduce any subscription which is not covered by Subscription Rights.

The following criteria will be used in the Subsequent Offering:

1. Subscribers in the Subsequent Offering will be allocated shares based on received Subscription Rights.
2. In the event the Subsequent Offering is not fully subscribed based on Subscription Rights, shares shall be allocated among holders of Subscription Rights which have over-subscribed on a pro rata basis.

General information on the number of Subsequent Offering Shares is expected to be published on or about 10 October 2005 in the form of a stock exchange release through the Oslo Børs information system. All subscribers being allotted Subsequent Offering Shares will receive a letter from VPS confirming the number of Subsequent Offering Shares allotted to the subscriber and the corresponding amount to be paid. This letter is expected to be mailed on or about 12 October 2005.

## **5.9 Payment**

Each Subscriber must provide a one-time authorization to debit a specified bank account with a Norwegian bank for the amount (in NOK) payable for the Subsequent Offering Shares allotted to such subscriber by signing the Subscription Form when subscribing for Subsequent Offering Shares. The amount will be debited on or about 14 October 2005. Subscribers not having a Norwegian bank account must ensure that payment for their Subsequent Offering Shares with cleared funds is made on or before 12:00 (Norwegian time) on 14 October 2005 and should contact the Manager in this respect.

If there are insufficient funds on a Subscriber's bank account or it is impossible to debit a bank account for the amount the Subscriber is obligated to pay or payment is not received by the Manager according to other instructions, the allotted Subsequent Offering Shares will be withheld. Interest will in such event accrue at a rate of 9.0% per annum on any late payments.

The Manager reserve the right to make up to three debits in the period up to 21 October 2005 if there are insufficient funds on the account on the debiting date. If payment for the allotted Subsequent Offering Shares is not received when due, the Subsequent Offering Shares will not be delivered to the Subscriber, and the Board reserve the right, at the risk and cost of the Subscriber, to cancel the subscription in respect of the Subsequent Offering Shares for which payment has not been made, or to sell or otherwise dispose of the Subsequent Offering Shares, and hold the Subscriber liable for any loss, cost or expense suffered or incurred in connection therewith. The original Subscriber remains liable for payment of the entire amount due, including interest, costs, charges and expenses accrued, and the Managers may enforce payment of any such amount outstanding.

## **5.10 Delivery of the Subsequent Offering Shares**

All Subscribers subscribing for Subsequent Offering Shares must have a valid VPS account (established or maintained by an investment bank or Norwegian bank that is entitled to operate VPS accounts) to receive

---

Subsequent Offering Shares. Assuming that payment from all Subscribers are made when due, delivery of the Subsequent Offering Shares is expected to take place on or about 21 October 2005.

### **5.11 Listing of the Subsequent Offering Shares**

The Subsequent Offering Shares will be listed on Oslo Børs. Assuming timely payment by all Subscribers, the Company expects that the Subsequent Offering Shares will be listed on Oslo Børs on or about 24 October 2005.

### **5.12 Transferability of the Subsequent Offering Shares**

A Subscriber will not under any circumstances be entitled to sell or transfer its Subsequent Offering Shares until these shares have been paid in full by such Subscriber.

Furthermore, any Subscriber (having paid for its shares) that sell or transfer its Subsequent Offering Shares before delivery of the Subsequent Offering Shares on the said Subscriber's VPS account, runs the risk that full payment by all Subscribers does not take place in accordance with the procedures set out in section 5.9 above. In such case, the completion of the Subsequent Offering and thereby the delivery of the Subsequent Offering Shares to the Subscriber may be delayed. The Subscriber will then run the risk that the Subscriber is unable to settle the sale or transfer its Subsequent Offering Shares in time.

### **5.13 Shareholders' rights relating to the Subsequent Offering Shares**

The investors being allotted Subsequent Offering Shares in the Subsequent Offering will have full shareholders' rights in respect of their Subsequent Offering Shares once such shares are credited to their VPS account. The Subsequent Offering Shares will rank pari passu in all respects with the Company's other outstanding Shares, including the right to dividends for the year 2005 and thereafter. See Section 8 ("Share Capital and Shareholder Matters") for a further description of the rights and tradability of the Shares.

### **5.14 Timeliness, Validity, Form and Eligibility of Subscriptions**

All questions concerning the timeliness, validity, form and eligibility of any subscription for Subsequent Offering Shares will be determined by the Board, whose determination will be final and binding. The Board, or the Manager upon being authorized by the Board, may in their sole discretion waive any defect or irregularity, permit a defect or irregularity to be corrected within such time as the Board or the Manager may determine, or reject the purported subscription of any Subsequent Offering Shares. Subscription Forms will not be deemed to have been received or accepted until all irregularities have been cured or waived within such time as the Board or the Manager shall determine. Neither the Board, the Company nor the Manager will be under any duty to give notification of any defect or irregularity in connection with the submission of a Subscription Form or assume any liability for failure to give such notification. Further, neither the Board, the Company nor the Manager are liable for any action or failure to act by a financial intermediary through whom any Eligible Shareholder holds his Shares or by the Manager in connection with any subscriptions or purported subscriptions.

### **5.15 Registration with the Norwegian Central Securities Depository (VPS)**

The Company's Shares are registered with VPS under the International Securities Identification Number (ISIN) NO 000 3987901. The Subscription Rights are registered with ISIN number NO 001 0285208.

The registrar for the Shares is DnB NOR ASA, Verdipapirservice.

### **5.16 The Manager**

Pareto Securities ASA, Dronning Maudsgate 3, P.O.Box 1411 Vika, 0115 Oslo, Norway, has been retained as Manager for the Private Placement and Subsequent Offering.

## 5.17 Costs and Expenses

The costs and expenses in connection with the Private Placement and the Subsequent Offering, including the preparation and publication of this Offering Circular, will be covered by the Company, and are estimated to be as follows:

Name	Amount (NOK 1,000)
Pareto Securities ASA, Oslo, Norway, Manager for the Private Placement and Subsequent Offering	16,250
Kvale & Co. Advokatfirma, Oslo, Norway, Norwegian legal counsel to the Company .....	500
Akin Gump Strauss Hauer & Field LLP, US legal counsel to the Manager .....	350
Miscellaneous (incl. printing of Offering Circular, VPS, Oslo Børs etc.) .....	500
<b>Total</b> .....	<b>17,600</b>

The Managers' fee is based on a percentage of the total proceeds from the Private Placement and the Subsequent Offering.

The fees of the legal counsel have been based on hourly rates and the amounts above represent current estimates.

The proceeds from the Private Placement and the Subsequent Offering will be credited the Company's share premium fund.

As part of the engagement letter entered into between the Manager and Rocksource, Rocksource has agreed to indemnify the Manager against any claims, losses and liabilities the Manager suffer as a result of the engagement as manager for the Private Placement and the Subsequent Offering (as applicable), unless, and then to the extent, such claims, losses and liabilities are suffered as a result of the indemnified parties' fraud, willful misconduct or gross negligence.

## 5.18 Information incorporated by Reference

All documents referred to in this Offering Circular may be obtained by written request to the Company at the following address:

Rocksource ASA  
Stranden 57  
0250 Oslo  
Tel : +47 22 83 28 86  
Fax: +47 22 01 91 01  
[www.rocksource.com](http://www.rocksource.com)

---

## **6 Presentation of Rocksource**

### **6.1 Overview**

Rocksource is a technology- and knowledge-driven E&P company that utilizes Norwegian expertise in petroleum driven research.

The Company is a Norwegian Public Limited Company ("Allmennaksjeselskap") registered in the Norwegian Registry of Business Enterprises under organization number NO 940376645. The Company's registered address is Stranden 57, 0250 Oslo, Norway.

### **6.2 History**

Rocksource was created through the acquisition by merger of Amergy AS by Ecuator ASA in September 2004. The merger became effective ultimo November 2004 after expiry of a creditor notice period. Below is an overview of the Company's history since the merger:

September 2004: Amergy merges with Ecuator ASA and becomes a resource company with both petroleum activities and mining. The Company is named Ecuator ASA.

14 April 2005: Ecuator ASA acquires a 35% working interest in producing oil and gas fields, in Polk and San Jacinto Counties, Texas, from a privately owned oil and gas company that will continue as operator of the properties.

31 May 2005: Ecuator ASA acquires remaining 80% of Rocksource Geotech AS and changes name to Rocksource ASA.

1 June 2005: Martin Bekkeheien (former EVP Statoil ASA) becomes new CEO of the Company.

2 June 2005: Rocksource ASA joins forces with Statoil ASA in a joint industry project for developing software solutions to handle electromagnetic "EM" data for hydrocarbon detection. The software company Interaction AS will be responsible for developing the software platform.

9 June 2005: Rocksource signs an agreement with InSeis on co-operation where Rocksource will deliver survey design, processing and integrated analysis of EM data.

22 June 2005: Rocksource targets offshore Columbia and positions the Company for exploration and production licenses on the Columbian continental shelf on the Caribbean and Pacific coast, by participating in a larger collection of seismic data together with the seismic company InSeis.

16 August 2005: Rocksource accepts an offer from DNO to participate with 10% in block 211/22b - the Jaguar prospect - on UKCS. The completion of this deal is contingent upon approval by relevant UK authorities. In addition, Rocksource joined a consortium that has applied for E&P licenses for offshore Ghana.

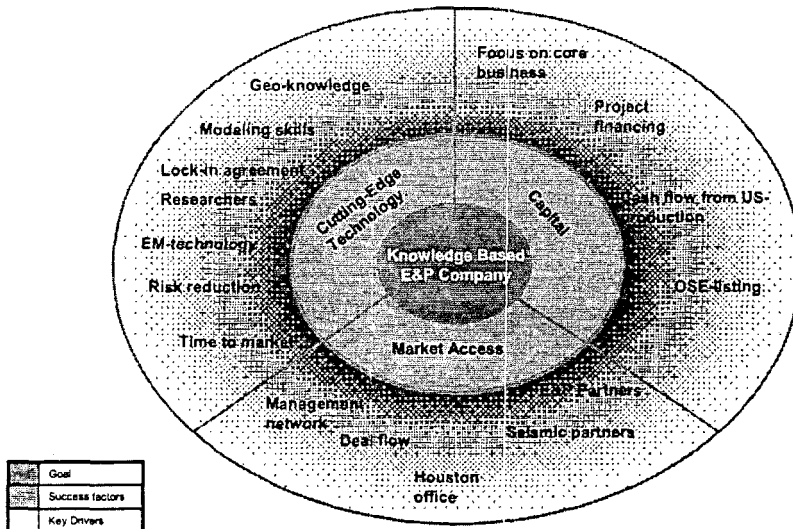
### **6.3 The Company's vision, objective and strategy**

#### **6.3.1 Vision**

The vision of Rocksource is to create an advanced oil exploration & production (E&P) company through the application of state-of-the-art technology. Rocksource intends to utilize advanced technology to produce a market edge and as leverage for creating partner deals with small- and medium sized E&P businesses that are not well positioned to utilize this new technology by their own expertise.

### 6.3.2 Strategy

The Company has defined the following three areas as strategic success factors: cutting-edge technology, market access and capital access.



The three strategic success factors are described in more detail below.

#### 6.3.2.1 Cutting-edge technology

The Company believes its competitive advantages lie in its technology and expertise relating to geophysical and geological data analysis. The recruitment of highly skilled specialists and a close collaboration with research environments enable the Company to rapidly apply and capitalize on new knowledge. The access to knowledge and time-to-market are value drivers.

#### 6.3.2.2 Market access

Rocksource will actively seek joint ventures with partners that can provide access to exploration and production rights. The joint venture model includes geological mapping in partnership with seismology companies, participation as licensees in license groups that have fields in production where our technology and expertise can contribute to increased production and value creation, and participation in partnerships with the aim of obtaining new exploration and production licenses. Networks and management resources are key value drivers.

#### 6.3.2.3 Capital

In addition to knowledge and technology, Rocksource will invest venture capital in exploration and production projects. Increasing the Company's capital is therefore a necessary component of its overall strategy. The Company has recurring revenue from onshore producing fields in the USA and from its sale of success-fee based technology services to its business partners/own E&P assets. The Company will consider various financing models for each specific project.

### 6.4 Overview of the Company's operation

The Company is currently engaged in three business areas, whereof the two major business areas are oil & gas exploration and production and geo-technical services to the Company's own E&P assets. In addition, the Company is engaged in mineral exploration and mining through the former business area of Ecuator ASA.

All three business areas are discussed in more detail below.



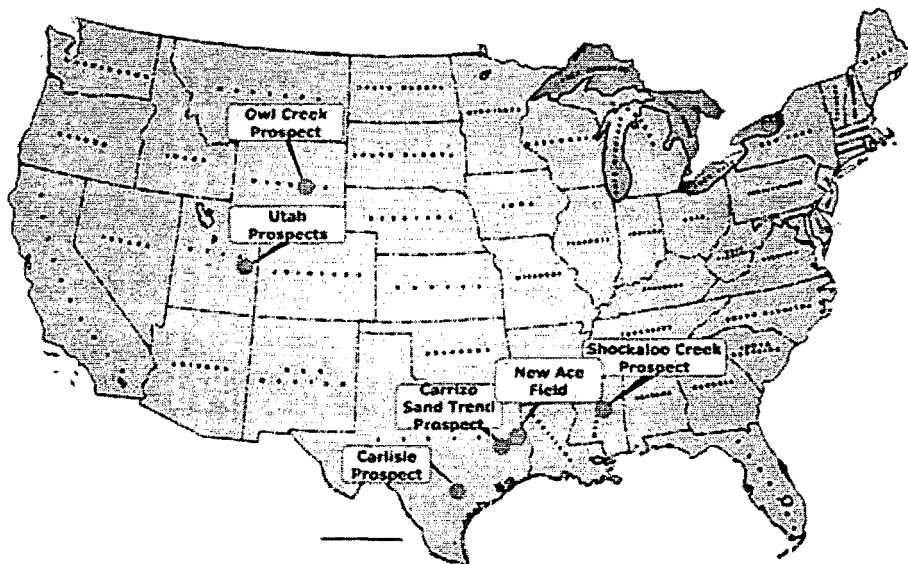
### 6.4.1 Oil & gas exploration and production

Amergy acquired on 29 July 2004 100% of the privately held Houston-based company Rocksource Energy through a stock exchange agreement whereby Amergy issued 1,500,000 shares in Amergy to the shareholders of Rocksource Energy. Rocksource Energy was established in 1996 and the founders have substantial experience in the operation of exploration and production properties within the US oil and gas industry. Through Rocksource Energy, the Company has access to a substantial industry network that the Company anticipates will provide it with increased deal flow. Rocksource Energy holds a portfolio of exploration prospects and approximately 30,000 acres of undeveloped oil and gas leases in Texas, Wyoming, Mississippi and Utah (see map below).

The Company has production of oil and gas onshore US through a purchase of a 35% working interest in the New Ace field. In addition to the existing production, the leased prospect portfolio has an estimated net recoverable reserve potential of approximately 5.8 billion cubic feet of gas and 5.9 million barrels of oil.

The Company is also analyzing exploration possibilities to explore oil and gas in Columbia in addition to entering the UK continental Shelf together with DNO through a 10% working interest in the Jaguar prospect. In addition, Rocksource joined a consortium that has applied for E&P licenses for offshore Ghana.

*Portfolio overview of oil and gas leases*



Current exploration portfolio:

Leased projects	Interest (%)	Oil (1,000 bl)	Gas (Mmcf)
Carrizo (Texas)	100.0%	219	-
Shockaloo Creek, Shallow (Mississippi)	100.0%	2,181	-
Shockaloo Creek, Smackover (Mississippi)	100.0%	1,876	-
Owl Creek (Wyoming)	12.3%	27	5,593
W. Thompson (Utah)	10.0%	441	-
Crescent Junction (Utah)	7.5%	242	33
Thompson Pass (Utah)	7.5%	242	33
Horse Mesa (Utah)	7.5%	130	13
Christmas Ridge (Utah)	7.5%	523	52
Escondido (Texas)	1.4%	-	105
<b>Potential net reserves</b>		<b>5,881</b>	<b>5,829</b>

Many of Rocksource Energy's oil & gas leases have been acquired from the US Bureau of Land Management or State of Utah governmental leasing agencies. All have an initial term of ten years with a provision that oil & gas production on the lease will extend the term to cessation of production.

The earliest expiration date, in the absence of production, is July 2007. The majority have expiration dates ranging from 2009 to 2014.

Rocksource Energy acquired on 21 July 2004 additional leases covering 2,863 acres on the Carrizo Project. The leases have a ten-year primary lease term.

#### 6.4.1.1 Producing Assets

##### *New Ace (Texas)*

In April of 2005, Rocksource purchased a 35% working interest in New Ace Field in Polk and San Jacinto Counties, Texas. The purchase of the interest in the field added a key production base to the Company and provides numerous redevelopments, exploitation and exploration opportunities. The purchase also provided access to 43 square miles (111.4 square kilometres) of state of the art 3-D seismic data which covers the field and surrounding open acreage where several exploration opportunities have already been identified. The field has 31 producing horizons in the Wilcox (Eocene) section which are encountered in 20 wells. A re-evaluation of the field based on seismic interpretation, reservoir modelling and dynamic simulation is already underway. This work will highlight areas of bypassed hydrocarbons and provide opportunities for well recompletions, infill drilling and near field exploration. This work will be a key part of the Companies focus for the next year.

Rocksource currently estimates the net reserves in the field to be approximately 340,000 bl. of oil equivalents. Based on the Bank of Texas pricing, these reserves are projected to give total future revenues to Rocksource of approximately USD 13 million. The management of Rocksource is of the opinion that the reservoir modelling programme will increase these net reserves and coupled with 3D seismic based, near field exploration, within the 43 sq mile survey area, will lead to increased value.

#### 6.4.1.2 Prospects

##### *Cactus Rose, Grand County, Utah*

The Cactus Rose area lies northeast of Moab, Utah. The Project contains a number of prospects and each prospect has multiple horizons ranging in age from Jurassic to Permian for potential hydrocarbons accumulation. There currently is oil production about two miles northwest of the Company's leases.

These prospects were defined by the acquisition and reprocessing of key seismic data in order to establish critical trapping along the axis of the northwest plunging breached Salt Valley anticlinal structural complex.

---

Under the terms of the Participation Agreement, MSC successor operator to Solaris paid 100% of the cost through the tanks on the first two wells on the Crescent Junction Prospect to earn 85% working interest.

MSC exercised its option to drill an exploration well on another prospect in the Cactus Rose area and will pay 100% of Rocksource's cost through the tanks. Federal lease stipulations prohibit drilling in the area between November 1 and April 1. The area covers four primary prospects, Crescent Junction, Thompson Pass, Christmas Ridge and Horse Mesa that have been identified with proprietary seismic data and geologic information each with multiple prospective reservoir zones. However, in order to be conservative in its analysis, the Company has limited its economic evaluation to the Navajo formation on each prospect. The Navajo has the potential for 1.1 million barrels of oil and 131 million cubic feet of natural gas net to the Company's 7.5% interest. The shallower Moab Tongue, Morrison, and Dakota formations and the deeper Wingate and White Rim formations all have the potential for significant reserves of oil and gas.

Rocksource's 7.5% working interest in the Cactus Rose area has estimated net reserve potential to the Company of 1.1 million barrels of oil and 131 million cubic feet of gas.

*West Thompson Prospect Area, Grand County, Utah*

Tidewater Oil and Gas Company LLC has proposed several 6,500-foot tests on several anomalies on its 13,000-acre leasehold in the West Thompson Prospect Area. Rocksource with Tidewater has an ownership interest on approximately 3,840 acres in this large acreage block, which lies immediately east of its holdings in the Cactus Rose Area.

*Shockaloo Creek*

Rocksource owns 100% working interest in oil and gas leases covering approximately 5,700 acres on the Shockaloo Creek Prospects located on the Northeast limits of the Central Mississippi Salt Basin along the Pickens-Gilbertown-Pollard Graben fault complex. There are two prospects on the acreage block and each prospect is based on sub-surface geology, and 2-D seismic data.

*Owl Creek Thrust Trend, Wind River Basin, Fremont County, Wyoming*

Rocksource owns an interest in an oil and gas lease covering 157 gross acres on the Owl Creek over thrust trend. Stone Energy, Operator of the lease, owns 75% interest.

The Owl Creek thrust trend is an emerging gas play. The combination of regional and local structure with the Lance Formation depocenter results in huge multi-pay reserve potential. Advances in drilling technologies have reduced well costs. The current state of 3-D seismic technology has led to exploratory successes in this structural and stratigraphically complex area.

Stone recently completed evaluation of a proprietary 70 square mile 3-D seismic program covering the Gates Butte Unit and other leasehold in the area. Stone plans to drill a 16,000 foot well approximately 4,000 feet east of Rocksource's lease. If this well is successful, Stone may propose drilling a well that includes Rocksource's leasehold.

*Carrizo Sand Trend, Houston County, Texas*

This prospective area is on trend with the Laura LaVelle, South producing oil field. Cumulative production to-date from the field Carrizo-Wilcox (Eocene Age) sands is over 4.3 million barrels of oil at depths between 1,500 and 1,700 feet. Individual wells in the field have produced over 50,000 barrels of oil from this shallow depth.

Rocksource has gathered considerable data and studied the reservoir and geology of this analogue field and determined that the trapping mechanism for the field is shallow down to the north localized faulting against the regional southerly dip, traps hydrocarbons migrating out of the basin to the south.

After projecting this concept along strike with the field and after a review of seismic data available in the area, Rocksource has selected an area it believes prospective for the accumulation of hydrocarbons based on the assumption that this critical faulting may be present for similar trapping to occur. Based on these assumptions, Rocksource competed for and acquired 100% interest in oil and gas leases covering 2,863 acres on this Carrizo Sand in the Prospect Area. Although the field has produced over 4.3 million barrels of oil, Rocksource Energy is being conservative in its analysis of the potential of the area and is only projecting on its acreage 256,000 barrels of net recoverable oil to Rocksource from six producing wells. In addition to the shallow oil potential, several deeper formations in the area have also produced oil and gas and may be prospective in our area of interest.

---

To reduce risk and enhance the chance of success and before making decision to drill a well, additional geological and geophysical work is planned on this potentially highly promising project where significant shallow reserves could be developed at a very modest finding cost. Estimated cost for the additional data is USD 90,000.

#### **6.4.2 Core Competencies**

The core competence of the geo-technological services in the Company is the state-of-the-art electromagnetic imaging and reservoir modelling/simulation capacity and analysis skills represented by CTO Jonny Hesthammer (structural geology, seismic and electromagnetic analyses) and Chief Geologist John A. Howell (sequence stratigraphy, reservoir modelling and simulation). The knowledge represented by Hesthammer and Howell, together with the knowledge network they have access to, is a crucial factor for success related to the methods described briefly below.

Electromagnetic energy can provide important information about natural resource targets. Effectiveness of the electromagnetic exploration methods strongly depends on a resistivity contrast between the target geological body and the surrounding rocks. In general, electromagnetic energy is transmitted into the subsurface using electric dipole –galvanic, or magnetic dipole –inductive sources. The response is recorded using receiver dipoles and/or induction tools. Early attempts to use electromagnetic energy in the mining and petroleum industries were seriously affected by limitations related to the quality of the acquisition equipment and insufficient computer capacity for necessary modelling of the results. New advances in instrumentation, digital technology and developments in multidimensional numerical modelling have led to improved electromagnetic data acquisition and interpretation techniques as well as brought these methods within the range of their theoretical resolving capability. The use of electromagnetic energy for hydrocarbon exploration (e.g. [www.emgs.no](http://www.emgs.no)) has recently been proved successful in several cases (offshore Norway and West Africa) and thus caused a change in established work processes among large oil and gas companies.

Reservoir modelling and simulation is based on a fundamental understanding of how rocks are deposited (sequence stratigraphy) and deformed (structural geology). By combining this knowledge with available seismic data and well data, it is possible to build digital models that accurately describe the geometry and properties of subsurface reservoirs. This allows for a sound delineation of the limits of potential reservoir rocks. Furthermore, fluid flow through the models can be numerically simulated in order to establish the best drainage strategy for hydrocarbons contained in the reservoirs. This approach has advanced rapidly (in the past few years) due to significant advances in computing power and software development (e.g. [www.roxar.com](http://www.roxar.com)) and is documented to enhance recovery of oil and gas. The methods are well documented as a means to enhance oil and gas recovery in large companies and are expanding into the smaller ones. Rocksource aims to be at the forefront of further the application of the technology. In addition, the modelling approach has significant potential for use in the mining industry related to understanding the distribution of coal seams.

The Company will be involved in

- use of electromagnetic energy for identification of hydrocarbons and metal detection, and
- reservoir modelling and simulation for increased oil recovery.

##### Use of electromagnetic energy for hydrocarbon and metal/mineral detection

Electromagnetic technology has significant potential for use both in the petroleum industry and the mining industry. Within the petroleum industry, the increased focus represented by companies such as emgs, Ohm and Schlumberger will lead to rapid improvements of acquisition and processing tools. The developed technology will have applications related to petroleum and mining exploration and production. The needed prerequisite for the technology is the existence of a resistivity contrast associated with the resources and surrounding rocks. This commonly exists and is the reason why electromagnetic technology historically has played a role in mineral exploration. Resolution is highly important and has so far been a limiting factor.

##### Reservoir modelling and seismic interpretation

The Company believes that seismic and electromagnetic data will be particularly useful in connection with reservoir modelling to increase ultimate recoveries. During the past several years, there has been significant development related to digital manipulation and interpretation of seismic data. This includes focus on end-user processing capabilities, seismic surface and volume attributes, AVO-analyses, 3D visualisation, rock/fluid physics and more. Similar developments have taken place in relation to reservoir modelling and simulation. In addition, modern software now allows for a close integration of seismic data with well data, production data and reservoir modelling/simulation data. Combined with state-of-the-art expertise in

sequence stratigraphy and structural geology it is possible to integrate the different data types and obtain a better understanding of fluid characteristics and the distribution of hydrocarbons in the subsurface. Such knowledge is of particular importance in stratigraphic and structural complex reservoirs which the Company will be involved with as this knowledge forms the basis for increasing oil recovery. Since the Company will be focusing on deals with 3D seismic evaluations, prospects should be ready-to-drill in order to avoid the very time and cost-consuming development phase of lease and data acquisition, interpretation and evaluation. The Company will use modern advanced interpretation techniques to extract information about the rock and fluid properties.

#### Rocksource Geotech

Rocksource Geotech is a competence and technology company that delivers technology solutions to Rocksource ASA and its business partners. The Company has established close research-relations to the university-based CIPR which is the Norwegian centre of excellence in enhanced oil recovery. Through this collaboration, Rocksource Geotech will draw on expertise available within CIPR. CIPR is, through a Rocksource-sponsored project, currently developing state-of-the art technologies related to the use of electromagnetic data for increased oil recovery which will complement the existing tools already contained in the Bergen-office.

Rocksource Geotech and DNO ASA have entered into a research & development agreement for the development of the electromagnetic technology in which DNO ASA will supply electro magnetic data from its operations.

### **6.4.3 Mineral Exploration and Mining**

The Company has four concessions in the southern part of Ecuador Los Santos I and Los Santos II, Cañicapa and Celen. All four concessions are located in the Southern part of Ecuador.

Below is an overview of these concessions:

Concession	Size (hectares)	Expiry of concession	Status	Possible reserves (oz)
Los Santos I	1,290	November 2031	Co-operation negotiations	Grassroot
Los Santos II	2,215	November 2031	Co-operation negotiations	3 million
Cañicapa	3,400	October 2031	Agreement with IMC, renewed to April 2006	5 million
Celen	500	October 2031	Agreement with IMC, renewed to April 2006	

#### *Cañicapa*

Rocksource (former Ecuator) entered into an agreement with International Mining Corporation ("IMC") in 2002 under which IMC has the full responsibility to fund and develop the concession. IMC pays annual instalments to Rocksource commencing April 2003 of USD 10,000 for the period that IMC retains an interest in the property and shall pay USD 500,000 to Rocksource 30 days after the start of commercial production. In addition, Rocksource retain a 2.5% royalty in respect of commercial production from the property. IMC has a one time right to purchase the royalty from Rocksource for USD 5,000,000 for a period of 120 days from the start of the commercial production.

IMC was notified by IAMGOLD (the operator of the property) in July 2004 that it intended to finalize the co-operation with IMC. IMC has now the sole responsibility to develop Cañicapa. IMC is presently analyzing the data from the latest explorations in order to determine the progress of further work in Cañicapa. In April 2005, IMC renewed its agreement with Rocksource up to April 2006.

---

*Los Santos*

Rocksource has retained the concessions Los Santos I and Los Santos II as strategic investments. Los Santos is the neighbouring concession to Los Cangrejos where Newmont Minerals had their best results during their exploration period from 1994 to 2001.

Rocksource is currently working on establishing a co-operation with the concession holders in Los Cangrejos.

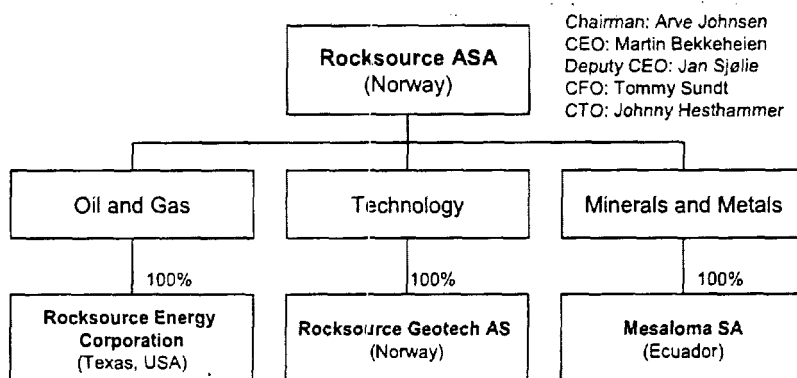
---

## 7 Organization, Board and management

### 7.1 Organization

The Company is the parent company in the Rocksource Group. The Company wholly owns three subsidiaries as shown in the chart below.

The chart below summarizes the legal Company structure:



### 7.2 Management agreement

The Company is managed pursuant to a management agreement with Dag Dvergsten AS entered into on 20 August 2004. Dag Dvergsten AS is owned 100% by one of the founders of Amergy, Mr. Dag Dvergsten. The main elements of the management agreement between Rocksource and Dag Dvergsten AS are as follows:

Dag Dvergsten AS shall provide the Company with general management services (hereunder manning the posts of CEO, CFO and Chief Investor Relations Officer), conduct running administrative work, handle the contracts of the Company, aid in obtaining financial assistance and handle the investor relations on behalf of the Company.

The agreement is exclusive (no other service provider may be used) and runs until 1 December 2008. The agreement is then renewed for another 2-year period unless replaced by a re-negotiated agreement.

The consideration for the management services is NOK 425,000 (excl. VAT) per month, adjusted for changes in the official price index. In the event the Company carries out a share capital increase, the monthly consideration shall be adjusted by 1.75% annually of the share capital increase.

The agreement has been approved by the general meeting pursuant to section 3-8 of the Public Limited Companies Act and has been entered into on commercial terms.

### 7.3 Description of the Board and Management

The following table sets forth information with respect to members of the Board and the senior officers in the Company.

Name	Age	Position	Shares
<b>Board</b>			
Arve Johnsen <sup>1)</sup>	71	Chairman of the Board	21,392,758
Dag Dvergsten <sup>2)</sup>	45	Board member	35,221,411
Berge Gerdt Larsen <sup>3)</sup>	52	Board member	66,569,014
Mimi K. Berdal	46	Vice chairman	0
Anne-Grete Ellingsen	52	Board member	60,300
<b>Management</b>			
Martin Bekkeheien	62	Chief Executive Officer	8,850,000
Jan Sjølie	47	Deputy Chief Executive Officer	9,683,054
Jonny Hesthammer	40	Chief Technical Officer	21,200,519
Tommy Sundt <sup>4)</sup>	32	Chief Financial Officer	2,510,569
Thomas Collins	69	CEO Rocksource Energy Corporation	16,474,504
G. J. Wilson jr.	73	Vice President Rocksource Energy Corporation	1,034,133

1. Including 192,308 shares subscribed in the Private Placement and shares held by Arve Johnsen AS (a company controlled by Arve Johnsen).
2. Including holdings in Hassehaugen AS, a company controlled by Dag Dvergsten and shares owned by Dag Dvergsten AS.
3. Shares held through DNO ASA, which includes 15,105,566 shares subscribed in the Private Placement.
4. Shares owned through Tomsun Invest AS.

### 7.3.1 Board of Directors

The Board holds the ultimate responsibility for the Company. The Board also approves the strategic plans and adopts the Company budget. The Company finds that the composition of the Board is in accordance with the Norwegian recommendation regarding Corporate Governance as discussed in the Oslo Stock Exchange circular no 5/2002. The fees to the Board is determined by the ordinary general meeting of shareholders in the Company. The Chairman of the board received NOK 50,000, the vice chairman NOK 40,000 and each board member received NOK 30,000 for their services in 2004.

The Board of the Company consist of the following persons:

**Arve Johnsen (71), Chairman.** Mr. Johnsen was the first CEO of the Norwegian oil company Statoil. Prior to his engagement in Statoil, he held several positions at Norsk Hydro, which is a Fortune 500 energy and aluminium supplier. He was also a deputy secretary of state prior to being appointed CEO of Statoil. Mr. Johnsen is currently a professional board member on several companies, including NORFUND. Mr. Johnsen holds a Law degree from the University of Oslo, Norway and a Master in Business Administration from the Norwegian School of Economics and Business Administration (NHH). Mr. Johnsen is a Norwegian citizen and resides in Asker, Norway.

**Dag Dvergsten (45), Board member.** Mr. Dvergsten is one of the founders of Amergy. He is also the President and sole owner of Dag Dvergsten AS, a privately held project development and consulting company specialising in strategy and entrepreneurial activities within the energy technology, maritime and life sciences industries. Prior to establishing his own company in 1994, Mr. Dvergsten held several positions within Fred Olsen & CO., a Norwegian shipping conglomerate, including Board Secretary (Fred Olsen Offshore), Project Manager (Fred Olsen Cruises), Controller (Fred Olsen Liner Division) and later General Manager in Fred Olsen North Sea Line. Mr. Dvergsten was also a director in Consignataria Fred Olsen SA in Canary Islands (Spain). Mr. Dvergsten has served, and he is currently serving on several corporate and civic organisation boards. Mr. Dvergsten holds a Master in Business Administration from the Norwegian School of Economics and Business Administration (NHH) and is also educated as a submarine officer at the Norwegian Naval Academy. Mr. Dvergsten is a Norwegian citizen and he resides in Oslo, Norway.



---

**Berge Gerdt Larsen (52), Board member.** Mr. Larsen is currently the executive chairman of DNO ASA. He has 25 years worldwide oil industry experience in drilling, floating production and oil field services. Mr. Larsen has previously held the position as president of DNO, managing director of Larsen Oil & Gas AS/Increased Oil Recovery AS and president and chief executive officer of Odfjell Drilling and Consulting Company AS. Mr. Larsen has also served at the boards of the Norwegian Rig Owner Association, Bergen Ship Owner Association and Oil Industry Association. Mr. Larsen holds a BSc in Chemical Engineering from the University of Newcastle upon Tyne (UK) and Master in Business Administration from the University of Texas at Austin, Texas (USA). Mr. Larsen is a Norwegian citizen and resides in Aberdeen, Scotland.

**Mimi K. Berdal (46), Board member.** Ms. Berdal is a partner in the lawyer firm Arntzen de Besche advokatfirma AS in Oslo, Norway where she has been employed since 1991. She has extensive experience within the areas of company law and transactions, oil and gas, IT and TCM, construction law and process and arbitration. She has previously also been an advisor for Total Norge AS where she has assisted several players within the oil and gas industry. Ms. Berdal holds a law degree from the University of Oslo in 1987. She is also participating on the boards of several Norwegian companies including Itera Consulting Group ASA, CPC Scandinavia AS, Adobe Systems Norge AS, Øvrevoll Gallopp AS and Stabæk Fotballklubb. She is also a member of the committee of law practise licences and a member of the Norwegian bar association. Ms. Berdal is a Norwegian citizen and resides in Oslo, Norway.

**Anne-Grete Ellingsen (52), Board member.** Ms. Ellingsen is currently the senior partner and shareholder of Senioragency AS. She has previously held the position as the managing director of HSH, division director of sale and purchase in A/S Vinmonopolet in addition to various secretary general positions with Statoil and the Ministry of Oil and Petroleum in Norway. She has more than 15 years experience as a board member of privately owned foundations and stock exchange listed companies. She holds a Msc. in economics from the college in Rogaland County in addition to being specialized in leadership and organizational development from AFF (Norwegian School of Economics and Business Administration). Ms. Ellingsen is a Norwegian citizen and resides in Oslo, Norway.

### 7.3.2 Management

The management of the Company will be conducted by Dag Dvergsten AS according to the management agreement of 20 August 2004 (see description under section 7.2 above).

The management of the Company consist of the following persons:

**Martin Bekkeheien (62), Chief Executive Officer.** Mr. Bekkeheien has 30 years of experience from the petroleum industry. He has held several positions at Statoil ASA covering most aspects of the E&P value chain. Mr. Bekkeheien's positions at Statoil include: Senior Vice President, head of corporate strategy development, President of E&P and member of the executive committee. In addition to his 29 years in Statoil, Mr. Bekkeheien has six years of experience from the IT industry. Mr. Bekkeheien holds a Masters degree in Mechanical Engineering/Industrial Economics from the Norwegian University of Science and Technology (NTNU). Mr. Bekkeheien is a Norwegian citizen and resides in Oslo, Norway.

**Jan Sjølie (47), Deputy Chief Executive Officer.** Mr. Sjølie has been working with Corporate Finance issues and Investor Relations in Amergy. Mr. Sjølie is also the Vice President of Dag Dvergsten AS. Prior to joining Dag Dvergsten AS, Sjølie was a partner in Strategy House, a management consultant company in Norway. Mr. Sjølie has previously held various positions within the finance and brokerage sectors including a position within structured finance and asset management at Skandinaviska Enskilda Banken AB (SEB), partner and head of Corporate Finance at Platou Securities, Head of Shipping & Offshore Corporate Finance at DnB Markets and Head of Shipping Department II, Bergen Bank (DnB). Mr. Sjølie was also a member of the strategy committee at Fokus Bank. Mr. Sjølie holds a Master in Business Administration from the Norwegian School of Economics and Business Administration (NHH) and he is currently finishing law studies at the University of Oslo. Mr. Sjølie is a Norwegian citizen and resides in Bærum, Norway.

**Jonny Hesthammer (40), Chief Technical Officer.** Hesthammer holds a Ph.D. in Structural Geology and Seismic Interpretation from the University of Bergen (1999) and he is a professor at the University of Bergen. In the period from 1992-2002, he worked for Statoil in Norway, where he was involved in the development of several North Sea oil and gas fields. His key focus during this period was on the integration of seismic interpretation and structural analyses. He has participated in the planning and drilling of more than 40 wells on the Gullfaks Field, which is one of the most structurally complex fields in the North Sea. Parallel to his job at the university, Hesthammer has worked part-time for ElectroMagnetic GeoServices AS, a company pioneering the use of electromagnetic data for hydrocarbon detection in offshore settings. In addition to his work at the Department of Earth Sciences, Hesthammer has a close relationship with the Centre for Integrated

---

Petroleum Research, the Norwegian national centre of excellence in petroleum. His research activities concentrate on integrating the disciplines of seismic interpretation, geology and electromagnetic data for the exploration for and production of natural resources. He also researches issues related to understanding fluid flow in deformed reservoirs and ways to implement this knowledge in reservoir models. Hesthammer has contributed more than 40 international publications and given numerous talks to the scientific community at international conferences. He has extensive field experience from both British Columbia and Utah. Hesthammer has received several awards for his work, including the Distinguished Lecturer Award (European Association of Geoscientists and Engineers 1997), the Reusch Medal (The Norwegian Geological Society 1999) and Best Paper Award (The Leading Edge 1999). Hesthammer is a Norwegian citizen and resides in Bergen, Norway.

**Tommy Sundt (32), Chief Financial Officer.** In addition to his position as CFO of Rocksource, Mr. Sundt is a vice president of Dag Dvergsten AS. Prior to joining Dag Dvergsten AS, he was a financial analyst and portfolio manager in an investment company focusing primarily on equity and real estate investments. Mr. Sundt is also a former auditor at the Oslo office of Deloitte & Touche. Mr. Sundt holds a Master of Science in Business from the Norwegian School of Economics and Business Administration (NHH). Mr. Sundt is a Norwegian citizen and resides in Oslo, Norway.

**Thomas A Collins (69), Chief Executive Officer Rocksource Energy Corporation.** Mr. Collins is the former President and CEO of Maersk Energy Inc., a company operating oil and gas properties in Texas, Louisiana, and California. He is also a former VP of Amerada Hess Corporation, a U.S. offshore and frontier Exploration and Production company. Prior to joining Amerada, Mr. Collins was an Executive at Placid Oil, an offshore gas field development company. In addition, Mr. Collins is the former Chairman of the Gulf of Mexico Offshore and The Netherlands Operators Commission. Mr. Collins is an US citizen and resides in Houston, Texas, United States.

**G.J. Wilson Jr. (73), Vice President of Exploration and Production, Rocksource Energy Corporation.** Mr. Wilson is the former president & CEO of Amicus Energy Inc. Prior to working for Amicus, he was an executive vice president of SCANA Petroleum Resources, a subsidiary of a South Carolina-based gas and electricity company. Mr. Wilson has also been the president and CEO of Wacker Oil Inc. and vice president of Union Texas Petroleum, a U.S. exploration and production company. Mr. Wilson is a U.S. citizen and resides in Houston, Texas, United States.

## **7.4 Bonus and Incentive Programs**

The Company have currently no bonus or incentive programs. In accordance with an employee agreement, Thomas A Collins receives royalty compensation from prospect areas according to a specific list attached to the agreement.

## 8 Share Capital and Shareholder Matters

### 8.1 Share Capital

The registered share capital of Rocksource prior to the Private Placement and the Subsequent Offering is NOK 106,466,236.75, consisting of 425,864,947 Shares fully paid, with a par value of NOK 0.25 per Share. The Shares are equal in all respects, and each Share carries one vote at the Company's general meeting. After registration of 100,000,000 shares to be issued in connection with the Private Placement, the Company's share capital will increase to NOK 131,466,236.75 consisting of 525,864,947 shares.

### 8.2 Outstanding Authorisations

The Board have an authorisation to issue shares in connection with the Private Placement in addition to the shares to be issued in the Subsequent Offering. The Board have no other power of attorneys to issue shares or other securities than the authorization described below.

#### 8.2.1 Authorisation to issue New Shares

On 21 September 2005 the shareholders meeting of Rocksource passed resolutions to (i) increase the share capital of the Company from NOK 106,466,236.75 to NOK 137,716,236.75 by issuing the 100,000,000 New Shares in the Private Placement and to (ii) issue up to 25,000,000 Subsequent Offering Shares in the Subsequent Offering. The resolutions were passed in accordance with the rules of the Public Limited Companies Act. The resolutions are included in sections 4.2 and 5.3 in this Offering Circular.

The New Shares and the Subsequent Offering Shares will be issued subsequent to payment of the subscription price and the registration of the share capital increase in the Norwegian Register of Business Enterprises. According to the Public Limited Companies Act, shares are considered issued at the time of registration of the share capital increase in the Norwegian Register of Business Enterprises. It is expected that the New Shares will be distributed and listed on or about 28 September 2005, while the Subsequent Offering Shares will be distributed and listed on or about 24 October 2005.

The New Shares and the Subsequent Offering Shares will carry the same rights as other shares in the Company.

The New Shares and the Subsequent Offering Shares will carry full shareholders rights as soon as the increase in the share capital is registered in the Norwegian Register of Business Enterprises and will be entitled to dividends for the 2005 accounting year in line with the other shares of the Company.

### 8.3 Historical Development in Share Capital and Number of Shares

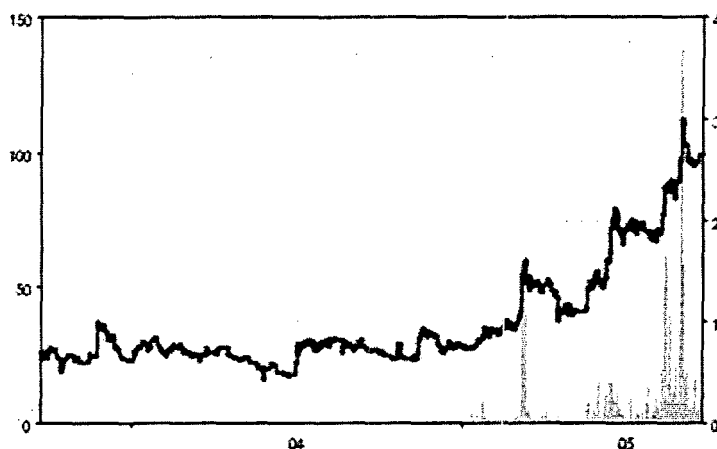
The table below shows the historical development of share capital and the number of outstanding Shares in Rocksource since the formation through the merger between Amergy and Ecuator:

Year	Type of change in share capital	Change in share capital (NOK)	Per value per Share (NOK)	Total share capital (NOK)	Total number of issued Shares
Nov 04	Merger	74,060,236.75	0.25	74,060,236.75	296,240,947
June 05	Private Placement	7,406,000.00	0.25	81,466,236.75	325,864,947
Aug 05	Acq. of R. Geotech	25,000,000.00	0.25	106,466,236.75	425,864,947
Sept 05	Private Placement 1)	25,000,000.00	0.25	131,466,236.75	525,864,947
Oct 05	Subsequent Offering 2)	6,250,000.00	0.25	137,716,236.75	550,864,947

- 1) The Private Placement as described in this Offering Circular. These shares are pending registration and have as a consequence not yet been issued.
- 2) This Subsequent Offering as described in this Offering Circular, assuming full subscription.

## 8.4 Share Price Development

Since 9 June 2005, the Shares have been listed on the Oslo Børs and traded under the ticker-code "RGT". The share price performance is shown in the figure below. There is no public trading market for the Shares outside Norway. The graph below shows the traded price and volumes of the Rocksource share at Oslo Børs for the last three years:



Source: Oslo Børs ASA

## 8.5 Ownership Structure

As of 22 September 2005, Rocksource had a total of 1,867 shareholders, of which 1,769 were Norwegian and 98 were foreign shareholders.

The table below shows the 20 largest shareholders in the Company on 22 September 2005 (prior to the Private Placement):

	Shareholder	Number of shares	%
1	DNO ASA .....	51,463,448	12.1%
2	Dexia Banque International Lux .....	40,774,317	9.6%
3	Dag Dvergsten AS.....	32,153,421	7.6%
4	Stiftelsen Universitetsforskning Bergen.....	29,500,000	6.9%
5	Jonny Hesthammer AS.....	21,200,519	5.0%
5	Balanced Rock AS .....	21,200,519	5.0%
7	Thomas A. Collins.....	16,474,504	3.9%
8	Skeie Group AS.....	16,117,736	3.8%
9	Fid.funds-eur. SM. Brown Brothers Harriman.....	12,508,400	2.9%
10	Arve Johnsen .....	12,350,450	2.9%
11	Jan Sjølie .....	9,683,054	2.2%
12	The C.R. Bearden Fam. Lim. Partnership .....	9,299,966	2.2%
13	Martin Bekkeheien .....	8,850,000	2.1%
14	Arve Johnsen AS.....	8,850,000	2.1%
15	Famhold AS .....	5,220,398	1.2%
16	Skandinaviska Enskilda Banken .....	4,865,000	1.1%
17	Goldman Sachs International Equity Nontreaty custody.....	4,660,000	1.1%
18	Fidelity funds-Nordic Fund/Sicav .....	3,963,800	0.9%
19	Mikhail Boulaenko ef.....	3,500,000	0.8%
20	Hasselhaugen AS.....	3,067,990	0.7%
	Total 20 largest shareholders.....	315,703,552	74.1%
	Other shareholders.....	110,161,425	25.9%
	<b>Total.....</b>	<b>425,864,947</b>	<b>100.0%</b>

---

As of 22 September 2005, the total number of Shares held by directors and executive officers of the Company, was in aggregate, 183 million shares, representing approximately 43% of the outstanding Shares prior to the Private Placement and the Subsequent Offering.

The following table sets forth the shareholdings of the shareholders that, to the Company's knowledge, hold more than 10% of the outstanding Shares of the Company as of 22 September 2005.

<b>Name of Beneficial Owner</b>	<b>Number of Shares Common Stock</b>	<b>Percentage of Common Stock</b>
DNO ASA	51,463,448	12.1%

The Company owns 99,996 own shares. Total cost price was NOK 117,000. These shares were originally purchased for the use of a bonus and incentive program in Ecuator ASA before the merger. The Company currently has no authorisation to purchase shares.

## **8.6 Dividend Policy**

Rocksource will strive to follow a dividend policy favourable to the shareholders. The amount of any dividends to be distributed will be dependent on, inter alia, the Company's investment requirements and rate of growth.

In addition, distribution of dividends will be considered against requirements in the optional take-out financing, demand for necessary working capital and planned investments decided by the Board.

## **8.7 Shareholder Policy**

The Company will adopt an open and active information policy, with particular emphasis on maintaining an open dialogue with the Company's shareholders and the stock market as a whole. The Board of the Company considers this an important means of ensuring that the share price reflects the Company's earnings and real values. Relevant information will be provided in the form of press releases, and, when appropriate, special letters to the shareholders. Standard reporting will come in the form of annual and quarterly reports. The Company emphasizes the importance of keeping its shareholders and the financial market updated on events which may be material to the valuation of the Company.

## **8.8 Shareholder Agreements**

Leading employees of the Company have entered into a lock-up agreement with Fondsfinsans, in relation to the private placement directed towards Fidelity conducted in June 2005, whereof each of the employees cannot sell or otherwise transfer any of the shares they own in Rocksource from and including 16 June 2005 to and including the expiry of the lock-up agreement. The lock-up agreement will expire on 15 December 2005.

The Board is not aware of any other shareholder agreements among its shareholders other than described above.

---

## **9 Financial information**

### **9.1 General**

The accounts are prepared in accordance with International Financial Reporting Standards (IFRS). All accounts prepared according to IFRS are unaudited. The figures for 2004 prepared under NGAAP have been audited. The audited financial figures for the years 2002 and 2003 are reflecting former Ecuator ASA before the merger with Amergy AS. Amergy AS was established on 9 March 2004.

The transition to IFRS took place when Amergy AS was established in March 2004. This was the acquiring company for accounting purposes in the merger with Ecuator ASA that was carried out in the autumn of 2004. Brief information on the transition from NGAAP to IFRS is included in section 9.9 below. For more detailed information on the IFRS transition see the interim financial statement for Q1 2005 in addition to Q2 2005 included in this Offering Circular as appendix 3. The comparison figures for Q2 2004 are the figures for Amergy AS.

Amergy AS (which merged with Ecuator in September 2004) acquired 20% of the shares in Rocksource Geotech in September 2004, and the merged Company held an option to buy the remaining 80% of the shares for NOK 150 million by July 1 2009. Rocksource acquired the remaining 80% of the shares in Rocksource Geotech in August 2005. As a result of this option, Rocksource Geotech was consolidated for accounting purposes from the acquisition date, 3 September 2004. The option agreement was exercised by Rocksource's wholly owned subsidiary, Ecuator Geotech AS, which entered into a merger agreement with Rocksource Geotech on 4 May 2005, according to which the latter would become a wholly owned subsidiary by Rocksource. The shareholders in Rocksource Geotech received 100 million shares in Rocksource as payment. The merger and associated increase in capital were registered 15 August 2005.

For a more detailed description of the segment information and turnover on separate geographical markets, please refer to the annual report for 2004, note 1, included in this Offering Circular as appendix 2.

### **9.2 Accounting principles IFRS**

#### **9.2.1 Consolidated accounts**

The consolidated accounts include the parent company and subsidiaries whereof the parent company directly or indirectly has controllable interests. The accounts for the subsidiaries are prepared on the basis of the same accounting principles as the parent company.

The consolidated accounts are prepared on the basis of all companies being one entity and all substantial transactions between consolidated companies are eliminated. The formation of the group is prepared in accordance with the acquisition method whereof the group's cost price are distributed on identifiable assets and liabilities based on real value at the time of the acquisition. The Company will allocate for estimated nominal value of deferred tax/tax benefit on excess /decreased value between accounting- and taxable values of assets and liabilities. The difference between total acquisition cost and the net value of identifiable assets and liabilities are recorded as goodwill.

The excess value that has been acquired by acquisitions and mergers is mainly regarded as being linked to personnel related expertise and geology experience, as well as to access/rights to technology that is promising and still being developed. The excess value can therefore not be classified as an identifiable asset or liabilities and has been classified as goodwill.

For consolidated foreign subsidiaries, the income statement is converted to Norwegian kroner using an average exchange rate for the accounting period, while the balance sheet items are converted using the exchange rate on the balance sheet date. Conversion difference are recorded as component of the group's financial statement.

The consolidated accounts include Rocksource ASA, Rocksource Energy Corporation and Rocksource Geotech AS.

---

### **9.2.2 Revenue recognition**

Revenues from activities are recognized when the title passes to the customer.

Revenues from the production of oil and gas properties will be recognized on the basis of the Company's net working interest in those properties, regardless of whether the production is sold (the entitlement method). Overlift and underlift of oil and gas follows from the entitlement method and is valued at its net realizable value on the balance sheet date. Overlift and underlift is calculated as the difference between the Company's share of production and its actual sales. Overlift and underlift is classified as other current liabilities/assets.

### **9.2.3 Current assets and short term liabilities**

Current assets and short term liabilities normally include items which fall due within one year after the last day of the account year and items linked to the goods in circulation. Current assets is valued to the lowest value of the acquisition cost and estimated

### **9.2.4 Fixed assets and long-term debt**

Fixed assets include assets determined to have enduring ownership and will be used in the business. Fixed assets are valued at cost. Fixed assets are recorded in the balance sheet and are depreciated using a linear method reflecting the estimated economic life time of the asset. Fixed assets are written down to the recoverable amount at a decline in value if it is expected that the decline is not temporary. The write-down shall be reversed insofar as the basis for the write-down ceases to exist.

Exploration and development costs for oil and gas properties are capitalized according to the successful effort method. All exploration costs, with the exception of license purchases and costs relating to drilling are charged to expenses as they are incurred. Development costs (including those relating to exploration drilling) are capitalized using continuous write-down testing. Capitalized costs are depreciated as from and including the year when commercial reserves are proven on the field. If reserves are not found, or if discoveries are assessed not to be technically and commercially recoverable, the drilling costs of exploration wells are expensed.

### **9.2.5 Shares in subsidiaries and related companies**

Shares in subsidiaries and related companies in the Company accounts are assessed using the cost method. The specification of the investments is shown in a note to the accounts.

### **9.2.6 Foreign currencies**

Cash items denominated in foreign currencies are converted using exchange rates on the balance sheet date. Realised and unrealized currency gains and losses are included in the annual profit (loss). Foreign currency transactions are recorded using exchange rates on the date of transaction.

### **9.2.7 Receivables**

Accounts receivables and other receivables are recorded in the balance sheet to their nominal value after deduction of allocation of foreseeable losses.

### **9.2.8 Deferred taxes**

Deferred taxes are computed according to the liability method. Based on the tax rates and tax provisions applicable on the balance sheet date, deferred taxes are computed on temporary differences between the carrying amount of the Company's assets and liabilities in the financial statements and the carrying amount of the Company's assets and liabilities for tax purposes. Deferred tax benefits and deferred tax liabilities in the same tax regime are netted in the balance sheet. Capitalisation of deferred tax benefit presupposes that future application can be rendered possible.

### **9.2.9 Transition to IFRS**

The IFRS currently do not specify any industry-specific standard for oil and gas activities, and IFRS 6 allows the continued application of previously used principles. Nonetheless, the Group has chosen to start using successful effort instead of full cost, see comments under Fixed Assets above.

### 9.3 Profit and loss account for Rocksource ASA (consolidated)

All figures are stated in NOK 1,000	As per 30.06.2005 (IFRS)	As per 30.06.2004 (IFRS)	2004 (IFRS)	2003* (NGAAP)	2002* (NGAAP)
Revenue	1,782	-	219	71	0
<b>Total operating income</b>	<b>1,782</b>	<b>-</b>	<b>219</b>	<b>71</b>	<b>0</b>
Operating costs, oil & gas	1,765	-	215	-	-
Payroll and related costs	1,508	-	1,592	0	0
Depreciation and amortization	610	-	1,110	0	0
Impairment loss on fixed assets	-	-	32,578	0	10,500
Other operating expenses	11,197	763	7,006	722	1,056
<b>Total operating expenses</b>	<b>15,080</b>	<b>763</b>	<b>42,501</b>	<b>722</b>	<b>11,556</b>
<b>Operating result</b>	<b>-13,298</b>	<b>-763</b>	<b>-42,282</b>	<b>-651</b>	<b>-11,556</b>
Financial income	208	-	363	6	8
Financial expenses	730	-	615	63	87
<b>Net financial items</b>	<b>-522</b>	<b>-</b>	<b>-253</b>	<b>-57</b>	<b>-79</b>
<b>Result</b>	<b>-13,820</b>	<b>-763</b>	<b>-42,534</b>	<b>-708</b>	<b>-11,635</b>
Majority share of profit	-12,501	-763	-41,824		
Minority share of profit	-1,319	-	-710		
Result per share	-0.046	-0.763	-0.286	-0.016	-0.283
Diluted result per share	-0.046	-0.763	-0.286	-0.016	-0.283

\* Financial figures for 2003 and 2002 are the audited financial figures for Ecuator ASA before the merger with Amergy AS.



#### 9.4 Balance sheet for Rocksource (consolidated)

All figures are stated in NOK 1,000	30.06.2005 (IFRS)	30.06.2004 (IFRS)	2004 (IFRS)	2003* (NGAAP)	2002* (NGAAP)
<b>ASSETS</b>					
<b>FIXED ASSETS</b>					
Intangible fixed assets	110	-	41	-	-
Goodwill	154,563	-	117,534	0	0
<b>Total intangible fixed assets</b>	<b>154,673</b>	<b>-</b>	<b>117,575</b>	<b>0</b>	<b>0</b>
<b>TANGIBLE FIXED ASSETS</b>					
Oil and gas properties	10,485	-	947	-	-
Capitalised development expenses	-	-	-	10,550	10,550
Furniture, fixtures and office machines	198	-	85	0	0
<b>Total tangible fixed assets</b>	<b>10,684</b>	<b>-</b>	<b>1,032</b>	<b>10,550</b>	<b>10,550</b>
<b>CURRENT ASSETS</b>					
<b>Short term receivables</b>					
Trade receivables	851	-	-	0	0
Other receivables	4,487	-	1,009	0	0
<b>Total receivables</b>	<b>5,338</b>	<b>-</b>	<b>1,009</b>	<b>0</b>	<b>0</b>
Bank deposits	61,297	110	25,544	465	23
<b>Total current assets</b>	<b>66,635</b>	<b>110</b>	<b>26,553</b>	<b>465</b>	<b>23</b>
<b>TOTAL ASSETS</b>	<b>231,992</b>	<b>110</b>	<b>145,160</b>	<b>11,015</b>	<b>10,573</b>
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
Share capital	81,466	100	74,060	10,771	10,271
Own shares	-25	-	-25	-72	-29
Share premium reserve	10,678	-	-	500	0
Equity not registered	114,000	-	-	-	-
Other equity	-	-763	-49,066	-859	-194
Minority interests	-	-	117,373	-	-
<b>Total equity</b>	<b>206,119</b>	<b>-663</b>	<b>142,342</b>	<b>10,340</b>	<b>10,048</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade payables	2,846	-	2,088	0	0
Debt to financial institutions	20,129	-	-	0	0
<b>Total current liabilities</b>	<b>2,898</b>	<b>773</b>	<b>730</b>	<b>675</b>	<b>525</b>
<b>Total liabilities</b>	<b>25,873</b>	<b>773</b>	<b>2,818</b>	<b>675</b>	<b>525</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>231,992</b>	<b>110</b>	<b>145,160</b>	<b>11,015</b>	<b>10,573</b>

\* Financial figures for 2003 and 2002 are the audited financial figures for Ecuator ASA before the merger with Amergy AS.

## 9.5 Cash flow statement for Rocksource (consolidated)

All figures are stated in NOK 1,000	30.06.2005 (IFRS)	30.06.2004 (IFRS)	2004 (NGAAP)	2003* (NGAAP)	2002* (NGAAP)
<b>Operational activities</b>					
Result before tax	-13,820	-763	-42,534	-708	-11,635
Depreciation and amortization	610	-	1,110	0	10,500
Impairment of fixed costs	-	-	32,578	0	87
Changes in other current bal.sheet items	-365	773	-6,539	150	525
Effect of changes in exchange rates	15	-	65	0	0
<b>Net cash flow from operational activities</b>	<b>-13,561</b>	<b>10</b>	<b>-15,320</b>	<b>-558</b>	<b>-523</b>
<b>Investing activities</b>					
Investments in tangible assets	-10,139	-	-483	0	0
Cash flow from sale of assets	208	-	-	0	0
Cash flow from changes to the group	-	-	750	0	0
Effect of changes in exchange rates	-410	-	-224	0	0
<b>Net cash flow from investing activities</b>	<b>-10,341</b>	<b>-</b>	<b>43</b>	<b>0</b>	<b>0</b>
<b>Financing activities</b>					
Proceeds from issue of long term debt	19,080	-	-	0	0
Merger costs	-426	-	-	0	0
Capital increase	40,934	100	40,413	1,000	0
Effect of changes in exchange rates	-	-	-	0	0
<b>Net cash flow from financing activities</b>	<b>59,588</b>	<b>100</b>	<b>40,413</b>	<b>1,000</b>	<b>0</b>
Exchange rate changes	67	-	57	0	0
<b>Net change in cash</b>	<b>35,753</b>	<b>110</b>	<b>25,079</b>	<b>442</b>	<b>-557</b>
<b>Cash at start of period</b>	<b>25,544</b>	<b>-</b>	<b>465</b>	<b>23</b>	<b>580</b>
<b>Cash at end of period</b>	<b>61,297</b>	<b>110</b>	<b>25,544</b>	<b>465</b>	<b>23</b>

\* Financial figures for 2003 and 2002 are the audited financial figures for Ecuator ASA before the merger with Amergy AS.

## 9.6 Profit and loss account for Rocksource Geotech AS

All figures are stated in NOK 1,000	As per	
	30.06.2005 (IFRS)	31.12.2004 (NGAAP)
Revenue	0	75
<b>Total operating income</b>	<b>0</b>	<b>75</b>
Operating costs, oil & gas	0	0
Payroll and related costs	522	188
Depreciation and amortization	3	0
Other operating expenses	2,725	793
<b>Total operating expenses</b>	<b>3,521</b>	<b>981</b>
<b>Operating result</b>	<b>-3,521</b>	<b>-906</b>
Financial income	18	18
Financial expenses	5	0
<b>Net financial items</b>	<b>13</b>	<b>18</b>
<b>Result</b>	<b>-3,238</b>	<b>-888</b>

## 9.7 Balance sheet for Rocksource Geotech AS

	30.06.2005	20.06- 31.12.2004
All figures are stated in NOK 1,000	(IFRS)	(NGAAP)
<b>ASSETS</b>		
<b>FIXED ASSETS</b>		
Intangible fixed assets	110	411
Goodwill	139,403	0
<b>Total intangible fixed assets</b>	<b>139,513</b>	<b>41</b>
<b>TANGIBLE FIXED ASSETS</b>		
Furniture, fixtures and office machines	17	20
<b>Total tangible fixed assets</b>	<b>17</b>	<b>62</b>
<b>CURRENT ASSETS</b>		
<b>Short term receivables</b>		
Trade receivables	-	81
Other receivables	825	141
<b>Total receivables</b>	<b>825</b>	<b>222</b>
Bank deposits	2,001	4,165
<b>Total current assets</b>	<b>2,826</b>	<b>4,386</b>
<b>TOTAL ASSETS</b>	<b>142,356</b>	<b>4,448</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	10,100	125
Own shares	-	-
Share premium reserve	18,500	4,091
Other equity	-2,118	-
<b>Total equity</b>	<b>26,482</b>	<b>4,216</b>
<b>LIABILITIES</b>		
<b>Long term liabilities</b>		
Other provisions	-	-
Other long term liabilities	114,000	-
<b>Total long term liabilities</b>	<b>114,000</b>	<b>-</b>
<b>Current liabilities</b>		
Trade payables	1,763	119
Public taxes	-	84
Foreign currency loan	-	-
Current liabilities	111	28
<b>Total liabilities</b>	<b>115,874</b>	<b>231</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>142,356</b>	<b>4,448</b>

## 9.8 Pro forma figures for Rocksource

On 3 September 2004 Rocksource Geotech AS carried out a share issue directed towards Amergy AS (which merged with Ecuator ASA) of NOK 5 million, whereof Amergy AS became the owner of 20% of the shares in Rocksource Geotech AS. Rocksource ASA also received an option to acquire the remaining 80% of Rocksource Geotech. In accordance with IAS 27, Rocksource received through this option control over Rocksource Geotech AS as defined under IFRS. Rocksource Geotech has as a consequence been consolidated in the accounts from and including 2004. In the period from the establishment in June 2004 to the date of the share issue on 3 September 2004, Rocksource ASA has allocated costs of NOK 224,000 in Rocksource Geotech. The factual acquisition of the remaining 80% in May 2005 was financed through an issuance of shares in Rocksource ASA. Rocksource Geotech AS was through this share issue valued to NOK 149 million.

The pro forma figures for 2004 and 2003 are set out in note 12 in the annual report for Rocksource ASA, which is included as appendix 2 to this Offering Circular.

The Company is of the opinion that proforma figures for Rocksource will have no information value beyond what is presented above.

## 9.9 Transition to International Financial Reporting Standards (IFRS)

Rocksource ASA has conducted an analysis of the differences between NGAAP and IFRS, and the reconciliation below shows a summary of the effects on the equity and results. See also the half-year report for 2005 included in this Offering Circular as appendix 3.

The date of the transition from NGAAP to IFRS is the date when Amergy AS was formed (March 2004). At that time, there were no differences between NGAAP and IFRS, so no reconciliation has been prepared for the opening balance sheet on the transition date.

Reconciliation of transition to IFRS Accounting year 2004	Accounting year 2004	
	Equity 31.12.2004	Result 2004
NGAAP	28,799	-44,031
Goodwill – reversed amortisation	101	101
Consolidation Rocksource Geotech AS	113,403	-597
Merger - Changed implementation date	0	2,130
Rocksource EC – conversion to "successful effort" method	39	-136
<b>IFRS - incl. minority interests</b>	<b>142,342</b>	<b>-42,534</b>

The quarterly figures for 2004 consist of those for Amergy AS. There is no accounting difference between NGAAP and IFRS.

## 9.10 Outstanding Bond Loan

The Company issued a 15 per cent Senior Bond Loan 2005/2006 with a borrowing limit of USD 3,450,000 with a call option for Rocksource. The net proceeds of the loan is employed in its entirety for the financing of the acquisition of the 35% interest in the New Ace Field.

The loan was issued on 1 May 2005 and will mature on 30 April 2006. Rocksource draw a total of USD 2,999,984 of the loan on 3 May 2005, equalling 86.95% of the borrowing limit. Upon maturity, Rocksource shall reimburse 100% of the outstanding loan amount. Rocksource shall pay an interest of 15 per cent.

The Company has a call option in order to reimburse the loan at their own discretion.

The Bond loan is registered in the VPS with ISIN number: NO 001 0265655.

## 9.11 Auditor

The Company's auditor is Ernst & Young AS, Christian Frederiks plass 6, P.O.Box 20, 0051Oslo, Norway. Ernst & Young has been the Company auditor since the merger in 2004. Ernst & Young has also been Amergy's auditor since its inception. Torkel Hurvenes AS has been Ecuator's auditor since the establishment of the Company prior to the merger.

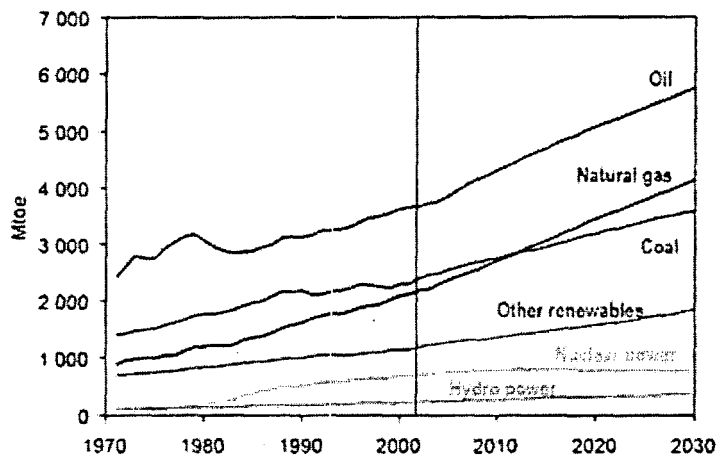
## 10 Market status and outlook

The Company will operate within the oil and gas markets in addition to geo services and mining (minerals and metals). The following description of the market and outlook is divided into two segments; oil & gas industry and the mining industry (in particular the gold market).

### 10.1 The world energy market

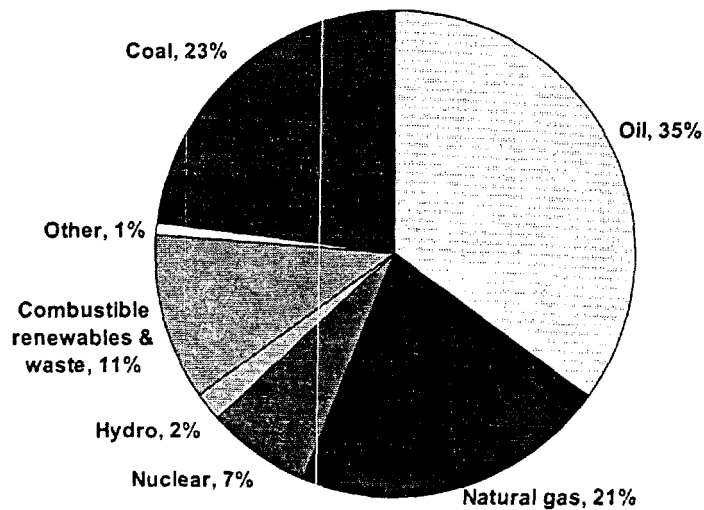
Oil and gas constitute more than 50% of total energy consumption and are expected to be the most important energy sources in the foreseeable future. Demand for oil and gas is expected to remain at high levels and continue to increase.

World primary energy demand



Primary energy consumption increased by 4.3% in 2004. The strongest rise was in Asia Pacific, up by 8.9%, while North America recorded the weakest growth at 1.6%. Coal remained the fastest growing fuel, rising 6.3% globally. Oil consumption grew by 3.4%, the most rapid rate since 1986. Natural gas use rose by 3.3%. Hydroelectric and nuclear generation also experienced strong growth, rising 5% and 4.4%, respectively. Total primary energy consumption is projected to be 139.1 quadrillion btu in 2025.

World primary energy consumption



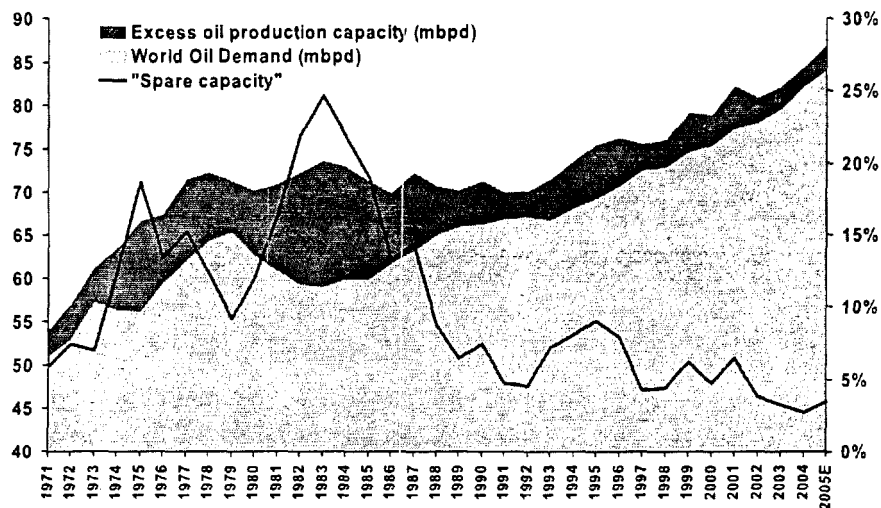
## 10.2 Oil & gas fundamentals

### 10.2.1 Production capacity

World oil demand has grown by 21% since 1993. World demand for gas has increased at a faster rate than that of oil. Natural gas demand is up 25% since 1993, to nearly 2,600 billion cubic meters in 2003 (2004 figures not available yet). According to IEA, the world will be using 90 million barrels of oil in 2010 and world gas demand is expected to increase to more than 3,200 billion cubic meters. Estimates of oil demand were revised sharply upwards higher through 2004 and preliminary figures show an increase of 2.65 mbd, or 3.3% from 2003. For 2005, IEA expects oil demand to increase by 1.5 mbd, or 1.8%.

Except for the period 1979-1982, demand has grown every year since 1971. This, combined with only moderate growth in production capacity, has reduced the world's production buffer. On top of this, production in many fields in the OECD area are likely to peak in the next couple of years and start declining, although the impact of last year's price surge has made this more uncertain.

Overview of oil production capacity



Source: BP/Pareto

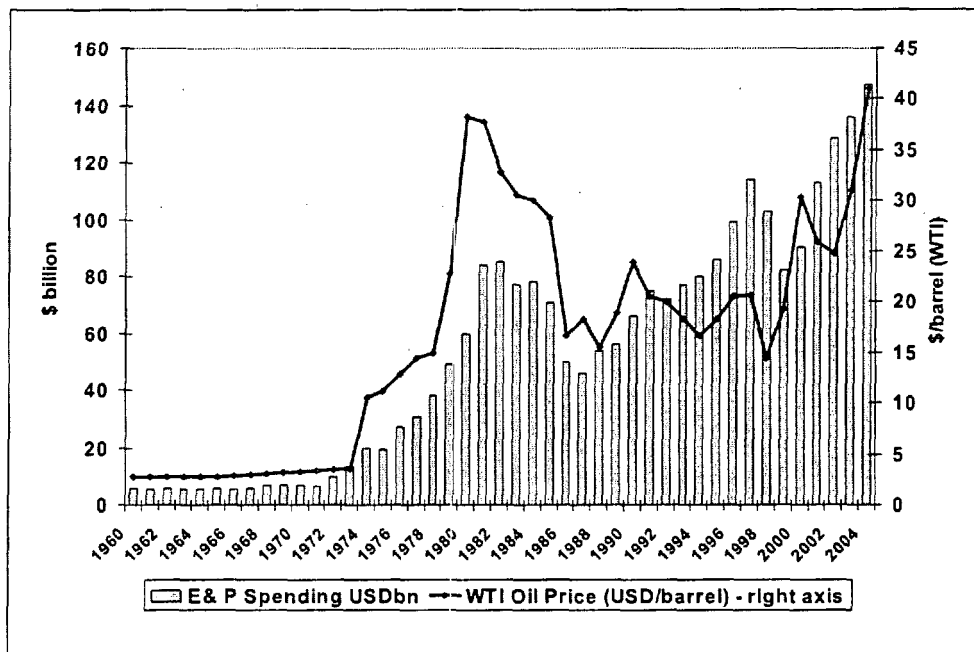
In the mid 1980s, there was a significant surplus capacity in the oil market (developed production capacity in relation to consumption). During the 1990s, a significant growth in consumption was not compensated through a corresponding increase in production capacity, implying a much more balanced ratio of supply and demand. Oil market experts disagree on the actual size of the remaining capacity surplus, but there seems to be consensus that the surplus is significantly lower than what it has been historically.

### 10.2.2 Investments in exploration and development

Despite strong oil prices from late 1999, oil companies have until recently been reluctant to increase exploration and production spending accordingly. Until mid 2003 the high prices were more a result of OPEC's success in controlling the supply side rather than growing demand. However, since then the situation has changed and oil demand has shown a strong y/y growth. Since there is currently only about 1% excess production capacity world-wide, increased exploration and production activity is expected.

Exploration and production spending worldwide were up some 10% in 2004 and is estimated to grow by 5-6% in 2005 (Salomon Smith Barney's exploration and production spending survey from January 2005). It is worth mentioning that an early survey for 2004 spending, published in December 2003, originally estimated a growth of 4%.

Oil price and World E&P Spending



Source: Smith Barney/Pareto

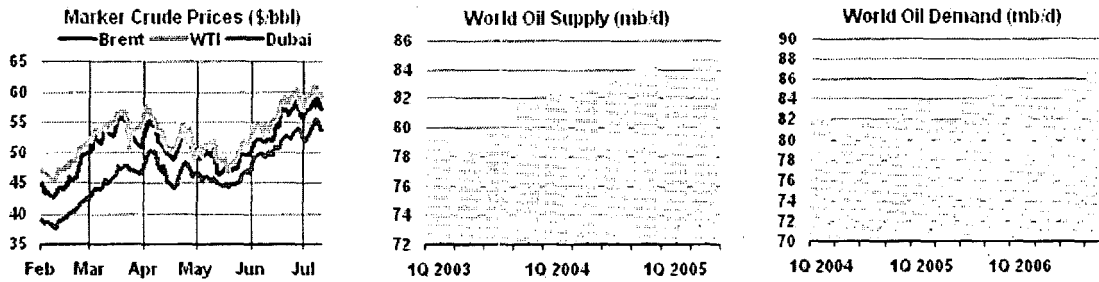
This situation is aggravated through recently published information regarding the actual reserves held by the major oil companies (ref. Shell's downgrading of its reserves by 20%), and examinations of variations between when oil companies initially report discoveries and when they actually make the finds. As reporting of reserves includes upgrades of previously announced estimates, these reports can, over time, be expected to substantially surpass new commercial finds.

### 10.3 World oil market

#### 10.3.1 Oil consumption

Oil consumption growth in 2004 was the largest in volume terms since 1976. Consumption grew by almost 2.5 million barrels per day (b/d), more than double the 10-year average rate. Chinese oil consumption rose by nearly 900,000 b/d, or just under 16%. Growth was a global phenomenon, with consumption in all regions rising above the 10-year average rate on the back of a strong world economy. Global oil production exceeded 80 million b/d for the first time in 2004. OPEC continued to gain market share as output rose by 2.2 million b/d, or 7.7%, to 32.9 million b/d. Iraqi and Venezuelan supplies rebounded, but remained below previous peaks. Saudi Arabian output reached a record 10.6 million b/d. Oil production outside OPEC increased by 965,000 b/d in 2004, some 200,000 b/d above the 10-year average. Russia once again was the leading contributor, with output rising nearly 750,000 b/d, although growth slowed later in the year. Angola, Chad, Ecuador, Equatorial Guinea and Kazakhstan all registered growth of more than 100,000 b/d. The largest declines were once again in the UK, down by 230,000 b/d, and the USA, down by 160,000, where Hurricane Ivan caused late-year losses.





Source: International Energy Agency

This situation is aggravated through recently published information regarding the actual reserves held by the major oil companies (ref. Shell's recent downgrading of its reserves by 20%), and examinations of the difference between when oil companies report their reserves and when they actually make the discoveries. As reporting of reserves will include upgrades of previously announced estimates, these reports would over time be expected to substantially surpass new commercial finds. In view of the normal delays between exploration and actually proving the fields, one would expect to see the discouraging development to continue and grow during the next few years, considering the dismal levels of exploration during the late 1990s.

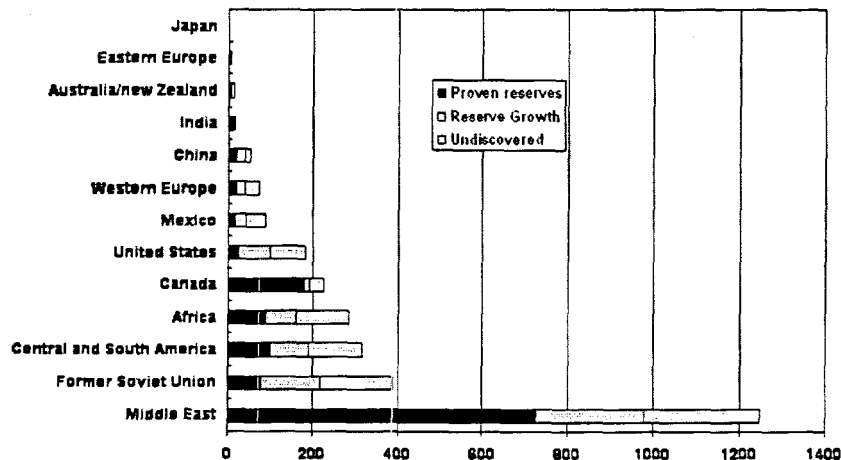
### 10.3.2 World Proven oil reserves

The scenario for the future of oil for the long-term, as set out above, was first evolved in the early 1980s: at a time when there were major fears over the ability of oil resources to meet even relatively near-future demands. All supply prospects were estimated to a high-probability outlook, even in the context of an anticipated growth rate in oil use of over 2% per annum. This showed that world oil production need not peak until post-2050 at which time reserves availability might finally constrain the expansion of oil use.

Onshore reserves of oil have been sought and developed for over 130 years. The exploitation of offshore oil, on the other hand, dates back little more than 30 years (except for the shallow water exploitation of fields which were essentially the continuation of onshore activities - in Lake Maracaibo, the Caspian Sea and US Gulf of Mexico waters). To date, almost 400 billion barrels of offshore oil have been discovered of which some 50 billion have been used. The remaining offshore reserves of some 350 billion barrels presently account for about 33% of the world total and account for about the same percentage of world production. Proven (or identified) reserves of oil in discovered fields seem likely to expand by about 50% over the next 30 years.

Below is an overview of the proven and undiscovered reserves in the world estimated from 1995-2025.

World reserves



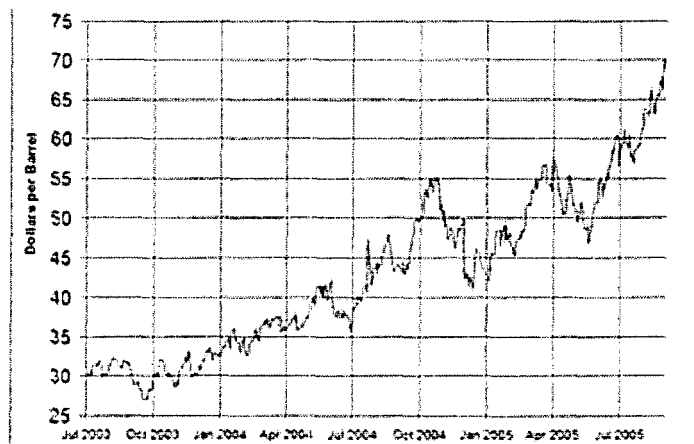
Source: IEA

New fields will continue to be discovered, both onshore and offshore to create an additional + 600 billion barrels of reserves. Given the continuity of the present structure and organisation of the international oil industry, progress in achieving such reserves additions through discoveries will be orientated somewhat more heavily to the offshore than the present 33% contribution, providing that the transition to deeper waters' development (as in the East Atlantic margin) can be successfully made.

### 10.3.3 Oil prices

The price of light, sweet crude oil on NYMEX was under \$25/barrel in September 2003. By August 11, 2005, the price had been above \$60/barrel for over a week and a half. A record price of \$70.85 per barrel was reached on August 29, 2005. While oil prices are considerably higher than a year ago, they are still far from exceeding the inflation-adjusted "peak of the 1980 shock, when prices were over \$90 a barrel in today's prices" In the United States gasoline prices reached an all time high during the first week of September 2005 in the aftermath of Hurricane Katrina. The average retail price was nearly \$3.04 per gallon. The previous high was \$1.38 per gallon in March 1981, which would be \$3.03 per gallon after adjusted for inflation.

Oil Prices, 2003-2005 /NYMEX Light Sweet



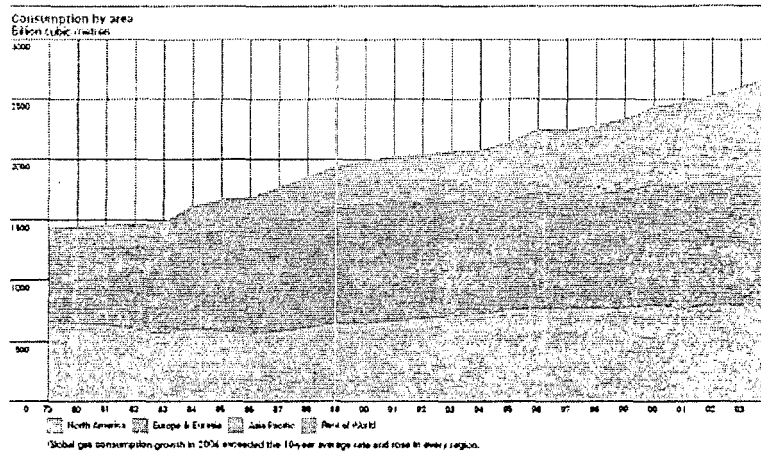
## 10.4 Natural Gas World Market

Natural gas is an important source of fuel, and stands for close to 25% of the world's energy consumption compared to 38% for oil. The strong growth in consumption of natural gas is primarily due to environmental concerns, power plant expansions, and increased cost effectiveness of gas plants.

According to IEA, the world gas demand is expected to increase to more than 3,300 billion sq.m in 2010.

World natural gas consumption grew by 3.3% in 2004, compared with a 10-year average of 2.3%. Consumption in the USA, the world's largest market, stagnated in the face of high prices and industrial restructuring. Outside the USA, gas consumption rose by 4%, with the largest gains in Russia, China and the Middle East. Gas production rose in every region except North America, where US output continued to decline. In Europe, growth in the Netherlands, Russia and Norway more than offset the ongoing decline of UK output. International trade in natural gas increased by 9% in 2004. Pipeline shipments rose by more than 10%. Russia accounted for the largest increment, but growth was widely distributed across the world. Shipments of liquefied natural gas (LNG) rose by 5.4% last year below the 2003 growth rate. Algerian exports fell by 8% because of an accident at the Skikda liquefaction plant. US LNG imports continued to rise rapidly, up 29%, while Japanese imports declined by 3.5% as nuclear plants returned to operation following shutdowns in 2003.

### Global consumption of Natural Gas

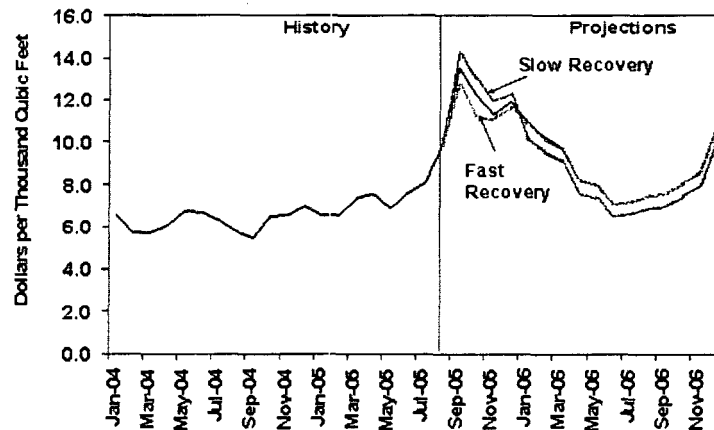


Source: BP

EIA expects natural gas to be the fastest-growing component in global energy consumption, and estimates global natural gas demand to grow from 91 tcf in 2001, to 115 tcf in 2010, i.e. an annual growth rate of about 2.6%. Total energy demand is expected to grow at an annual rate of 2.0% in the 2001 – 2010 period, with oil averaging 1.7%.

Russia is itself a large single consumer of natural gas and has the largest natural gas reserves in the world with distribution developed through a large network of pipelines. Other large consumers such as the US, Korea, Japan and Western Europe however, do not have sufficient indigenous natural gas reserves to meet demand. Consequently, a large part of the natural gas reserves will have to be transported over long distances and distributed to end users to be exploited.

Natural gas spot prices (medium recovery and side cases)



Source: EIA

Since the mid-1970s, world natural gas reserves have generally trended upward each year. In 2004, worldwide reserve estimates increased for the ninth consecutive year. As of January 1, 2004, proved world natural gas reserves, as reported by Oil & Gas Journal, were estimated at 6,076 trillion cubic feet—575 trillion cubic feet (10%) more than 2003. The developing world accounted for virtually all the increase in proved reserves.

---

#### 10.4.1.1 US Natural Gas

The United States had large natural gas reserves and was essentially self-sufficient in natural gas until the late 1980s when consumption began to significantly outpace production. Imports rose to make up the difference, nearly all coming by pipeline from Canada, although small volumes were brought by tankers in liquefied form from Algeria, and in recent years from a few other countries as well. Net imports, as a share of consumption, more than tripled from 1986 to 2000.

The Henry Hub natural gas spot price is expected to average \$8.82 per thousand cubic feet (mcf) in 2005 and \$8.42 per mcf in 2006 in the Medium Recovery case. Depending on the speed of recovery from the supply losses in the Gulf of Mexico due to Katrina, the average price across the recovery cases for the fourth quarter of 2005 ranges from \$11 to \$13 per mcf. On an annual basis, the range is around \$8.75 per mcf to \$9.14 per mcf in 2005. In August, the Henry Hub natural gas spot price averaged over \$9 per mcf, as hot weather in the East and Southwest increased natural gas-fired electricity generation for cooling demand and crude oil prices increased. The natural gas market is likely to stay tight over the next couple of months, particularly in light of the supply impacts from Katrina. Spot prices are expected to ease going into 2006 as the effects of Katrina fade. However, prices at the Henry Hub are likely to remain above \$10 per mcf until peak winter demand is over.

Depending on the region of the country, increases for 2005 natural gas spot prices are expected to range between 37 and 50 percent above the 2004 averages under the Medium Recovery case. Citygate prices (prices that natural gas utilities pay at the point where they take delivery) and end-use prices (prices charged by utilities for natural gas delivered to end-use customers, including distribution or other charges not included in the utilities' natural gas costs) are expected to exhibit double-digit percent increases for the second year in a row in most regions. For the upcoming winter, pressure on delivered natural gas prices may be sharpest in regions where heating demands are likely to increase the most, such as in the central portion of the United States.

---

## 11 Risk factors

*The following risk factors are particular important for any evaluation of the Company's risk profile.*

*The factors discussed in the following section are considered to represent the most important risk factors affecting the Company's earnings and value. However, the risks discussed below are not the only ones that may affect the shares in the Company. Additional risks not presently known to the Company or that the Company currently considers immaterial may also affect the value of the shareholders' investments in the Company.*

### 11.1 General

The Company's risk profile will be dependent on developments in the main areas of activity in which it is involved. The Company's main interests are in:

- Exploration and acquisitions of oil and gas reserves
- Technological developments within geo-science technology

The risks discussed below are divided into the areas which the Company will operate.

### 11.2 Exploration and development of oil and gas reserves

#### 11.2.1 Operational risk

*Oil and Gas prices are volatile*

The future financial condition, results of operations and the value of the Company's oil and gas properties depend primarily upon market prices for oil and natural gas. Oil and gas prices have historically been volatile, and will likely continue to be volatile in the future. The prices for oil and gas are subject to wide fluctuations in response to a variety of factors beyond our control, including changes in the supply of and demand for oil and gas, market uncertainty, worldwide economic conditions, weather conditions, political conditions and/or war, especially in the Middle East, and actions taken by OPEC and other producing nations to influence global production levels. These factors and the volatility of the energy markets make it impossible to predict future oil and gas price movements with certainty. Declines in oil and gas prices for an extended period could negatively affect the business of the Company.

*Risk for not finding commercial recoverable oil and gas reserves*

Exploration for and development of oil and gas reserves is speculative, high risk and capital intensive. These risks can include dry holes and discovered reserves that are not commercially recoverable. Reservoir modelling data, 3D seismic data and electromagnetic data used by the Company give indications that reserves are present, but there can be no assurance that the estimated reserves contains the indicated amount of oil or gas before one or more wells are drilled. Drilling oil and gas wells requires significant capital expenditure and involves a high degree of financial risk. The costs of drilling, completing and operating wells may exceed planned budgets and can increase significantly when drilling costs rise. Drilling costs may rise for any reason, including adverse weather conditions, compliance with environmental and other governmental requirements and shortages or delays in the availability of drilling rigs or equipment. The successful drilling of an oil or gas well does not ensure a profit on investment. A variety of factors, both geographical and market-related may cause drilling activities to be unsuccessful, which would negatively affect the results of operations and financial condition of the Company.

*Risk for inaccurate oil and gas estimates*

There are considerable uncertainty factors in estimating the size and value of the estimated reserves. The reservoir technique is a subjective and inexact process where the estimation of the accumulation of oil or natural gas in the property cannot be accurately measured. Geological, technical and production data upon which estimates are based may prove to be inaccurate. Actual results will likely differ from estimates, and the difference may be material. Any material differences could cause the actual amounts of oil and gas ultimately produced and the future net cash flows of the Company to be materially different from the estimates in the reserves report.

---

*The costs and risks involved in acquiring oil and gas properties and operations may negatively affect the Company's financial condition*

The Company acquires oil and gas reserves as part of its business. The acquisition of oil and gas properties may in the future involve taking over existing operations. The process of integrating existing operations may result in unforeseen operating difficulties and require significant management attention and financial resources. In light of these risks, the Company may incur unforeseen expenses, additional debt or contingent liabilities, any of which could have a material adverse effect on its financial condition and operating results.

*Reserves on properties acquired may not meet expectations*

The acquisition of oil and gas properties involves uncertainties and requires an assessment of several factors, including recoverable future reserves, future oil and gas prices, operating costs, potential environmental and other liabilities, and other factors beyond the control of Rocksource. Because these assessments are based on assumptions and estimates, it is impossible to accurately predict a property's production and profitability. As a result, actual production from a particular acquisition may differ materially from original estimates, which may negatively affect the Company's financial condition and results of operations.

*Competition*

Many companies and individuals are engaged in the acquisition of producing oil properties and the exploration for oil and gas. Many of these companies possess financial resources far greater than those of the Company. In addition, larger competitors may be able to absorb the burden of any changes in local, national and environmental laws and regulations more easily than the Company, which could adversely affect the competitive position of the Company.

There is a high degree of competition for desirable leases, suitable prospects for oil and gas exploration and attractive opportunities for the acquisition of producing properties with upside development potential.

*Governmental Regulations*

Many aspects of the oil and gas business are subject to federal regulations. These include, but are not limited to the rate of production and rules relating to environmental protection and pollution control. Moreover, many areas are undergoing change and may be affected by proposed regulations that have not yet been promulgated.

In the future there may be additional environmental controls composed by these governmental bodies that may require the Company to make significant expenditures. In addition, there may be hazards such as pollution against which the operator of property cannot insure or will not insure because of the premium costs involved or for other reasons.

The production and drilling of any oil and gas properties will be affected to some degree by state regulations. The state in which the Company will operate has statutory provisions regulating the drilling, production, and sale of oil and gas, including provisions regarding deliverability.

Such statutes and the regulations promulgated in connection therewith are generally intended to prevent waste of oil and gas and to protect correlative rights to produce oil and gas between owners of a common reservoir. Certain state regulatory authorities also regulate the amount of oil and gas produce by assigning allowable rates of productions to each well or production unit.

### **11.2.2 Financial risk**

*Additional Capital Requirements*

Management believes that the capital raised from the cash issue will be sufficient to cover costs related to the Company's oil and gas operations. However, there can be no guarantee that the Company may not require additional funds, either through additional equity offerings or debt placement in order to continue operating and to seek profitability. Such additional capital may result in dilution to the Company's shareholders, or result in increased expenses and decreased returns to the Company's shareholders. The venture's ability to meet short-term and long-term financial commitments will depend on the future cash flows generated from operations. There can be no assurance that future profits or subsequent securities offerings will generate enough funds to meet the Company's financial commitments.

---

## **11.3 Risks connected to the geo-science technological developments**

### **11.3.1 Operational risks**

#### *Risk for inaccurate oil and gas estimates*

There are considerable uncertainty factors in estimating the size and value of the estimated reserves. The reservoir technique is a subjective and inexact process where the estimation of the accumulation of oil or natural gas in the property cannot be accurately measured. In order to evaluate the recoverable reserves, a number of geological, geophysical, technical and production data may prove to be inaccurate. Estimated reserves may therefore be adjusted downward of upward.

#### *Risk connected with the development of the new and improved electromagnetic method*

Current use of electromagnetic energy is associated with uncertainties related to resolution, subsurface geological complexity, modelling algorithms, noise and more. Better control of the uncertainty parameters demands inter-disciplinary research to understand the complexity of the method combined with suitable modelling algorithms to understand and interpret the recorded data.

#### *Risk for technological change*

The Company's ability to compete is highly dependent upon, among other things, its ability to utilize geo-related services and data of a competitive quality. Because of the significant technological changes that have already taken place, for instance with respect to 3D and 4D seismic data acquisition and processing and those that may occur in the future, the Company is generally dependent on its ability to keep pace with changes and improvements in data acquisition and processing technologies.

#### *Competition*

Many oil and gas companies acquire seismic data primarily for their own use, while other companies develop and maintain their own seismic data libraries for sale to third parties. Competition for available seismic surveys is based on a number of competitive factors, including technology, price, performance a.s.o. In addition, the Company's ability to be among the first to successfully utilize the electromagnetic data in onshore settings provides a competitive edge.

## **11.4 Risks connected to exploration and development of minerals and metals**

### **11.4.1 General**

The Company's prospects, many of which are in the exploration stage, will only be developed if the exploration is successful. Mineral exploration involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. The long-term profitability of the Company will in part depend on the cost and success of its exploration programs.

### **11.4.2 Market risks**

#### *Government Regulations*

The future operations of the Company will, from time to time, require permits from governmental authorities and will be governed by laws and regulations regarding prospecting, development, mining, taxation, employment standards, occupational health, waste disposal, land use, environmental protection, mine safety, and other matters. The Company may in the future need to apply for permits from different authorities. Companies engaged in the exploration and development of resource properties can experience increased costs as a result of the need to comply with applicable laws, regulations and permits as they change in the future. There can be no guarantee that the Company will be able to anticipate these events and therefore the Company cannot guarantee that these events cannot have a negative effect on the future success of the Company.

#### *Political risk*

The Company may conduct business in countries outside Western Europe and North America where the risks of political corruption, revolution or asset nationalization are more pronounced. These risks are outside our control and, if they come into play they may have a material adverse effect on our results of operations.

---

### *Environmental Factors*

All phases of the Corporation's operations are subject to environmental regulations in the various jurisdictions in which it operates. Environmental legislation may evolve in a manner, which in the future may require stricter regulations, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors, and employees. There are no assurances that future changes in environmental regulations, if any, will not adversely affect the Corporation's operations. Compliance with respect to environmental regulations, closure and other matters may involve significant costs and/or other liabilities. Non Governmental Organizations (NGO) generally being against mining will also from time to time criticize the Corporation's operations and development plans. There is no guarantee that these NGO's will not adversely influence local governments with regards to required permits for exploration and/or mining operations.

### **11.4.3 Operational risks**

#### *Permits and licenses*

The Company holds exploration permits and licenses in Ecuador. The Company also holds mining permits and applications for such, which will replace the exploration permits. Many of these licenses are subject to certain conditions. The Company has no reason to expect that the conditions will not be fulfilled or that these permits will not be granted, however, the Company cannot guarantee that such conditions will remain to be fulfilled and that all necessary permits will be granted for specific projects.

#### *Competition*

The E&P industry is highly competitive in all phases and the Corporation will be competing with many established companies, which may have greater financial and technical resources. The Corporation cannot guarantee that this competition will not have an adverse effect either now, or at some time in the future, on the Corporation's ability to acquire, explore, and develop mineral resource deposits.

### **11.4.4 Financial risk**

#### *Requirement of New Capital*

The Company might require new equity in the future in order to be able to continue the exploration programs and the possible development of the Company's projects. Failure to obtain financing if or when needed may require the Company to either scale back or discontinue one or more of its exploration and development programs or sell properties and projects at prevailing market price.

#### *Currency Risk*

Currency fluctuations will affect the cash flow which the Company will realize from its operations. Gold is quoted in US dollars and sold in the world market.



---

## 12 Tax implications

*The presentation below is a summary based on current Norwegian tax law only. As such, it is general in nature, and shareholders themselves must assess whether their own particular circumstances might indicate solutions other than those outlined below.*

### 12.1 Norwegian Shareholders

#### 12.1.1 Net Wealth Tax

For shareholders resident in Norway for tax purposes with the exception of limited companies and similar entities, shares will form part of their capital and be subject to net wealth taxation by the State and the local municipality. Listed shares are generally valued at the full market value on 1 January in the assessment year. The maximum combined state and municipal rate of the wealth tax is 1.1%.

The Norwegian Government recommends a 50 % reduction of this tax by 2007, aiming at full abolishment.

Norwegian corporate shareholders are not subject to wealth tax.

#### 12.1.2 Taxation of Dividends

##### *Personal shareholders*

Dividends distributed to shareholders who are individuals resident in Norway for tax purposes ("Norwegian personal shareholders") are taxable as general income for such shareholders at a rate of 28%. However, Norwegian personal shareholders are entitled to a tax credit under the Norwegian imputation system. The tax credit corresponds to the tax payable by the shareholder on the dividends received. This implies that Norwegian shareholders will effectively not be subject to tax on dividend distributions from Norwegian companies.

Effective as of 1 January 2006, new legislation will be introduced whereby the imputation system is abolished. Dividends distributed to Norwegian personal shareholders will then be taxable as general income without the shareholder being entitled to tax credit. The shareholders will instead be entitled to deduct a calculated allowance when calculating their taxable dividend income. The allowance will be calculated on a share by share basis, and the allowance for each share will be equal to the cost price of the share (including RISK-adjustments per 1 January 2006, ref below) multiplied by a risk free interests rate. Any part of the calculated allowance one year exceeding the dividend distributed on the share will be added to the cost price of the share and included in the basis for calculating the allowance the following year.

##### *Corporate shareholders*

Dividends distributed to shareholders who are limited liability companies resident in Norway for tax purposes ("Norwegian corporate shareholders") are not taxable for such shareholders.

##### *Shares owned through partnerships*

Partnerships are transparent for Norwegian tax purposes. The taxation occurs at partner level, and each partner is taxed on a current basis for its proportional share of the net income generated by the partnership at a rate of 28%, regardless of whether such income is distributed to the partners or not. Personal shareholders resident in Norway for tax purposes owning shares through a partnership are thus taxed at a rate of 28% for their proportional share of dividends received by the partnership, but are not entitled to a tax credit under the current imputation system, in accordance with the regulations set out in the section "Personal shareholders" above. Corporate shareholders owning shares through a partnership are not taxed for their proportional share of dividends received by the partnership. Under current regulations, a distribution from the partnership to its partner does not give rise to any additional taxation of the partners.

Effective as of 1 January 2006, new legislation will be introduced whereby shareholders resident in Norway for tax purposes owning shares through a partnership will no longer be taxed on a current basis for their proportional share of dividends received by the partnership. Taxation will occur for the Norwegian personal shareholders when the dividends received are distributed from the partnership to the Norwegian personal partners. Such distributions will be taxed as general income at a rate of 28%. The Norwegian personal shareholders will be entitled to deduct a calculated allowance when calculating their taxable income.

---

Corporate shareholders holding shares through a partnership will be exempt from any taxation when distributing from partnerships.

### **12.1.3 Taxation on Realization of Shares**

#### *Personal shareholders*

Sale, redemption or other disposal of shares is considered a realisation for Norwegian tax purposes. Norwegian personal shareholders are taxable in Norway on gains on the realization of shares and have a right to deduct losses which arise on such realization. The tax liability applies irrespective of how long the shares have been owned and the number sold. Gains are taxable as general income in the year of realization and losses may be deducted from general income in the year of realization. The tax rate for general income is currently 28%.

Gain or loss is calculated per share as the difference between the consideration received and the tax basis of the share. When calculating gain or loss Norwegian shareholders must apply a "first-in first-out" principle, meaning that the shares that were acquired first will be regarded as the first to be disposed of. The tax basis of each share is based on the purchase price of the share and either increased or decreased by the accumulated RISK amount as of January 1 for the years the holder has held the shares. RISK means "Regulering av Inngangsverdi med Skattlagt Kapital" (Regulation of the Tax Basis through Changes in Taxed Capital). The RISK amount of a specific year can be negative if dividends for that year exceed the net taxable profits of the Company for that year after payable taxes.

Costs incurred in connection with the acquisition and/or sale of shares may be deducted from the Norwegian shareholders' taxable income in the year of sale.

Effective as of 1 January 2006, new legislation will be introduced whereby the RISK system will be abolished for Norwegian personal shareholders. From this date, the capital gain will be calculated as the consideration received less the cost price of the share, including adjustments after the RISK system per 1 January 2006. From this capital gain, Norwegian personal shareholders will be entitled to deduct a calculated allowance when calculating their taxable income. The allowance for each share is equal to the total of allowance amounts calculated for dividends for this share for previous years less dividends distributed on this share. The calculated allowance may only be deducted in order to generate or increase a loss for tax purposes.

#### *Corporate shareholders*

Norwegian corporate shareholders are not taxable in Norway on capital gains related to realisation of shares, and losses related to such realisation are not tax deductible.

#### *Shares owned through partnerships*

Partnerships are transparent for Norwegian tax purposes. The taxation occurs at partner level, and each partner is taxed on a current basis for its proportional share of the net income generated by the partnership at a rate of 28%, regardless of whether such income is distributed to the partners or not. Personal shareholders resident in Norway for tax purposes owning shares through a partnership are thus taxed at a rate of 28% for their proportional share of capital gains generated by the partnership through realisation of shares in accordance with the regulations set out in the section "Personal shareholders" above. Corporate shareholders owning shares through a partnership are not taxed for their proportional share of such capital gains generated by the partnership. Under current regulations, a distribution from the partnership to its partner does not give rise to any additional taxation of the partners.

Effective as of 1 January 2006, new legislation will be introduced whereby Norwegian personal shareholders owning shares through a partnership will be taxed at a rate of 28% on a current basis for their proportional share of capital gains generated by the partnership through realisation of shares. Taxation will also occur for the Norwegian personal shareholders when such capital gains are distributed from the partnership to the Norwegian personal shareholders as partners in the partnership. Such distributions will be taxed as general income at a rate of 28%. The Norwegian personal shareholders as partners in the partnership will be entitled to deduct a calculated allowance when calculating their taxable income related to the distribution.

Corporate shareholders holding shares through a partnership will be exempt from any taxation when distributing from partnerships.

---

## 12.2 Foreign Shareholders

This Section summarizes Norwegian tax rules relevant to shareholders who for tax purposes are not regarded as residents of Norway ("foreign shareholders"). Foreign shareholders' tax liabilities in their home country or other countries will depend on applicable tax rules in the relevant country.

### 12.2.1 Taxation of Dividends

#### *Non-resident personal shareholders*

Dividend distributed to shareholders who are individuals not resident in Norway for tax purposes ("Non-resident personal shareholders"), are as a general rule subject to withholding tax at a rate of 25%. The withholding tax rate of 25% is normally reduced through tax treaties between Norway and the country in which the shareholder is resident. The withholding obligation lies with the company distributing the dividends.

Non-resident personal shareholders resident within the EEA area are exempt from Norwegian withholding tax on dividends received from Norwegian companies in 2005. Effective as of 1 January 2006 new legislation will be introduced whereby non-resident personal shareholders resident within the EEA area will be liable to withholding tax, but entitled to apply for a partial refund of the withholding tax, equal to a calculated allowance similar to the calculated allowance used by Norwegian personal shareholders.

#### *Corporate shareholders*

Dividends distributed to shareholders who are limited companies not resident in Norway for tax purposes ("Non-resident corporate shareholders"), are as a general rule subject to withholding tax at a rate of 25%. The withholding tax rate of 25% is normally reduced through tax treaties between Norway and the country in which the shareholder is resident. Dividends distributed to Non-resident corporate shareholders resident within the EEA for tax purposes are exempt from Norwegian withholding tax.

#### *Foreign partnerships*

Dividends distributed to foreign partnerships are as a general rule subject to withholding tax at a rate of 25%. The partners in the partnership may be entitled to a reduction of the withholding tax rate through tax treaties. However, this depends on the specific circumstances, and we recommend that investors considering such investments obtain specific tax advice from their personal tax advisors in this respect.

Nominee registered shares will be subject to withholding tax at a rate of 25% unless the nominee has obtained approval from the Tax Directorate for the dividend to be subject to a lower withholding tax rate. To obtain such approval the nominee is committed to file a summary to the tax authority including all beneficial owners that are subject to lower withholding tax. Non-resident shareholders that have suffered a higher withholding tax than set out by an applicable tax treaty may apply to the Norwegian tax authorities for a refund of the excess withholding tax deducted.

If a Non-resident shareholder is carrying on business activities in Norway, and the relevant shares are effectively connected with such activities, the shareholder will be subject to the same taxation as Norwegian shareholders, as described above.

### 12.2.2 Taxation on Realization of Shares

Gains from the sale or other disposition of shares by a foreign shareholder will not be subject to taxation in Norway unless the foreign shareholder (i) holds the shares in connection with the conduct of a trade or business in Norway or (ii) is an individual who has been a resident of Norway for tax purposes within the five calendar years preceding the year of the sale or disposition (and whose gains are not exempt pursuant to the provisions of an applicable income tax treaty).

## 12.3 Duties on the Transfer of Shares

No stamp or similar duties are currently imposed in Norway on the transfer of shares whether on acquisition or disposal.

---

## **12.4 Inheritance tax**

When shares are transferred either through inheritance or as a gift such transfer may give rise to inheritance or gift tax in Norway if the decedent at the time of death or the donor at the time of the gift is a resident or citizen of Norway. However, in the case of inheritance tax if the decedent was a citizen but not a resident of Norway, Norwegian inheritance tax will not be levied if inheritance tax or a similar tax is levied by the decedent's country of residence. Irrespective of residence or citizenship Norwegian inheritance tax may be levied if the shares are held in connection with the conduct of a trade or business in Norway.

## 13 Norsk Sammendrag (Norwegian Translation)

*Dette kapittelet er en oversettelse av kapittel 3 "Summary" foran i dette prospektet. Dersom det oppstår motstrid i fortolkningen av de to kapitlene, går den engelske versjonen foran.*

### 13.1 Selskapet

Rocksource er et teknologi og kunnskapsdrevet undersøkelses- og produksjonsselskap ("E&P") som utnytter norsk ekspertise og resultater av petroleum relatert forskning.

Selskapet er engasjert i to hovedvirksomheter; olje og gass utvikling og produksjon samt geotekniske tjenester til selskapets egen E&P virksomhet.

Selskapet produserer olje og gass på lang i USA gjennom en eierandel på 35% i New Ace feltet. I tillegg til eksisterende produksjon har den leasede prospektporteføljen estimerte potensielle netto reserver på ca. 5,8 mrd. kubikkmeter gass og 5,9 mrd. fat olje.

Selskapet eier også fire utvinningslisenser i Ecuador. Gjennom kunnskapen og tilstedeværelsen innen gruvedrift og mineralutvinning i de sørlige delene av Ecuador, er Selskapet godt posisjonert til å utnytte forretningsmuligheter i og rundt Ecuador.

### 13.2 Bakgrunn for Emisjonene

Provenyet vil bli benyttet til å finansiere ytterligere farm-in i E&P lisenser, utvikle og utnytte verdiskapingspotensialet i landbaserte aktiviteter samt til å søke tildeling av nye lete- og produksjonslisenser i nye områder både offshore og på land. I tillegg vil Selskapet benytte provenyet for å styrke pågående teknologiutvikling, særlig innen EM-området, og til videre oppbygging av organisasjonen.

### 13.3 Beskrivelse av Emisjonene

#### 13.3.1 Den Rettete Plasseringen

Selskapet gjennomførte en Rettet Plassering av NOK 260 millioner den 6. september 2005. I tillegg til nye investorer, ble eksisterende aksjonærer som eide ca. 80% av aksjekapitalen den 6. september 2005 invitert til å delta i den Rettete Plasseringen. Totalt skal det utstedes 100 millioner nye aksjer til en kurs på NOK 2,60 per aksje. Den totale utstedte aksjekapitalen i Rocksource etter registreringen av den Rettete Plasseringen, vil øke til NOK 131.446.236.75 fordelt på 525.864.947 aksjer hver pålydende NOK 0,25.

#### 13.3.2 Den Etterfølgende Emisjonen

Den Etterfølgende Emisjonen blir gjennomført for å gi de aksjonærene i selskapet per 6. september 2005 som ikke ble invitert til å delta i den Rettete Plasseringen mulighet til å opprettholde deres relative eierandel i selskapet.

Nedenfor er det oppstilt en oversikt over hovedvilkårene samt tidsplanen for den Etterfølgende Emisjonen:

Emisjonsstørrelse.....	Opp til 25 millioner nye aksjer.
Tegningskurs per aksje.....	NOK 2,60, tilsvarende kursen i den Rettete Plasseringen.
Per-dato for aksjonærer.....	6. september 2005.
Kvalifiserte Aksjonærer.....	Aksjonærer per 6. september 2005, som ikke ble invitert til å delta i den Rettete Plasseringen.
Tegningsretter.....	Selskapet vil utstede 1 Tegningsrett per 3,8727 aksjer eiet av Kvalifiserte Aksjonærer den 6. september 2005. Tegningsrettene vil ikke være omsettelige og følgelig ikke notert på Oslo Børs.
Overtegning.....	Tillatt.
Betalingsdato.....	Ca. 14. oktober 2005.
Distribusjon av aksjer.....	Ca. 21. oktober 2005.

Tegning av aksjer i den etterfølgende emisjonen må gjøres på en tegningsblankett spesielt utformet for dette formålet, som inntatt som vedlegg 5 i dette prospektet. Informasjon om aksjeeie og annen informasjon relatert til hver aksjonær er påtrykket tegningsblanketten.

Tildeling av aksjer i den etterfølgende emisjonen er forventet å skje ca. 11. oktober 2005. Styret forbeholder seg retten til å runde av, stryke eller redusere enhver tegning som ikke er dekket av tegningsretter.

Følgende kriterier vil bli benyttet i den etterfølgende emisjonen:

1. Tegnere i den etterfølgende emisjonen vil bli tildelt aksjer på bakgrunn av tildelte tegningsretter
2. Blir tegningsrettene ikke nyttet fullt ut, har de som har brukt sin tegningsrett, og som vil overta en større andel av aksjene, rett til å overta de aksjene som ikke er tegnet i henhold til tildelte tegningsretter på en pro rata basis.

Ved utfylling av tegningsblanketten vil den enkelte tegner gi en fullmakt til å belaste tegnerens norske bankkonto for tegningsbeløpet i norske kroner.

Dersom det ikke er dekning på den oppgitte bankkonto, eller betaling blir forsinket av en annen grunn, skal de tildelte aksjene tilbakeholdes. Rente vil påløpe med 9% p.a. for forsinket betaling.

## 13.4 Finansiell data for Rocksource

### 13.4.1 Resultatregnskap (konsolidert)

Tall i NOK 1.000	Per	Per	2004 (IFRS)	2003* (NGAAP)	2002* (NGAAP)
	30.06.2005 (IFRS)	30.06.2004 (IFRS)			
Totalt driftsinntekter	1.782	-	219	71	0
Totalt driftskostnader	15.080	763	42.501	722	11.556
Driftsresultat	-13.298	-763	-42.282	-651	-11.556
Netto finansposter	-522	-	-253	-57	-79
<b>Resultat</b>	<b>-13.820</b>	<b>-763</b>	<b>-42.534</b>	<b>-708</b>	<b>-11.635</b>

### 13.4.2 Balanse (konsolidert)

Tall i NOK 1.000	30.06.2005	30.06.2004	2004 (IFRS)	2003* (NGAAP)	2002* (NGAAP)
	(IFRS)	(IFRS)			
<b>EIENDELER</b>					
Sum varige driftsmidler	165.357	-	118.607	10.550	10.550
Sum omløpsmidler	66.635	110	26.553	465	23
<b>Totalt eiendeler</b>	<b>231.992</b>	<b>110</b>	<b>145.160</b>	<b>11.015</b>	<b>10.573</b>
<b>EGENKAPITAL OG GJELD</b>					
Total egenkapital	206.119	-663	142.342	10.340	22
Total gjeld	<b>25.873</b>	<b>773</b>	<b>2.818</b>	<b>675</b>	<b>0</b>
<b>Total egenkapital og gjeld</b>	<b>23.992</b>	<b>110</b>	<b>145.160</b>	<b>11.015</b>	<b>22</b>

\* Finansielle tall for 2003 og 2002 er de reviderte tallene for Ecuator ASA før fusjonen med Amergy AS.

## 13.5 Aksjekapital

Den registrerte aksjekapitalen i Rocksource før den Rettede Plasseringen og den Etterfølgende Emisjonen er NOK 106.466.236,75, bestående av 425.864.947 aksjer fullt innbetalt hver pålydende NOK 0,25. Aksjene er like i alle henseende, og hver aksje har en stemme på selskapets generalforsamlinger.

---

Etterfølgende den Rettede Plasseringen og den Etterfølgende Emisjonen (forutsatt fulltegning) vil Selskapets aksjekapital øke til maksimalt 550.784.944 aksjer hver pålydende NOK 0,25 per aksje.

### **13.6 Risiko**

En investering i aksjene involverer vesentlig risiko. Selskapets finansielle utvikling og aksjenes verdi påvirkes av en rekke risikofaktorer, herunder operasjonelle, markedsmessige, finansielle og risiki i forbindelse med utvinning og utvikling av olje og gass reserver, geo-teknologisk utvikling og utvinning og utvikling av mineraler og metaller. For ytterligere detaljer om enkelte risikofaktorer, henvises til kapittel 11 "Risk Factors". Investorer bør nøye gjennomgå det som fremgår av dette Prospektet, med særskilt vekt på de risiki som står beskrevet i kapittel 11. Investorer må selv foreta en egen vurdering av risikofaktorene før en investeringsbeslutning tas.

---

## **Appendix 1: Articles of Association for Rocksource**

### **§1**

The name of the company is Rocksource ASA. The company is a public limited joint-stock company.

### **§2**

The registered office of the company is in Oslo, Norway.

### **§3**

The object of the company is exploration for minerals and oil and gas, mining, technological development and all activities connected therewith, including ownership of shares and participations in companies located all over the world.

### **§4**

The share capital of the company amount to NOK 106,466,236.75 divided into 425,864,947 shares each with a nominal value of NOK 0.25. The company's shares shall be registered in the Norwegian Central Securities Registry (VPS).

### **§5**

The company is directed by the board composed of from 3 to 8 directors as decided by the general meeting. Power of signature for the company is exercised by two directors jointly.

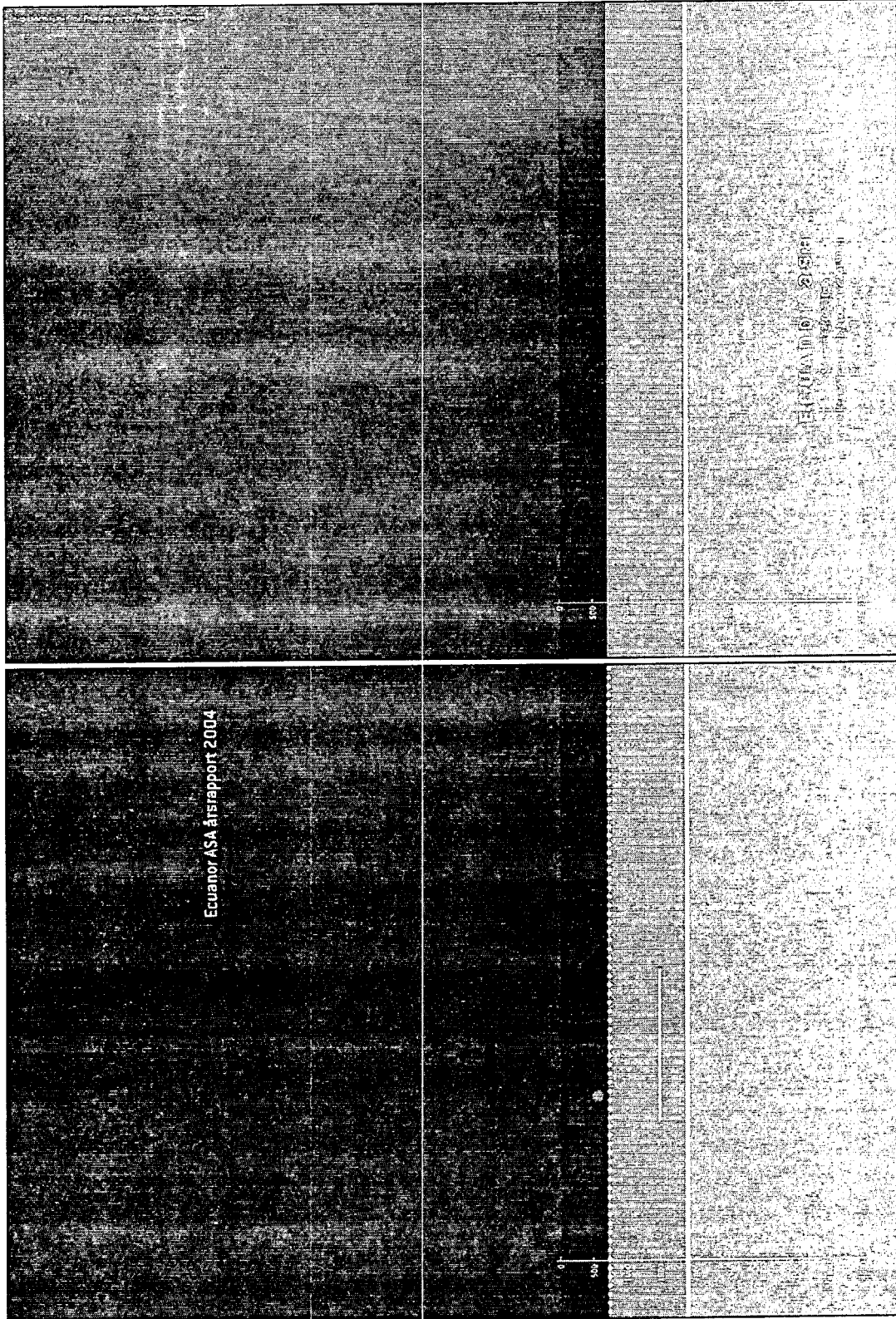
### **§6**

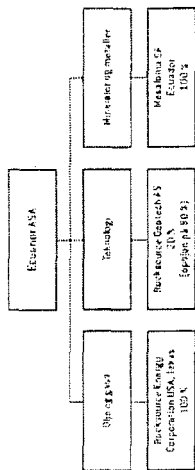
The ordinary general meeting of shareholders shall deal with the following matters:

- (i) Adoption of the income statement and balance sheet.
- (ii) Decision on how to employ the year's profit or cover of loss in accordance with the adopted balance sheet, including decision of declaring dividends.
- (iii) Election of directors.
- (iv) Other matters mentioned in the agenda which according to law pertain to the general meeting.



## Appendix 2: Annual Report for Rocksource for 2004 (Norwegian)





## Dette er Ecuator

- Ecuator ASA ble etablert i september 1995, og notert på Oslo Børs 30. oktober 1996.
- Ecuator ved år 20. september 2003 i fusjon med Amerigas. Fusjonen ble resultatet av en rekke ulike prosjekter etter fullt utbytte, og ble gjennomført utvasking av naturressurser med hovedfokus på olje og gass.
- Ecuators forretningsplan er å innvikle, utvikle og utnytte ledende teknologier innenfor energi og energiinfrastruktur.
- Ecuators komparative barometre ligger i teknologi og infrastruktur. I 2003 ble analysen av globalt data Ecuator skal lete etter og utvikle blir egnet med større presisjon, til å være kostnad og investere til å bli en del av teknologien og til, innenfor til å se.
- Ecuator vil ta i bruk samarbeid med partnerne som beroligende og utvasking, nettsikring og som virkemiddel av Ecuators infrastruktur og energi.
- Målingene er å kapitalisere på den teknologien som skal bygges opp og utvikles.
- Ecuator er i utviklingsfasen, og det vil bli endringer i selskapsstrukturen i løpet av 2005.

## Arsberetning 2004

Equator ASA vedtok på selskapets årsmøndene generalforsamling den 20. september 2004 å fusjonere med Amegy Energy AS. Etter fusjonen består Equator ASA av de følgende datter- selskapene Rocksource Energy Corporation, Inco, UGA og Mecklen SA. Ecuador sarte 20 prosent av Rocksource Geotech AS. Tillegg har Equator en eposjon på 10% av de resterende 80 prosent i Amerrens selskap. Etatsråden og oppgjør i Rocksource Geotech sikrer å ha stor strategisk betydning for den videre utvikling av konsernet.

Virksomhetens art  
Equator har i løpet av 2004 levert en betydelig strategisk retningsskifte. Historisk har selskapet skov etter investering etter mineraler og virksomhet som mårtt å i forbindelse med dette. Gjennom fusjonen med Amegy AS dreies hovedvirksomheten over på teknologisk og kunnskapsdrivert utvikling av naturressurser. Nyttakstovner, herunder olje og gas, anes som den mest innværsante ressursgruppen på mellomlang sikt. Som en konsekvens av dette betraktes gullbaktet virksomhet som sekundær.

Equators informasjons kompetensfelt er å utvikle, utvikle og utnytte ledende teknologisk innover leing etter og produksjon av hydrokarboner. Selskapets strategi er å skape konkurransefortrinn med grunnlag i teknologisk og utnyttelse og innværs spesialkunnskap i analyse av geologiske data. Equator har som ambisjon å lete etter og utvikle hydrokarboner med større presisjon, til lavere kostnad og med lavere risiko enn det dagens teknologiske tilnærning tillater. Utvikling, anskaffelse og utnyttelse av elektromagnetisk teknologisk (EM) er et sentralt verktøy for å realisere selskapets visjon og overordnede strategi.

EM teknologisk vurderes av industrien til å ha et stort markeds- og vekstpotensial som internasjonale selskaper. Selskapet vil, med sin kunnskap og teknologiske i Rocksource Geotech, aktivt søke samarbeid med selskaper som behandler lete- og utnyttelsesrettigheter, og som anverden av Equators internasjonale tilnærning.

Teknologi- og markedsutvikling  
Rocksource Geotech har utviklet et konsept (Rocksource Discover). Dette konseptet omfatter teknologisk, arbeidsprosess, metoder og eksperimenter for datainnsamling og fremsatt analyse av EM-data og seismiske data. Konseptet er tenert på trele EM- og seismiske data, og resultatene er innværsante og underbygger EM-teknologiens potensiale. Rocksource Geotech har en samarbeidsavtale vedtatt med oppdragsutbydere med Center for Integrated Petroleum Research (CIPR) ved Universitet i Bergen. Avtalen gir dem mulig å utvikle Rocksource Discover ytterligere gjennom forskning av metoder, effektivitet av nye analyseverktøy og utviklet programvareutviklingsverktøyer.

Equator ASA betrakter teknologifundamentet som sold og tilstrekkelig for kommersialisering, selv om det fortsatt vil være utviklings- og forbedringsmuligheter. Selskapet har knyttet samtaler med mulige samarbeidspartnere og venter en innoversøring av dette arbeidet i 2005.

### Resultater

Resultatregnskapet viser konsernets samlede driftsresultater og betrukkede Driftsinntektene i 2004 utgjorde 0,1 millioner kroner, mens årsresultatet ble -4,031 millioner kroner. Selskapet var i 2004 en utviklings- og omstillingsfase og hadde tilgjengelig lave kostnader og negativt konserntaxstrøm.

Det negative resultatet skyldes i stor grad godvillighetsavtningen relatert til gullvirksomheten, samt nedskrivningen av aktiverte prospektkostnader relatert til Amerrens i Ecuador. De totale nedskrivningene var 34,0 millioner kroner, mens avskrivningene på valgte driftsmidler var 2,1 millioner kroner.

Lønnskostnader og andre driftskostnader utgjorde henholdsvis 1,4 millioner kroner og 6,1 millioner kroner.

Konferansen og finansiell prestasjon  
Konferansen om finans og operasjonelle aktiviteter i 2004 var 1,4 millioner kroner, mens fjoråret var 2,0 prosent av Rocksource Energy AS' totale inntekt. Konferansen i 2004 var 21,4 millioner kroner.

Finansiering med Amerigo  
Finansiering med Amerigo i 2004 var 40,4 millioner kroner i kontraster. Konsernets likviditetsbehov per 31. desember 2004 var 21,4 millioner kroner.

Konsernets resultat i 2004  
Konsernets resultat i 2004 var 2,6 millioner kroner i kontantlig gjeld og 31,4 millioner kroner. Ecuator AS har et fremtønt utvalgt bud på 82,5 millioner kroner, som er inkludert i beretningen av den utvalgte aktiviteten som ble et resultat.

Rocksource Energy AS hadde ved årsskiftet en total gjeld på 33,5 millioner kroner, hvorav 21 millioner kroner i bankinnskudd. Selskapet har 2,2 millioner kroner i kontantlig gjeld og en egenkapitalandelen på 93 prosent. Ekuator AS har et fremtønt utvalgt bud på 82,5 millioner kroner, som er inkludert i beretningen av den utvalgte aktiviteten som ble et resultat.

Finansiell markedsrisiko  
Selskapet har reddet seg gjennom å kjøpe inn et utvalgt bud på 82,5 millioner kroner, som er inkludert i beretningen av den utvalgte aktiviteten som ble et resultat.

Årsresultat og disponeringer i Ecuator ASA  
Regnskapet er avlagt under forutsetning av fortsatt drift. Selskapet har et resultat på 40,4 millioner kroner i 2004 og et resultat på 2,0 prosent av Rocksource Energy AS' totale inntekt. Konferansen i 2004 var 21,4 millioner kroner.

Finansiering med Amerigo  
Finansiering med Amerigo i 2004 var 40,4 millioner kroner i kontraster. Konsernets likviditetsbehov per 31. desember 2004 var 21,4 millioner kroner.

Konsernets resultat i 2004  
Konsernets resultat i 2004 var 2,6 millioner kroner i kontantlig gjeld og 31,4 millioner kroner. Ecuator AS har et fremtønt utvalgt bud på 82,5 millioner kroner, som er inkludert i beretningen av den utvalgte aktiviteten som ble et resultat.

Rocksource Energy AS hadde ved årsskiftet en total gjeld på 33,5 millioner kroner, hvorav 21 millioner kroner i bankinnskudd. Selskapet har 2,2 millioner kroner i kontantlig gjeld og en egenkapitalandelen på 93 prosent. Ekuator AS har et fremtønt utvalgt bud på 82,5 millioner kroner, som er inkludert i beretningen av den utvalgte aktiviteten som ble et resultat.

Finansiell markedsrisiko  
Selskapet har reddet seg gjennom å kjøpe inn et utvalgt bud på 82,5 millioner kroner, som er inkludert i beretningen av den utvalgte aktiviteten som ble et resultat.

Selskapet har fokus på ytterligere å bedre samarbeidet mellom Ecuator og Rocksource Energy AS.

Årsresultat og disponeringer i Ecuator ASA  
Regnskapet er avlagt under forutsetning av fortsatt drift. Selskapet har et resultat på 40,4 millioner kroner i 2004 og et resultat på 2,0 prosent av Rocksource Energy AS' totale inntekt. Konferansen i 2004 var 21,4 millioner kroner.

Finansiering med Amerigo  
Finansiering med Amerigo i 2004 var 40,4 millioner kroner i kontraster. Konsernets likviditetsbehov per 31. desember 2004 var 21,4 millioner kroner.

Konsernets resultat i 2004  
Konsernets resultat i 2004 var 2,6 millioner kroner i kontantlig gjeld og 31,4 millioner kroner. Ecuator AS har et fremtønt utvalgt bud på 82,5 millioner kroner, som er inkludert i beretningen av den utvalgte aktiviteten som ble et resultat.

Rocksource Energy AS hadde ved årsskiftet en total gjeld på 33,5 millioner kroner, hvorav 21 millioner kroner i bankinnskudd. Selskapet har 2,2 millioner kroner i kontantlig gjeld og en egenkapitalandelen på 93 prosent. Ekuator AS har et fremtønt utvalgt bud på 82,5 millioner kroner, som er inkludert i beretningen av den utvalgte aktiviteten som ble et resultat.

Finansiell markedsrisiko  
Selskapet har reddet seg gjennom å kjøpe inn et utvalgt bud på 82,5 millioner kroner, som er inkludert i beretningen av den utvalgte aktiviteten som ble et resultat.

Selskapet har fokus på ytterligere å bedre samarbeidet mellom Ecuator og Rocksource Energy AS.

Årsresultat og disponeringer i Ecuator ASA  
Regnskapet er avlagt under forutsetning av fortsatt drift. Selskapet har et resultat på 40,4 millioner kroner i 2004 og et resultat på 2,0 prosent av Rocksource Energy AS' totale inntekt. Konferansen i 2004 var 21,4 millioner kroner.

Finansiering med Amerigo  
Finansiering med Amerigo i 2004 var 40,4 millioner kroner i kontraster. Konsernets likviditetsbehov per 31. desember 2004 var 21,4 millioner kroner.

Konsernets resultat i 2004  
Konsernets resultat i 2004 var 2,6 millioner kroner i kontantlig gjeld og 31,4 millioner kroner. Ecuator AS har et fremtønt utvalgt bud på 82,5 millioner kroner, som er inkludert i beretningen av den utvalgte aktiviteten som ble et resultat.

Rocksource Energy AS hadde ved årsskiftet en total gjeld på 33,5 millioner kroner, hvorav 21 millioner kroner i bankinnskudd. Selskapet har 2,2 millioner kroner i kontantlig gjeld og en egenkapitalandelen på 93 prosent. Ekuator AS har et fremtønt utvalgt bud på 82,5 millioner kroner, som er inkludert i beretningen av den utvalgte aktiviteten som ble et resultat.

Finansiell markedsrisiko  
Selskapet har reddet seg gjennom å kjøpe inn et utvalgt bud på 82,5 millioner kroner, som er inkludert i beretningen av den utvalgte aktiviteten som ble et resultat.

Selskapet har fokus på ytterligere å bedre samarbeidet mellom Ecuator og Rocksource Energy AS.

Årsresultat og disponeringer i Ecuator ASA  
Regnskapet er avlagt under forutsetning av fortsatt drift. Selskapet har et resultat på 40,4 millioner kroner i 2004 og et resultat på 2,0 prosent av Rocksource Energy AS' totale inntekt. Konferansen i 2004 var 21,4 millioner kroner.

Finansiering med Amerigo  
Finansiering med Amerigo i 2004 var 40,4 millioner kroner i kontraster. Konsernets likviditetsbehov per 31. desember 2004 var 21,4 millioner kroner.

Konsernets resultat i 2004  
Konsernets resultat i 2004 var 2,6 millioner kroner i kontantlig gjeld og 31,4 millioner kroner. Ecuator AS har et fremtønt utvalgt bud på 82,5 millioner kroner, som er inkludert i beretningen av den utvalgte aktiviteten som ble et resultat.

Rocksource Energy AS hadde ved årsskiftet en total gjeld på 33,5 millioner kroner, hvorav 21 millioner kroner i bankinnskudd. Selskapet har 2,2 millioner kroner i kontantlig gjeld og en egenkapitalandelen på 93 prosent. Ekuator AS har et fremtønt utvalgt bud på 82,5 millioner kroner, som er inkludert i beretningen av den utvalgte aktiviteten som ble et resultat.

Finansiell markedsrisiko  
Selskapet har reddet seg gjennom å kjøpe inn et utvalgt bud på 82,5 millioner kroner, som er inkludert i beretningen av den utvalgte aktiviteten som ble et resultat.

### Resultatregnskap / Income statement

	Econorm ASA				Konsern/Group			
	2004	2003*	2002*	2001*	2004	2003*	2002*	2001*
	1000 NOK	1000 NOK	1000 NOK	1000 NOK	1000 NOK	1000 NOK	1000 NOK	1000 NOK
Driftinntekter / Operating income	1	132	71	0	144	71	0	0
Sjakkinntekter / Revenue		334	71	0	144	71	0	0
Sum driftinntekter / Total operating income		466	142	0	288	142	0	0
Driftkostnader / Operating expenses		40 269	722	11 856	41 815	722	11 856	0
Levingskostnad / Paid and related costs	4	0	0	0	1 404	0	0	0
Avskrivning på varige driftsmidler / Depreciation on fixed assets	2	676	0	0	2 001	0	0	0
Rekalkulering av varige driftsmidler / Recalculation on fixed assets	2	34 038	0	10 500	34 038	0	10 500	0
Andre driftskostnader / Other operating expenses	4,13	5 574	722	1 056	6 092	722	1 056	0
Sum driftskostnader / Total operating expenses		40 269	722	11 856	41 815	722	11 856	0
Driftresultat / Operating result		60 337	70	81	44 673	70	81	0
Finanskostnader / Financial costs		-194	0	0	-244	0	0	-87
Finansinntekter / Financial income		27	0	0	242	0	0	0
Andre inntekter / Other income		1 03	0	0	103	0	0	0
Andre kostnader / Other expenses		-126	53	87	-244	63	87	0
Resultat av investering / Result from investments	6	0	0	0	293	0	0	0
Andre inntekter / Other income		370	0	0	370	0	0	0
Sum resultater / Total result		60 143	123	168	44 022	70	168	-87
Netto finansresultat / Net financial result		58 203	123	168	43 778	70	168	-87
Ordinært resultat før skattekostnad / Profit/loss before taxes		40 474	708	-11 635	44 021	708	-11 635	0
Skattekostnad på ordinært resultat / Taxes on ordinary profits	8	0	0	0	0	0	0	0
Driftresultat resultat / Net profit/loss from ordinary activities		40 474	708	-11 635	44 021	708	-11 635	0
ÅRSRESULTAT / NET PROFIT/LOSS FOR THE YEAR		40 474	708	-11 635	44 021	708	-11 635	0
Resultat pr. aksje / Result per share		-0,222	-0,016	-0,283	-0,296	-0,016	-0,283	0
Utvannet resultat pr. aksje / Diluted result per share		-0,222	-0,016	-0,283	-0,296	-0,016	-0,283	0

\*Regnskap for 2001 er i henhold til gjeldende lovverk i USA. Her er det angitt US-vertskostnader og utgifter i tillegg til gjeldende lovverk i Norge.  
 \*Accounting for 2001 is in accordance with US GAAP. Here are included US costs and expenses in addition to the accounting for 2001 in Norway.

### Balance pr. 31. desember / Balance sheet as of 31.12.

	Econorm ASA				Konsern/Group			
	2004	2003*	2002*	2001*	2004	2003*	2002*	2001*
	1000 NOK	1000 NOK	1000 NOK	1000 NOK	1000 NOK	1000 NOK	1000 NOK	1000 NOK
REKTELIGT EIERE / SHAREHOLDERS								
Aktier / Shares	2	0	0	0	2	0	0	0
Sum finansielle aktier / Total financial assets		0	0	0	2	0	0	0
Sum finansielle passiva / Total financial liabilities		0	0	0	0	0	0	0
Finansielle aktiver / Financial assets		2	0	0	2	0	0	0
Finansielle passiva / Financial liabilities		0	0	0	0	0	0	0
Sum finansielle netto / Total financial net assets		2	0	0	2	0	0	0
Udrull / Cash		2	0	0	2	0	0	0
Sum likvide midler / Total liquid assets		2	0	0	2	0	0	0
Finansielle midler / Financial assets		2	0	0	2	0	0	0
Finansielle passiva / Financial liabilities		0	0	0	0	0	0	0
Sum finansielle netto / Total financial net assets		2	0	0	2	0	0	0
Sum likvide midler / Total liquid assets		2	0	0	2	0	0	0
Finansielle aktiver / Financial assets		2	0	0	2	0	0	0
Finansielle passiva / Financial liabilities		0	0	0	0	0	0	0
Sum finansielle netto / Total financial net assets		2	0	0	2	0	0	0
Finansielle aktiver / Financial assets		2	0	0	2	0	0	0
Finansielle passiva / Financial liabilities		0	0	0	0	0	0	0
Sum finansielle netto / Total financial net assets		2	0	0	2	0	0	0
Finansielle aktiver / Financial assets		2	0	0	2	0	0	0
Finansielle passiva / Financial liabilities		0	0	0	0	0	0	0
Sum finansielle netto / Total financial net assets		2	0	0	2	0	0	0
Finansielle aktiver / Financial assets		2	0	0	2	0	0	0
Finansielle passiva / Financial liabilities		0	0	0	0	0	0	0
Sum finansielle netto / Total financial net assets		2	0	0	2	0	0	0
Finansielle aktiver / Financial assets		2	0	0	2	0	0	0
Finansielle passiva / Financial liabilities		0	0	0	0	0	0	0
Sum finansielle netto / Total financial net assets		2	0	0	2	0	0	0
Finansielle aktiver / Financial assets		2	0	0	2	0	0	0
Finansielle passiva / Financial liabilities		0	0	0	0	0	0	0
Sum finansielle netto / Total financial net assets		2	0	0	2	0	0	0
Finansielle aktiver / Financial assets		2	0	0	2	0	0	0
Finansielle passiva / Financial liabilities		0	0	0	0	0	0	0
Sum finansielle netto / Total financial net assets		2	0	0	2	0	0	0
Finansielle aktiver / Financial assets		2	0	0	2	0	0	0
Finansielle passiva / Financial liabilities		0	0	0	0	0	0	0
Sum finansielle netto / Total financial net assets		2	0	0	2	0	0	0
Finansielle aktiver / Financial assets		2	0	0	2	0	0	0
Finansielle passiva / Financial liabilities		0	0	0	0	0	0	0
Sum finansielle netto / Total financial net assets		2	0	0	2	0	0	0
Finansielle aktiver / Financial assets		2	0	0	2	0	0	0
Finansielle passiva / Financial liabilities		0	0	0	0	0	0	0
Sum finansielle netto / Total financial net assets		2	0	0	2	0	0	0
Finansielle aktiver / Financial assets		2	0	0	2	0	0	0
Finansielle passiva / Financial liabilities		0	0	0	0	0	0	0
Sum finansielle netto / Total financial net assets		2	0	0	2	0	0	0
Finansielle aktiver / Financial assets		2	0	0	2	0	0	0
Finansielle passiva / Financial liabilities		0	0	0	0	0	0	0
Sum finansielle netto / Total financial net assets		2	0	0	2	0	0	0

Finansielle aktiver / Financial assets  
 Investering i utlandet / Investments in subsidiaries  
 Finansiering / Financing  
 Andre gjeld / Other liabilities  
 Sum finansielle netto / Total financial net assets

Finansielle passiva / Financial liabilities  
 Gjeld til leverandører / Debt to suppliers  
 Gjeld til bank / Debt to bank  
 Andre gjeld / Other liabilities  
 Sum finansielle netto / Total financial net assets

Finansielle aktiver / Financial assets  
 Investering i utlandet / Investments in subsidiaries  
 Finansiering / Financing  
 Andre gjeld / Other liabilities  
 Sum finansielle netto / Total financial net assets

Finansielle passiva / Financial liabilities  
 Gjeld til leverandører / Debt to suppliers  
 Gjeld til bank / Debt to bank  
 Andre gjeld / Other liabilities  
 Sum finansielle netto / Total financial net assets

Finansielle aktiver / Financial assets  
 Investering i utlandet / Investments in subsidiaries  
 Finansiering / Financing  
 Andre gjeld / Other liabilities  
 Sum finansielle netto / Total financial net assets

Finansielle passiva / Financial liabilities  
 Gjeld til leverandører / Debt to suppliers  
 Gjeld til bank / Debt to bank  
 Andre gjeld / Other liabilities  
 Sum finansielle netto / Total financial net assets

## Kontantstrømanalyse / Cash flow statement

	Estimer USA		Koncern Estimer	
	2004	2003*	2004	2003*
	1000 NOK	1000 NOK	1000 NOK	1000 NOK
<b>Operasjonelle aktiviteter / Operational activities</b>				
Resultat før skattekostnader / Result before tax	-40 474	-708	44 031	-708
Endringer av valutakurs / Depreciation and amortisation	676	0	2 081	0
Medfinansiering / Impairment of fixed assets	34 232	0	34 038	0
Resultat av investeringer / Changes in trade payables	1 968	0	1 968	0
Effekt av valutavariasjoner / Effect of changes in exchange rates	-5 635	0	-5 635	0
Endring andre tilgjengelige poster / Change in other current liabilities	-5 636	150	-3 158	150
<b>Netto kontantstrøm fra operasjonelle aktiviteter / Net cash flow from operational activities</b>	<b>-14 859</b>	<b>-558</b>	<b>-14 281</b>	<b>-558</b>
<b>Finansieringsaktiviteter / Financing activities</b>				
Utsatt betaling ved kjøp av salgsmidler / Financing of receivables	-104	0	-483	0
Finansiering av nye lån / Increase in cash	5 000	0	5 000	0
Finansiering av nye lån / Effect of changes in exchange rates	0	0	224	0
Cash flow from changes to the group	104	0	646	0
<b>Netto kontantstrøm fra investeringsaktiviteter / Net cash flow from investing activities</b>	<b>-5 000</b>	<b>0</b>	<b>-5 061</b>	<b>0</b>
<b>Finansieringsaktiviteter / Financing activities</b>				
Innskudd av egenkapital / Capital increase	40 413	1 000	40 413	1 000
<b>Netto kontantstrøm fra finansieringsaktiviteter / Net cash flow from financing activities</b>	<b>40 413</b>	<b>1 000</b>	<b>40 413</b>	<b>1 000</b>
Effekt av valutavariasjoner på kontanter / Effect of changes in exchange rates on cash and cash equivalents	0	0	-57	0
<b>Netto endring / Net change in cash and cash equivalents</b>	<b>20 554</b>	<b>442</b>	<b>20 914</b>	<b>442</b>
<b>Beholdning av kontanter og likviditetsmidler 1.1. / Cash and cash equivalents 1.1.</b>	<b>465</b>	<b>23</b>	<b>465</b>	<b>23</b>
<b>Beholdning av kontanter og likviditetsmidler 31.12. / Cash and cash equivalents 31.12.</b>	<b>21 019</b>	<b>465</b>	<b>21 378</b>	<b>465</b>

\*Figur for 2003 er i samsvar med tidligere års rapportering og er derfor ikke revidert.

## Regnskapsprinsipper

Årsregnskapet inkluderer konserngrensene som er satt opp i samsvar med regnskapsloven og god regnskapspraksis (GRS).  
 Konserngrensene er satt opp slik at alle aktiviteter som er kontrollert av konsernet er inkludert i regnskapet. Ved kjøp av et selskap eller et annet 20% eller mer av aksjene i et selskap, som er kontrollert av konsernet, er det inkludert i årsregnskapet. Årsregnskapet inkluderer alle aktiviteter som er kontrollert av konsernet, uansett om de er direkte eller indirekte kontrollert.

### Konvergensprinsipper

Årsregnskapet er utarbeidet i samsvar med de internasjonale regnskapsstandardene som er godkjent av IASB. Konsernet følger de samme regnskapsprinsipper som morselskapet. Konsernet følger de samme regnskapsprinsipper som morselskapet, med mindre det er spesifisert ellers. Konsernet følger de samme regnskapsprinsipper som morselskapet, med mindre det er spesifisert ellers. Konsernet følger de samme regnskapsprinsipper som morselskapet, med mindre det er spesifisert ellers. Konsernet følger de samme regnskapsprinsipper som morselskapet, med mindre det er spesifisert ellers.

### Utsatt betaling ved kjøp av salgsmidler

Utsatt betaling ved kjøp av salgsmidler er utarbeidet i samsvar med de internasjonale regnskapsstandardene som er godkjent av IASB. Utsatt betaling ved kjøp av salgsmidler er utarbeidet i samsvar med de internasjonale regnskapsstandardene som er godkjent av IASB.

### Finansieringsaktiviteter

Finansieringsaktiviteter er utarbeidet i samsvar med de internasjonale regnskapsstandardene som er godkjent av IASB. Finansieringsaktiviteter er utarbeidet i samsvar med de internasjonale regnskapsstandardene som er godkjent av IASB.

### Netto kontantstrøm fra investeringsaktiviteter

Netto kontantstrøm fra investeringsaktiviteter er utarbeidet i samsvar med de internasjonale regnskapsstandardene som er godkjent av IASB. Netto kontantstrøm fra investeringsaktiviteter er utarbeidet i samsvar med de internasjonale regnskapsstandardene som er godkjent av IASB.

### Netto kontantstrøm fra finansieringsaktiviteter

Netto kontantstrøm fra finansieringsaktiviteter er utarbeidet i samsvar med de internasjonale regnskapsstandardene som er godkjent av IASB. Netto kontantstrøm fra finansieringsaktiviteter er utarbeidet i samsvar med de internasjonale regnskapsstandardene som er godkjent av IASB.

## Regnskapsprinsipper

Årsregnskapet inkluderer konserngrensene som er satt opp i samsvar med regnskapsloven og god regnskapspraksis (GRS).  
 Konserngrensene er satt opp slik at alle aktiviteter som er kontrollert av konsernet er inkludert i regnskapet. Ved kjøp av et selskap eller et annet 20% eller mer av aksjene i et selskap, som er kontrollert av konsernet, er det inkludert i årsregnskapet. Årsregnskapet inkluderer alle aktiviteter som er kontrollert av konsernet, uansett om de er direkte eller indirekte kontrollert.

### Konvergensprinsipper

Årsregnskapet er utarbeidet i samsvar med de internasjonale regnskapsstandardene som er godkjent av IASB. Konsernet følger de samme regnskapsprinsipper som morselskapet. Konsernet følger de samme regnskapsprinsipper som morselskapet, med mindre det er spesifisert ellers. Konsernet følger de samme regnskapsprinsipper som morselskapet, med mindre det er spesifisert ellers. Konsernet følger de samme regnskapsprinsipper som morselskapet, med mindre det er spesifisert ellers.

### Utsatt betaling ved kjøp av salgsmidler

Utsatt betaling ved kjøp av salgsmidler er utarbeidet i samsvar med de internasjonale regnskapsstandardene som er godkjent av IASB. Utsatt betaling ved kjøp av salgsmidler er utarbeidet i samsvar med de internasjonale regnskapsstandardene som er godkjent av IASB.

### Finansieringsaktiviteter

Finansieringsaktiviteter er utarbeidet i samsvar med de internasjonale regnskapsstandardene som er godkjent av IASB. Finansieringsaktiviteter er utarbeidet i samsvar med de internasjonale regnskapsstandardene som er godkjent av IASB.

### Netto kontantstrøm fra investeringsaktiviteter

Netto kontantstrøm fra investeringsaktiviteter er utarbeidet i samsvar med de internasjonale regnskapsstandardene som er godkjent av IASB. Netto kontantstrøm fra investeringsaktiviteter er utarbeidet i samsvar med de internasjonale regnskapsstandardene som er godkjent av IASB.

### Netto kontantstrøm fra finansieringsaktiviteter

Netto kontantstrøm fra finansieringsaktiviteter er utarbeidet i samsvar med de internasjonale regnskapsstandardene som er godkjent av IASB. Netto kontantstrøm fra finansieringsaktiviteter er utarbeidet i samsvar med de internasjonale regnskapsstandardene som er godkjent av IASB.

## Noter

Bilde 1 - 533 (indefinit) 200

Selskabets primære regnskabsformål er følgende:

1. Olie og gas
2. Metaller og metaller

Etter forparren med Amergas AS, som ble anngrepet vedtatt i aksjeandelen generalforsamling den 20. september 2004 endret selskabets strategiske fokus på å utvikle og utvinning av olje og gass og metaller/miner ved bruk av elektronisk teknologi. Gull kan eventuelt bli tatt med i porteføljen dersom det ikke lenger er en del av selskabets strategiske satsingsområde.

**1. Olie og gass**  
Georgina er olje- og gassutvinningen hovedsakelig konsentrert i USA, gjennom datterselskapet Rocksource Energy Corporation som har 100 prosent eier av olje- og gass på land i USA. Prospektspesifikasjon har et estimert netto uendret potensial på ca. 5,3 milliarder kubikmeter olje og gass i tillegg til selskabets allerede utvinnede prospektmuligheter med et totalt potensial på ca. 1,6 milliarder kubikmeter olje og gass. Dette produktet gass er utvinningsbegrenset omkring 2000.

Med basis i EIA- og prospektspesifikasjon er Ecuator et olje- og gassprosjekt i Ecuator, som er underlagt global utvikling – basert på å skille mellom vann og hydrokarboner i et reservoar. Dette medfører at risikoen for å bore flere hull reduseres, behovet for utvidelse av infrastruktur for å redusere størrelsen, samt gjengivelighet for utproduksjon. Utvinningsbegrensningen for Rocksource Geotech AS i Ecuador er 20 prosent og har option til å skille de resterende 80 prosent av selskapet for 150 millioner.

Ecuator har en avgjort eksklusiv rett – men ikke plikt – til egen regning og risiko å markedsføre og selge alle Rocksource Geotech produkter og tjenester innenfor olje- og gass i Ecuador, Canada og USA. I tillegg har rett til bruk innenfor Ecuators egen distrikt vis som helt olje- og gass i Ecuador, Canada og USA. Rocksource Geotech skal også levere nødvendige støttefunksjoner og annet som er nødvendige for å sikre en effektiv drift av selskapet i Ecuator, på kommersielle vilkår.

Det forventes ikke vesentlige fremtidige oppgjøringskostnader tilknyttet dagens lisens.

### 2. Metaller og metaller

Selskapet har fire lisensene etter gull i Ecuador. Det har ikke vært foretatt investeringer eller undersøkelser i selskabets lisenser i løpet av året.

Ecuator har en global, avgjort eksklusiv rett – men ikke plikt – til egen regning og risiko å markedsføre og selge alle Rocksource Geotech produkter og tjenester innenfor gull i Ecuador. Rocksource Geotech skal også levere nødvendige støttefunksjoner og annet som er nødvendig, denne sammenheng til Ecuador, på kommersielle vilkår.

### Primær rapporteringsformat

Ecuators primære rapporteringsformat er i selen på wikonkassområder. Vis konsepten har i 2004 vært gjennom en betydning omstrukturering og for å utføre administrative handlinger som må foretas ut fra en økonomisk og operativ synspunkt. Vis konseptet har ikke gjennomgått omstrukturering og finansiering og tilknyttede er dermed ikke fordelt. Det har ikke vært uttaksjoner mellom selskabene.

Wikonkassområder (MUSD)	Olje/gass	Metaller/metaller	SUM
Ettervorte driftsinvestert	74	70	144
Lønnskostnad	1 404	0	1 404
Abskrivninger	1 411	670	2 081
Anne driftskostnader	5 442	650	6 092
Differansier	-8 183	-35 280	-43 463
Resultat av investering tilknyttet selskap	-291	0	-291
Fordelt resultat	-8 474	-35 280	-43 754
Utdelt finans			-269
Konkurrense resultat			-44 023
Sum av utdelt fondet			9 119
Sum av utdelt fondet			19 600
SUM - EK			28 719

Inngangsåret 2003 opererte selskapet kun innenfor virksomhetsområdet metaller.

### 3. Kundens oppsett og format

Secondary oppsett og format er følgende, netts som stor grad overensstemmer med konseptets juridiske struktur.

Ettervorte driftsinvestert	Morgue	USA	Ecuador	Eliminering	SUM
Lønnskostnad	0	1 404	0	0	1 404
Abskrivninger	777	1 304	0	0	2 081
Anne driftskostnader	3 146	0	10 192	0	13 338
Differansier	5 074	510	500	0	6 084
Differansier	-19 245	-3 214	-31 012	0	-43 471
Finans	-415	145	0	0	-270
Konkurrense resultat	-29 660	-3 359	-11 012	0	-44 031
Sum utdelt fondet	31 543	1 620	0	-3 278	31 885
Sum EK	2 226	5 134	0	-4 774	2 586

Inngangsåret 2003 opererte selskapet hovedsakelig innenfor Norge som geografisk område, ingen aktivitet i USA og svært begrenset aktivitet i Ecuador. Aktiviteten i Ecuador er begrenset til administrativt arbeid for å ta på plass fremtidsrettede samarbeidsavtaler for videre utvikling.

### Bilde 2 - Yrlege deler og primær rapporteringsformat (MUSD)

Ecuator AS	Driftsinvestert	Aktiver	Olje- og gass	SUM
Anskaffelseskost pr. L.L.	0	84 477	0	84 477
- Tilgang	71	32	0	24 125
- Avgang	0	0	0	0
Ansaffelseskost pr. 31.12.	71	84 509	0	24 125
- Utviklingskost pr. 31.12.	0	73 927	0	73 927
- Differanse avskrivning	0	0	0	0
- Nedskrivninger	0	0	0	0
AKK-avskrivninger pr. 31.12.	0	10 582	0	23 455
Balansført verdi pr. 31.12.	65	84 509	0	24 125
Balansført verdi (EK)	5	0	0	65
Avskrivningsplan	Lineær	Lineær	Lineær	Lineær

Resultat	Driftsinvestert	Aktiver	Olje- og gass	SUM
Anskaffelseskost pr. L.L.	0	84 477	0	84 477
- Tilgang	71	32	0	24 125
- Avgang (regulert utskrivning)	0	0	0	0
Ansaffelseskost pr. 31.12.	71	84 509	2 212	27 763
AKK-avskrivninger pr. 31.12.	0	73 927	0	31 455
Balansført verdi pr. 31.12.	65	84 509	1 304	23 455
Balansført verdi (EK)	5	0	0	65
Avskrivningsplan	Lineær	Lineær	Lineær	Lineær







Notat 12 - Proforma til EBRG

Notatet er utarbejdet som et supplement til årsrapporten for 2004 og er ikke en del af årsrapporten.

Proforma er beregnet på baggrund af de samlede data for 2004 og 2003. Beregningen er baseret på koncernens samlede resultat og udgangen af 2004. Proforma er beregnet med de samme antagelser som de faktiske data, men med den tilføjede information om de samlede data for 2004 og 2003. Proforma er beregnet på baggrund af de samlede data for 2004 og 2003, og den samlede data for 2004 og 2003 er beregnet på baggrund af de samlede data for 2004 og 2003.

Beregningen er baseret på de følgende mellem Euronor og Aker Energi, og herunder også på de samlede data for Black Source Energy Corporation (BSE), Skiper, i januar henholdsvis 2003 og 2004. Beregningen er baseret på koncernens samlede resultat og udgangen af 2004. Proforma er beregnet med de samme antagelser som de faktiske data, men med den tilføjede information om de samlede data for 2004 og 2003. Proforma er beregnet på baggrund af de samlede data for 2004 og 2003, og den samlede data for 2004 og 2003 er beregnet på baggrund af de samlede data for 2004 og 2003.

Program	2004	2003
Distributionsakt	222	329
Heldistributionsakt	34 039	0
Aktivitet	2 316	2 022
Andre distributionsakt	8 651	1 529
Soms distributionsakt	45 005	3 666
DRIFTSUDGIFT	-44 789	-3 377
Andre udgifter	47	436
<b>ÅRSRESULTAT</b>	<b>44 276</b>	<b>-2 844</b>
Proforma resultat pr. aktje	-0,301	-0,066

Note 13 - Andre tilhørende midler (TNOK)

Følgende	2004	Euronor ASA	Koncern
Løst kapital	5	2025	5
Løst kapital, kontant	205	59	314
Løst kapital, andre aktiver	21	0	21
Fremmedgjeld	4640	427	4625
Produktionsakt, produktionsakt, etc.	0	0	384
Restpost	210	4	245
Konjunktur, gaver, repræsentasjon	17	0	17
Forskjellige	80	94	80
Ulykkesforsikring	273	127	273
Driftsmidler	26	11	28
<b>TOTAL</b>	<b>5 174</b>	<b>721</b>	<b>6 082</b>

Note 14 - Euronor medlemskap

Koncernen er medlem af Euronor medlemskap, som er et norsk medlemskap. Koncernen har ikke stemmerett i Euronor medlemskap, men denne medlemskap er delt ut på alle nivåer og konverter USD. Beregningen er basert på de samlede data for 2004 og 2003, og den samlede data for 2004 og 2003 er beregnet på baggrund af de samlede data for 2004 og 2003.

Dato: 31.12.04

31.03.05

Dag Dørvang

Arve Johnsen

Arve Johnsen

Birge Grøtt-Larsen

Wenik K. Bentsen

Arve Grøtt Ellingsen

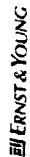
Arve Grøtt

Jan Spill

Arve Grøtt

Arve Grøtt

Revisors beretning



Til generalforsamlingen i Euronor ASA

Revisors beretning  
Ernst & Young AS  
Postboks 44  
0403 Oslo  
Tlf: +47 22 10 21 00  
www.ey.no

Revisjonsberetning for 2004

Vi har revidert årsrapporten for Euronor ASA for regnskapsåret 2004, som viser et underskudd på TNOK 40 474 for regnskapsåret og et underskudd på TNOK 44 031 for konsernet. Vi har også revidert årsrapporten for konsernet og årsrapporten for konsernet om forrentning av lån og forrentning av aksjer og andeler. Årsrapporten for konsernet viser et underskudd på TNOK 44 031 for konsernet og et underskudd på TNOK 40 474 for regnskapsåret. Årsrapporten for konsernet viser et underskudd på TNOK 44 031 for konsernet og et underskudd på TNOK 40 474 for regnskapsåret. Årsrapporten for konsernet viser et underskudd på TNOK 44 031 for konsernet og et underskudd på TNOK 40 474 for regnskapsåret.

Vi har utført revisjonen i samsvar med revisjonsloven og god revisjonspraksis i Norge. God revisjonspraksis innebærer at vi planlegger og utfører revisjonen for å oppnå høyeste mulige sikkerhet for at årsrapporten ikke inneholder vesentlige feil. Revisjonen utføres basert på de opplysninger som er tilgjengelige for revisoren. Revisoren utfører revisjonen på grunnlag av de opplysningene som er tilgjengelige for revisoren. Revisoren utfører revisjonen på grunnlag av de opplysningene som er tilgjengelige for revisoren.

- Årsrapporten er i samsvar med lov og forskrifter og gir et sannsynlig bilde av konsernets økonomiske stilling 31. desember 2004 og for resultatet og konklusjonene i regnskapsåret i samsvar med god regnskapspraksis i Norge
- Revisoren har opplyst sin plikt til å sørge for ordentlig og oversiktlig registrering og dokumentasjon av regnskapsopplysninger i samsvar med lov og god regnskapspraksis i Norge
- Opplysningene i årsrapporten om konsernet, konsernet og konsernet er i samsvar med lov og forskrifter og gir et sannsynlig bilde av konsernets økonomiske stilling og resultatet for 2004.

Oslo, 4. mai 2005  
ERNEST & YOUNG AS

Arve Johnsen  
statistisk revisor

Arve Dale  
statistisk revisor

Revisors beretning  
Ernst & Young AS  
Postboks 44  
0403 Oslo

## Electromagnetic imaging (EM)

Offshore hydrocarbon exploration is a challenging and expensive business. Much of an exploration budget is set aside for field collection and analysis of 2D and 3D seismic data, while the lion's share of exploration funding is earmarked for drilling wells. However, the chances of an exploration discovering hydrocarbons are too slim—less than 20% on the whole. This is partly due to the seismic response to hydrocarbon-filled reservoirs. A low gas saturation level of 5–10% (i.e. non-commercial reserves) can lead to the display of seismic features as bright spots and flat spots, thus demonstrating the problems related to the use of seismic data for direct hydrocarbon detection. New methods to boost hydrocarbon detection rates will greatly benefit oil and gas exploration operators.

Groundbreaking developments in electromagnetic imaging (EM) technology over recent years and subsequent use in offshore hydrocarbon exploration have already shown encouraging results. In detecting hydrocarbon reserves, in potential reservoirs prior to drilling wells, Electromagnetic Geoservices AS (EMGAS), the Norwegian pioneer of a patented hydrocarbon detection technique using electromagnetic waves, has verified the method by the drilling of more than 15 wells. In all cases, data from EM surveys were able to predict the outcome of the wells successfully. This has major implications and indicates how using EM data can raise detection rates by as much as 50%, or even more. As such, EM heralds a new epoch for the oil and gas industry with great potential as this new technology is being exploited. Equanor is the first resource company to base operations on exploiting EM as a key competitive edge.

Although EM technology is already deemed a success, the petroleum industry and research institutions still face the task of designing data interoperability with other data types in order to fully exploit reserves detected by remote resistivity surveys. This includes integrating EM data with seismic and well data as well as adopting a sound geological approach. Geoscientists will be invited to participate in the establishment of a new and highly advanced integrated workflow where EM data are incorporated into the analysis. Equanor, through Rocksource Geotech, has gained access to state-of-the-art technical solutions to boost an advanced integrated policy.

### EM basics

During the last century, EM techniques were successfully applied in the mining industry, with numerous EM surveys for petroleum exploration conducted on land as well. EM methods led to the discovery of Olegov, the world's largest gas field, in Russia. In marine environments, EM techniques have been employed for some years in the study of ocean basins and active spreading centres, although the first offshore testing using EM data for direct hydrocarbon detection did not occur until 2000. This test was carried out by Statoil offshore Angola and yielded enough positive results to warrant commercialisation of the concept through EMGAS.

The concept of EM surveys is based on the induction of an electromagnetic field in a conductive subsurface being affected by its resistivity anomalies. In marine environments, shallow-filled sediments are good conductors, whereas hydrocarbon-filled sediments give examples of high resistivity inclusions that disturb the electromagnetic field. The electromagnetic field affected by subsurface anomalies propagates back to the seabed where it is recorded by the receivers (Figure 1).



Figure 1. Electromagnetic energy is emitted from a source. The energy propagates into the subsurface. If there are no hydrocarbons present, the energy will gradually be attenuated and disappear. If, however, hydrocarbons are present, EM energy is reflected and refracted back to the sea floor where the energy can be recorded by receivers.

Then the acquired EM data must be processed using advanced 3D inversion algorithms at this stage. Finally, the EM data must be re-rendered with seismic and geological data for advanced integrated interpretation. This is the most important step, and one that requires meticulous modelling and processing pre-work (Figure 3).

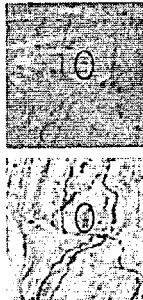


Figure 3. The figure on the left depicts a seismic section. The green circle indicates a prospect identified from the seismic data. The figure on the right shows the same seismic section, but with real EM added to the image. The EM data show the presence of shallow gas and a probable hydrocarbon reservoir at depth (red colour are high resistivity areas, indicating hydrocarbon). This image was created by the use of advanced 3D inversion algorithms. The EM data show the presence of shallow gas and a probable hydrocarbon reservoir at depth (red colour are high resistivity areas, indicating hydrocarbon). This image was created by the use of advanced 3D inversion algorithms. The EM data show the presence of shallow gas and a probable hydrocarbon reservoir at depth (red colour are high resistivity areas, indicating hydrocarbon).

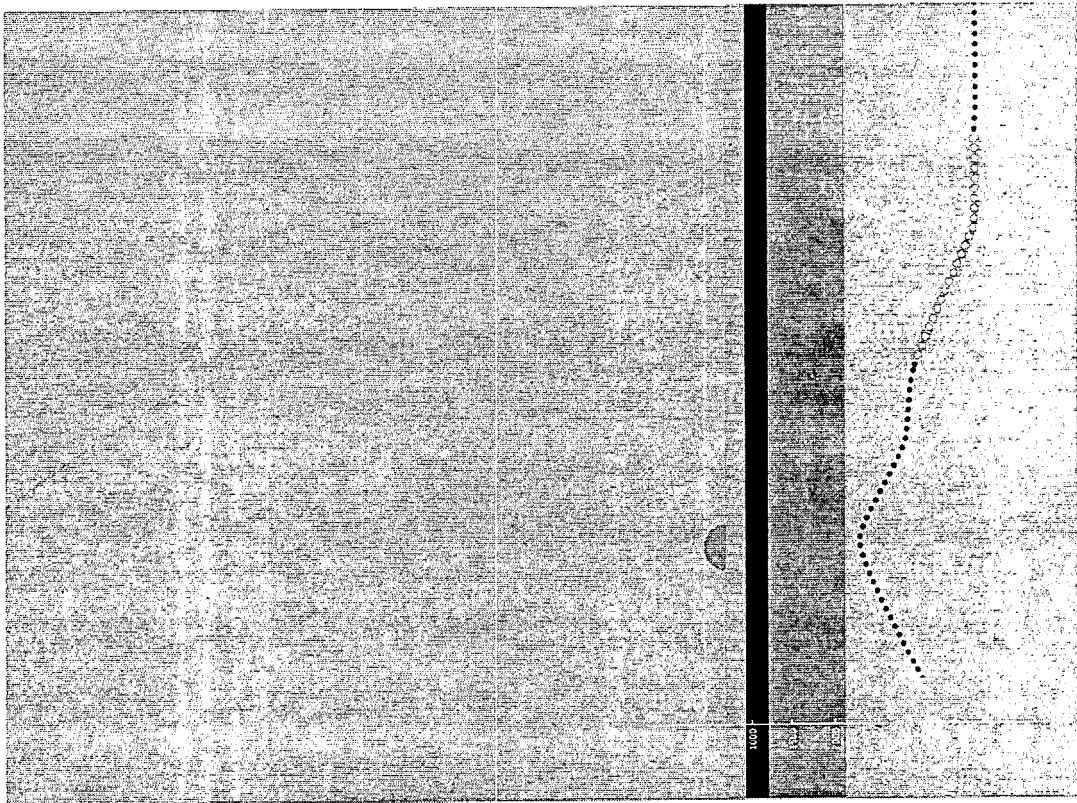
The required information is sufficient to create relatively detailed charts of subsurface resistivity distribution. The recordings of the electric and magnetic fields on the seabed contain a significant amount of natural background noise (EM water current induction), which, added to source and receiver position uncertainties, complicate high-resolution EM data interpretation. Expertise in energy propagation patterns on the subsurface is mandatory, as well as the use of advanced algorithms, in order to create the resistivity image. Rocksource Geotech.

Through Rocksource Geotech AS, Ecuator ASA has gained access to advanced modelling and processing algorithms, as well as big experience to ensure proper handling of EM data, both before and after data are collected. In the future, data acquisition will be highly advanced, both in terms of geometry (3D) and equipment. A detailed feasibility study using 3D modelling algorithms at this stage must be performed before any EM data can be collected (Figure 2).



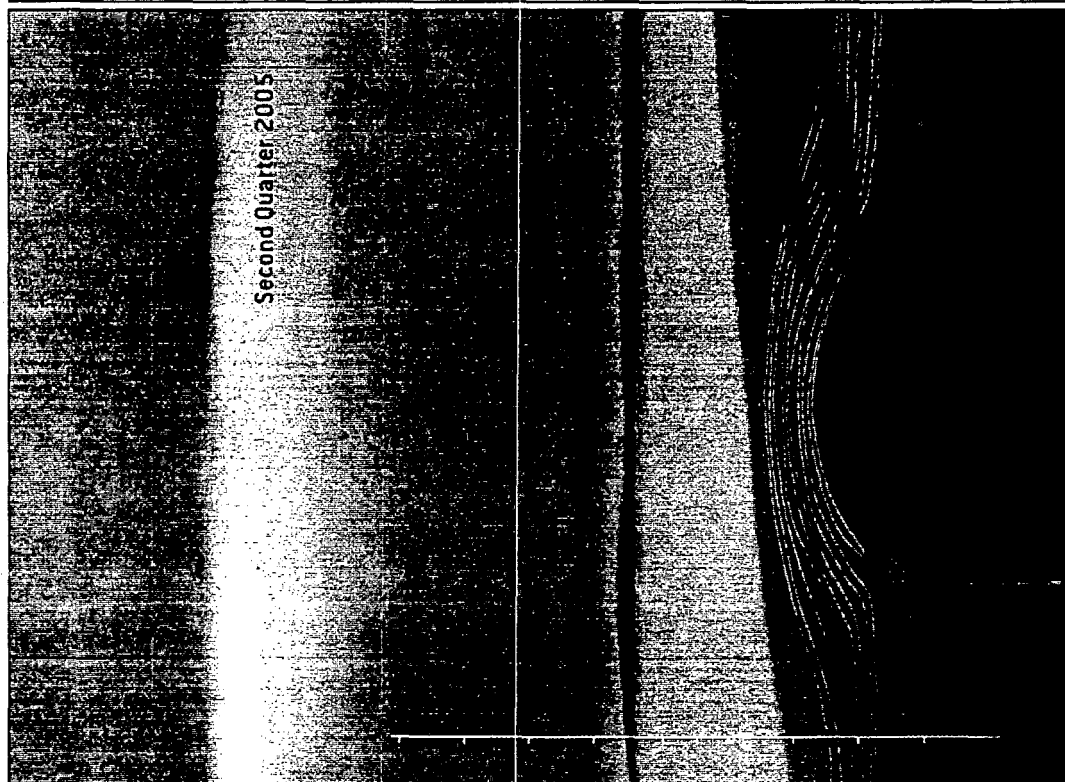
Figure 2. Modelling is used to test feasibility to obtain key information from EM data for a specific area and geometry of survey.

Rocksource Geotech has developed essential tools for use in all stages of the advanced work flow, from initial testing to final integrated interpretation. The tools have been successfully tested on real data and verified against seismic observations. So far, analyses point to there being significant more potential in the EM data than indicated by the more basic 1D and 2D data acquisition and processing approaches. This relates to identification of smaller and deeper targets as well. Rocksource Geotech does not carry out actual EM data acquisition as this is outsourced to a number of companies offering these services. Rocksource Geotech's focus is on fully understanding the modelling, processing and interpretation of EM data in conjunction with other data types. Ecuator believes that Rocksource Geotech holds one of the most advanced approaches in this respect. Furthermore, Rocksource Geotech is dedicated to bringing EM into production for enhanced recovery, which will potentially have a very significant impact on production areas owned by Ecuator.



# Appendix 3: Half-year report for Rocksource as of 30 June 2005 (unaudited)

	Q2 2005		Q2 2004		30.06.2005		30.06.2004	
	IFRS	NOK 000'	IFRS	NOK 000'	IFRS	NOK 000'	IFRS	NOK 000'
<b>Resultatregnskap / Income statement</b>								
Driftsinntekt / Operating income	743		-		782		-	219
Sum driftsinntekt/Total Operating income	1 743		-		1 782		-	219
Driftskostnader / Operating expenses								
Driftskostnader / Operating expenses	705		-		706		-	215
Driftskostnader / Operating expenses	705		-		706		-	215
Leasetilskudd / Leasehold costs, oil & gas	700		-		1 006		-	1 582
Leasetilskudd / Leasehold costs, oil & gas	700		-		1 006		-	1 582
Avskrivning på utvinn driftsmidler / Depreciation and amortisation	51		-		816		-	1 110
Avskrivning på utvinn driftsmidler / Depreciation and amortisation	51		-		816		-	1 110
Nettoinntekt av utvinn driftsmidler / Impairment loss on fixed assets	2 038		783		11 107		783	32 578
Nettoinntekt av utvinn driftsmidler / Impairment loss on fixed assets	2 038		783		11 107		783	32 578
Sum driftskostnader / Total operating expenses	19 863		783		19 849		783	42 301
Driftsresultat / Operating result	4 368		-783		-43 268		-783	-42 282
Driftsresultat / Operating result	4 368		-783		-43 268		-783	-42 282
Finansinntekt / Financial income	63		-		209		-	383
Finansinntekt / Financial income	63		-		209		-	383
Finanskostnader / Financial expenses	603		-		739		-	615
Finanskostnader / Financial expenses	603		-		739		-	615
Netto finansresultat / Net financials	-540		-		-530		-	-233
Netto finansresultat / Net financials	-540		-		-530		-	-233
Resultat/Result	4 808		-783		-43 268		-783	-42 594
Resultat/Result	4 808		-783		-43 268		-783	-42 594
Majority share of profit	4 391		-783		-33 501		-783	-41 824
Majority share of profit	4 391		-783		-33 501		-783	-41 824
Minority share of profit	-583		-		-2 319		-	-710
Minority share of profit	-583		-		-2 319		-	-710
Resultat per aksje / Result per share	-0,000		-0,783		-0,046		-0,783	-0,286
Resultat per aksje / Result per share	-0,000		-0,783		-0,046		-0,783	-0,286
Dividend result per share / Divided result per share	-0,000		-0,783		-0,046		-0,783	-0,286
Dividend result per share / Divided result per share	-0,000		-0,783		-0,046		-0,783	-0,286



**Kontantretrompsattilfing / Cashflow statement**

	Q3 2005		Q3 2004		30.06.2005		30.06.2004	
	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	
	NOK.000'	NOK.000'	NOK.000'	NOK.000'	NOK.000'	NOK.000'	NOK.000'	
<b>Operasjonelle aktiviteter / Operational activities</b>								
Ordinært resultat før skattekostnad / Result before tax	-8 930	-763	-13 820	-763	-42 534	-42 534		
Ordinært avskrivning / Depreciation and amortization	581		610		1 110	1 110		
Nettoavskrivning av eiendomsrettigheter / Impairment of fixed costs					32 578	32 578		
Netto av andre satsingsrettsprosjekter /								
Change in other investments	1 89	773	385	773	4 539	4 539		
Effekt av valutavariasjoner /								
Effect of changes in exchange rates	15		15		65	65		
<b>Netto kontantstrøm fra operasjonelle aktiviteter /</b>	<b>-7 135</b>	<b>10</b>	<b>-13 541</b>	<b>10</b>	<b>-15 320</b>	<b>-15 320</b>		
<b>Net cash flow from operational activities</b>								
<b>Investerings aktiviteter / Investing activities</b>								
Investering i eiendomsrettigheter /								
Investments in tangible assets	-10 029		-10 239		-483	-483		
Investering i immaterielle eiendomsrettigheter /								
Investments in intangible assets								
Imbalansering ved salg av eiendomsrettigheter /								
Cash flow from sales of assets	182		208		750	750		
Imbalansering ved endret konsernfinansiering /								
Cash flow from changes to the group								
Effekt av valutavariasjoner /								
Effect of changes in exchange rates	-566		-410		-224	-224		
<b>Netto kontantstrøm fra investeringsaktiviteter /</b>	<b>-10 215</b>	<b>-10 341</b>	<b>-10 341</b>	<b>-10 341</b>	<b>43</b>	<b>43</b>		
<b>Net cash flow from investing activities</b>								
<b>Finansieringsaktiviteter / Financing activities</b>								
Finansieringsaktiviteter /								
Proceeds from issuance of long term debt	19 060		19 060		19 060	19 060		
Prosjektfinansiering /								
Project financing								
Etatsjons- og kuperingskostnader /								
Merger costs	-428		-428		-428	-428		
Imbalansering ved utstedelse av aksjekapital /								
Effect of issuance of shares	40 034	100	40 034	100	40 034	100	40 413	
Effekt av valutavariasjoner /								
Effect of changes in exchange rates								
<b>Netto kontantstrøm fra finansieringsaktiviteter /</b>	<b>38 666</b>	<b>100</b>	<b>39 632</b>	<b>100</b>	<b>39 632</b>	<b>40 413</b>		
<b>Net cash flow from financing activities</b>								
Effekt av valutavariasjoner på kontanter /								
Exchange rate changes								
<b>Netto endring / Kontanter /</b>	<b>50</b>	<b>87</b>	<b>50</b>	<b>87</b>	<b>50</b>	<b>57</b>		
<b>Net change in cash</b>								
Balansering av kontanter periodestart /	42 288	110	35 733	110	25 079	25 079		
Cash at start of period	18 009	25 544	18 009	25 544	465	465		
<b>Balansering av kontanter periodeendring /</b>	<b>81 297</b>	<b>110</b>	<b>81 297</b>	<b>110</b>	<b>25 544</b>	<b>25 544</b>		
<b>Cash at end of period</b>								

**Balans / Balance sheet**

	30.06.2005		30.06.2004		31.12.2004	
	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
	NOK.000'	NOK.000'	NOK.000'	NOK.000'	NOK.000'	NOK.000'
<b>EIENDELER / ASSETS</b>						
<b>Arbeidsmidler / Current Assets</b>						
Immaterielle eiendomsrettigheter / Intangible assets	110		117 534	41		
Overført	154 063		117 534			
Sum immaterielle eiendomsrettigheter / Total intangible fixed assets	154 073		117 534			
<b>Varige driftsmidler / Long term assets</b>						
Ute- og eiendomsrettigheter / Oil and gas properties	10 485		947			
Ute- og eiendomsrettigheter / Oil and gas properties	10 485		947			
Sum varige driftsmidler / Total long term assets	10 485		947			
<b>Sum eiendomsrettigheter / Total fixed assets</b>	<b>164 558</b>	<b>110</b>	<b>118 481</b>	<b>110</b>	<b>25 544</b>	<b>25 544</b>
<b>OMKREPSMIDLER / CURRENT ASSETS</b>						
Korttidsforbehold / Short term receivables	661		1 009			
Korttidsforbehold / Short term receivables	661		1 009			
Andre forbehold / Other receivables	4 487		1 009			
Andre forbehold / Other receivables	4 487		1 009			
Sum forbehold / Total receivables	5 148		2 018			
Sum forbehold / Total receivables	5 148		2 018			
Bankinnskudd / Bank deposits	61 297	110	25 544	110	25 544	25 544
Bankinnskudd / Bank deposits	61 297	110	25 544	110	25 544	25 544
Sum eiendomsrettigheter / Total current assets	66 638	110	26 562	110	26 562	26 562
Sum eiendomsrettigheter / Total current assets	66 638	110	26 562	110	26 562	26 562
<b>Sum EIENDELER / TOTAL ASSETS</b>	<b>231 192</b>	<b>110</b>	<b>145 043</b>	<b>110</b>	<b>145 106</b>	<b>145 106</b>
<b>EIGENKAPITAL OG GJELD / EQUITY AND LIABILITIES</b>						
<b>Eigenkapital / Equity</b>						
Aksjekapital / Share capital	81 066	100	74 060	100	74 060	74 060
Egne aksjer / Own shares	-25		-25		-25	-25
Overkursfond / Share premium reserve	10 078		10 078		10 078	10 078
Vedtak / Ikke registrert kapitalforbehold / Equity not registered	114 000		763		49 066	49 066
Anden egenkapital / Other equity						
Morselskapsreservert / Minority interest			117 534		117 534	117 534
Morselskapsreservert / Minority interest			117 534		117 534	117 534
Sum egenkapital / Total equity	205 119	100	193 760	100	193 760	193 760
Sum egenkapital / Total equity	205 119	100	193 760	100	193 760	193 760
<b>Gjeld / Liabilities</b>						
Korttidslig gjeld / Current liabilities	2 846		2 088		2 088	2 088
Leverandørgjeld / Trade payables	2 846		2 088		2 088	2 088
Gjeld til kredittinstitusjoner / Debt to financial institutions	20 128		2 893		773	773
Sum gjeld / Total liabilities	23 974	773	2 818	773	2 818	2 818
Sum gjeld / Total liabilities	23 974	773	2 818	773	2 818	2 818
<b>Sum EIGENKAPITAL OG GJELD /</b>	<b>228 143</b>	<b>110</b>	<b>196 578</b>	<b>110</b>	<b>196 578</b>	<b>196 578</b>
<b>TOTAL EQUITY AND LIABILITIES</b>						

Egenkapital / Equity

	Share Capital	Equity Shares	Other equity	Reserve Capital	Minority/ Minority	Sum of consolidated Total Equity
Egenkapital 01.01.2005 IFRS	14 060	-25	-43 086	0	117 373	142 342
Rebet emisjon / Issue of shares	7 400	0	33 528	0	0	40 928
Emisjon- og innkøpsordrer / Offer and issue expenses	0	0	-436	0	0	-436
Omregning minoritet (loston) / Changes to minority interests	0	0	40 402	114 000	-117 373	37 029
Omregningsdifferanse valuta / Exchange rate adjustments	0	0	70	0	0	70
Periodens resultat ekskl. minoritet / Net Income	0	0	-13 820	0	0	-13 820
<b>Egenkapital / Equity 30.06.2005 IFRS</b>	<b>21 460</b>	<b>-25</b>	<b>10 678</b>	<b>114 000</b>	<b>0</b>	<b>206 113</b>

Antall aksjer / Number of shares	NOK 9 25
01.01.2005 (i tusen) / in 1,000	288 241
30.06.2005 (i tusen) / in 1,000	225 865

ROCKSOURCE Group – Notes 2nd quarter 2005

Principles and reporting

The quarterly reports are in accordance with IFRS, relating converted 2004 IFRS accounting figures for comparison purposes. Brief information on the transition from NGAAP to IFRS is included in note 1. Refer otherwise to more detailed information in the interim financial statement for Q1 2005. The transition to IFRS took place when Anergy AS was established in March 2004. This was the acquiring company for accounting purposes in the merger with Ecuator ASA that was carried out in the autumn of 2004. The comparison figures for 2004 are the figures for Anergy AS.

The consolidated accounts include Rocksource ASA (Rocksource), Rocksource Energy Corporation (Rocksource Energy) and the merged Ecuator Geotech AS (Ecuator Geotech) and Rocksource Geotech AS (Rocksource Geotech), see below.

Rocksource acquired 20% of the shares in Rocksource Geotech in September 2004 and also had an option to buy the remaining 80% of the shares for NOK 150 million by 1 July 2005. As a result of this option, Rocksource Geotech has become consolidated for accounting purposes from the acquisition date, 3 September 2004. Rocksource's wholly owned subsidiary, Ecuator Geotech AS, entered into a merger agreement with Rocksource Geotech on 4 May 2005, according to which the latter would become a wholly owned by Rocksource. The shareholders in Rocksource Geotech are to receive 100 million shares in Rocksource as payment. The merger and associated increase in capital were registered 15.08.2005.

All of the estimated excess value relating to the acquisition of consolidated companies has been defined as goodwill. Following the acquisition, the excess value that has been acquired is mainly regarded as being linked to personnel related specific and geotechnical competences and technologies to technology that is promising and still being developed. The excess value cannot therefore, in the Company's opinion, be classified as an intangible asset, either in whole or in part, but should instead be classified as goodwill.

Exploration and development costs for oil and gas properties are capitalised according to the successful effort method. The IFRS currently do not specify any industry-specific standard for oil and gas activities, and IFRS 6 allows the continued application of previously used principles. Nonetheless, the Group has chosen to start using successful effort instead of full cost. All exploration costs, with the exception of licence purchases and costs relating to drilling are charged to expenses as they are incurred. Development costs (including those relating to exploration drilling) are capitalised using continuous write-down testing. Capitalised costs are depreciated as from and including the year when commercial reserves are proven on the field.

Note 1: The effect of the transition to IFRS

Rocksource ASA has conducted an analysis of the differences between NGAAP and IFRS, and the reconciliation below shows a summary of the effects on the equity and results. The date of the transition from NGAAP to IFRS is the date when Anergy AS was formed (March 2004). At that time, there were no differences between NGAAP and IFRS, so no reconciliation has been prepared for the opening balance sheet on the transition date.

Reconciliation of transition to IFRS	Accounting year 2004		Accounting year 2004	
	Equity	Result	Equity	Result
Accounting year 2004	31 172 204	2004	31 172 204	2004
NGAAP - reserved amortisation	28 789	-44 031	28 789	-44 031
Consolidation Rocksource Geotech AS	113 403	0	113 403	0
Merger - Changed implementation date	0	2 130	0	2 130
Rocksource EC - conversion to "successful effort" method	39	-1 136	39	-1 136
IFRS - Inc. minority interests	142 342	-42 534	142 342	-42 534

The quarterly figures for 2004 consist of those for Anergy AS. There is no accounting difference between NGAAP and IFRS.

**Note 2: Segment information per 30.06.05**

The Company's primary segmentation is into the following business areas:

1. Oil and gas
2. Minerals and metals

The oil and gas segment is in a developmental phase and the information value of allocated accounting figures is considered to be slight.

The figures therefore only state the allocated income and result.

The gold-related operations no longer form part of the Group's core area and there has been little activity in this segment so far in 2005.

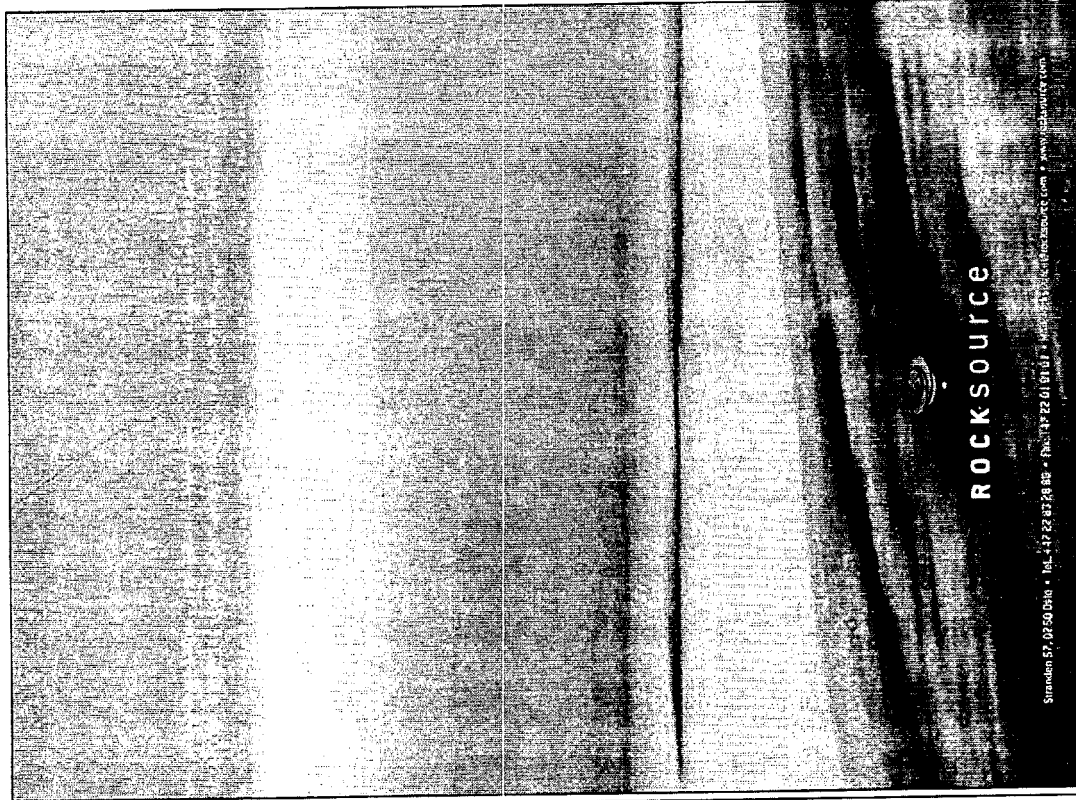
The Company's secondary reporting format is geographical.

Business Area	Oil/gas	Minerals and metals	Total
Income	1 720	62	1 782
Result	-13 553	-267	-13 820

Geography	Norway	USA	Ecuador	Total
Income	0	1 720	62	1 782
Result	-11 511	-2 371	62	-13 820

**Note 3: Pro forma figures**

The transferring company in the merger with Ecuador Geotech, Rocksource Geotech, was consolidated for accounting purposes as from the audit date in September 2004. Pro forma figures would not, therefore, provide any additional information and have thus not been prepared.





## Appendix 4: Overview of the subscribers in the Private Placement

<b>Subscriber/shareholder</b>	<b>Allocated number of shares</b>
DNO	15,105,566
AsterX	10,047,000
DPFM	8,050,738
Leo Funds	7,017,617
Range Capital	6,698,000
SEB LUX	6,698,000
Cheyne	6,499,047
SAC	4,842,922
CSFB	4,084,047
Fritt Ord	3,818,000
ACH Sec	3,722,053
Ennismore	3,258,328
Griffin Capital Management	2,576,000
Skeie Group	2,307,692
Pendragon	2,009,000
Explora Capital management	1,675,000
Sector Asset Management	1,675,000
Gambak	1,340,000
Tomtegaten	963,395
Lime Venture	612,520
Thomas Fleischer	572,140
Hammersborg	572,140
Ashburton	536,464
Montgomery Oppenheim	419,000
Slethei AS	334,520
Brødrene Tonslien	332,760
Caiano	278,407
Vilamar	226,000
Ulskog Invest AS	226,000
Martin AS	226,000
Dalset Invest AS	226,000
Åsheim Invest AS	226,000
Marin AS	226,000
Bjørn Holmsen	226,000
Concito AS	200,000
Arve Johnsen	192,308
Aal Finans	173,000
Hans Kristian Andersson	172,510
Jarle Tronslien	165,250
SVM Asset Management	162,000
Corinthian	135,000
Audley	129,000
Clipper	129,000
Straen	129,000
Barque	129,000
Tor Lien	126,000
Jørn Vikøyr	125,574
Marnar Bygg	90,000
Pactum	90,000
Inge Vinje	90,000
Endre Danielsen	72,000
International Oilfield Service A/S	63,000
<b>Total</b>	<b>100,000,000</b>

## Appendix 5: Subscription Form for the Subsequent Offering

### Rocksource ASA

### SUBSEQUENT SHARE OFFERING SEPTEMBER/OCTOBER 2005

### SUBSCRIPTION FORM

Properly completed subscription forms must be received by Pareto Securities ASA, Dronning Maudsgt. 3, P.O. Box 1411 Vikta, N-0115 Oslo, telephone +47 22 87 87 00, telefax: +47 2 83 43 09, by 7 October 2005 at 16:00 hrs. (Norwegian time).

#### SUBSCRIPTION GUIDELINES

The Subsequent Offering Shares ("the Shares") can be subscribed from and including 26 September to and including 7 October 2005 at 16:00 hours (Norwegian time), with pre-emptive rights for the existing shareholders in Rocksource ASA ("Rocksource" or the "Company") as of 6 September 2005 who were not given the opportunity to subscribe for shares in the Private Placement ("the Eligible Shareholders"). This pre-emptive right is non-transferable, and will not be negotiable during the subscription period. Eligible Shareholders will receive 1 subscription right per 3.8727 share owned as of 6 September 2005. 1 subscription right gives the pre-emptive right to subscribe for one new Share. The subscription price for one Share is NOK 2.60 which equals the subscription price in the Private Placement. Over-subscription is allowed.

Note: In order to subscribe for the Shares, the Subscriber must satisfy the applicable requirements pursuant to the Norwegian Money Laundering Act of 20 June 2003 and the associated regulations. The subscriber bear the risk of any delay in the postal communication, busy facsimiles and data problems preventing orders from being received by the Manager.

#### PAYMENT FOR THE SUBSCRIBED SHARES

Each subscriber provides by signature on this Subscription form, Pareto Securities ASA an irrevocable power of attorney to debit a specified Norwegian bank account for payment of the allotted Shares. Debit of the account will be take place on or about 14 October 2005 (see below for specification of bank account). Should the subscriber have insufficient funds or payment is delayed for any reason, a penalty interest will be payable on the delayed sum according to the Norwegian Act on Interest on Overdue Payments of 17 December 1976. The Company also reserves the right to cancel the subscription, or to sell the allotted Shares at the subscriber's risk and cost. The allotted Shares will not be transferable before they are fully paid and registered at the subscribers VPS-account. Such registration is expected to occur on or about 21 October 2005.

Notification of allotments will be sent out on or about 12 October 2005. Payment for the allotted Shares must be available on the subscribers specified bank account on or by 14 October 2005.

Subscribers VPS-account no.	No. of subscription rights:	No. of Shares subscribed:	(For official use: Serial no.)
-----------------------------	-----------------------------	---------------------------	--------------------------------

1 SUBSCRIPTION RIGHT GIVE THE RIGHT TO  
SUBSCRIBE FOR 1 NEW SHARE



Amount to be paid per Share	Total amount to be paid
NOK 2.60	= NOK

Pursuant to the terms and conditions set out in the Offering Circular, I/we hereby irrevocable subscribe for the above number of Shares.

I/We hereby give an irrevocable power of attorney to Pareto Securities ASA for the direct debiting from my Norwegian bank account for the allotted amount (no. of allotted shares x subscription price)	(Bank account no. 11 digits)
---	------------------------------

NB! If the bank account number for debit is not specified, the subscription form can not be registered.

Subscription place and date  
Must be dated in the subscription period

Binding signature. The subscriber must be of age.  
When signing per procura, documentation in form of company certificate or power of attorney must be enclosed.

#### DETAILS OF THE SUBSCRIBER

Subscribers VPS account no.	PLEASE NOTIFY THE REGISTRAR OF ANY CHANGES:
Subscribers first name	
Subscribers surname/company	
Street address etc. (for individuals: residential address)	
Zip-code, City	
Date of birth and national ID number (11 digits) <b>MUST BE COMPLETED</b>	
Reg. account number for payment of dividends	
Nationality	
Trustee/Telephone	