



**Wentworth Resources Limited**  
**Condensed Consolidated Interim**  
**Financial Statements**

*For the third quarter and nine months ended September 30, 2015*  
*Unaudited*

# WENTWORTH RESOURCES LIMITED

## Unaudited Condensed Consolidated Interim Statement of Financial Position

United States \$000s, unless otherwise stated

	Note	September 30, 2015	December 31, 2014
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		2,282	5,487
Trade and other receivables		2,712	2,613
Prepayments, deposits and advances to partners		226	1,418
Current portion of long-term receivables	4	24,305	14,530
		<u>29,525</u>	<u>24,048</u>
<b>Non-current assets</b>			
Long-term receivables	4	13,435	19,472
Exploration and evaluation assets	5	43,434	33,762
Property, plant and equipment	6	95,192	85,035
		<u>152,061</u>	<u>138,269</u>
<b>Total assets</b>		<u>181,586</u>	<u>162,317</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables		4,254	7,343
Current portion of contingent liability		3,214	861
Current portion of long-term loans	7	4,333	-
		<u>11,801</u>	<u>8,204</u>
<b>Non-current liabilities</b>			
Long-term loans	7	21,437	5,718
Contingent liability		-	2,271
Decommissioning provision		921	782
		<u>22,358</u>	<u>8,771</u>
<b>EQUITY</b>			
Share capital		411,493	404,225
Equity reserve		25,510	24,916
Accumulated deficit		(289,576)	(283,799)
		<u>147,427</u>	<u>145,342</u>
<b>Total liabilities and equity</b>		<u>181,586</u>	<u>162,317</u>

The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements

Approved by the Board of Directors and Management

Robert P. McBean  
Chairman of the Board

John W.S. Bentley  
Deputy Chairman

Cameron Barton  
Non-Executive Director

Neil Kelly  
Non-Executive Director

Richard Schmitt  
Non-Executive Director

Geoff Bury  
Managing Director

**WENTWORTH RESOURCES LIMITED****Unaudited Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income**

United States \$000s, unless otherwise stated

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		Quarter ended September 30,		Nine months ended September 30,	
	Note	2015	2014	2015	2014
<b>Total revenue</b>		<b>972</b>	270	<b>1,536</b>	759
<b>Operating expenses</b>					
Production and operating	12	(752)	(474)	(2,645)	(1,646)
General and administrative		(1,479)	(1,767)	(4,332)	(5,066)
Share based compensation	9	(136)	(308)	(594)	(785)
Depreciation and depletion	6	(434)	(155)	(662)	(446)
Gain from sale of office assets		-	5	-	60
<b>Loss from operating activities</b>		<b>(1,829)</b>	(2,429)	<b>(6,697)</b>	(7,124)
Finance income	8	1,205	1,437	3,899	4,484
Finance costs	8	(625)	(326)	(2,979)	(878)
<b>Net loss and comprehensive loss</b>		<b>(1,249)</b>	(1,318)	<b>(5,777)</b>	(3,518)
<b>Net loss per ordinary share</b>					
Basic and diluted (US\$/share)	11	(0.01)	(0.01)	(0.04)	(0.02)

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The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements

**WENTWORTH RESOURCES LIMITED****Unaudited Condensed Consolidated Interim Statement of Changes in Equity**

United States \$000s, unless otherwise stated

	Note	Number of shares	Share capital \$	Equity reserve \$	Accumulated deficit \$	Total equity \$
Balance at December 31, 2013		153,872,700	403,998	23,903	(299,076)	128,825
Net loss and comprehensive loss		-	-	-	(3,518)	(3,518)
Share based compensation	9	-	-	785	-	785
Issue of share capital		250,000	227	(77)	-	150
<b>Balance at September 30, 2014</b>		<b>154,122,700</b>	<b>404,225</b>	<b>24,611</b>	<b>(302,594)</b>	<b>126,242</b>
Balance at December 31, 2014		154,122,700	404,225	24,916	(283,799)	145,342
Net loss and comprehensive loss		-	-	-	(5,777)	(5,777)
Share based compensation	9	-	-	594	-	594
Issue of share capital	10	15,412,269	7,639	-	-	7,639
Share issue costs	10	-	(371)	-	-	(371)
<b>Balance at September 30, 2015</b>		<b>169,534,969</b>	<b>411,493</b>	<b>25,510</b>	<b>(289,576)</b>	<b>147,427</b>

The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements

**WENTWORTH RESOURCES LIMITED****Unaudited Condensed Consolidated Interim Statement of Cash Flows**

United States \$000s, unless otherwise stated

	Note	Quarter ended September 30, 2015	2014	Nine months ended September 30, 2015	2014
<b>Operating activities</b>					
Net loss for the period		(1,249)	(1,318)	(5,777)	(3,518)
Adjustments for:					
Share based compensation	9	136	308	594	785
Depreciation and depletion	6	434	155	662	446
Finance loss, net		(580)	(1,111)	(920)	(3,606)
Gain from sale of assets		-	(5)	-	(60)
Change in non-cash working capital		(1,855)	3,760	523	(156)
<b>Cash (used in)/generated from operating activities</b>		<b>(3,114)</b>	<b>1,789</b>	<b>(4,918)</b>	<b>(6,109)</b>
<b>Investing activities</b>					
Additions to evaluation and exploration assets	5	(382)	(7,976)	(9,672)	(16,447)
Additions to property, plant and equipment	6	(1,158)	(331)	(10,770)	(1,107)
Net reduction/(increase) of long-term receivable		481	43	(1,472)	235
Conversion of term deposits to cash		-	4,013	-	23,176
Interest income		-	21	-	96
Change in non-cash working capital		(7,777)	-	(2,978)	-
<b>Cash (used in)/from investing activities</b>		<b>(8,836)</b>	<b>(4,230)</b>	<b>(24,892)</b>	<b>5,953</b>
<b>Financing activities</b>					
Issue of share capital, net of issue costs		7,268	-	7,268	150
Proceeds from long-term loans	7	5,161	-	20,000	-
Interest paid		(421)	(91)	(663)	(269)
Proceeds from sale of office assets		-	7	-	62
<b>Cash from/(used in) financing activities</b>		<b>12,008</b>	<b>(84)</b>	<b>26,605</b>	<b>(57)</b>
Net change in cash and cash equivalents		58	(2,525)	(3,205)	(213)
Cash and cash equivalents, beginning of the period		2,224	16,813	5,487	14,501
<b>Cash and cash equivalents, end of the period</b>		<b>2,282</b>	<b>14,288</b>	<b>2,282</b>	<b>14,288</b>

The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements

# WENTWORTH RESOURCES LIMITED

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

United States \$000s unless otherwise stated

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### 1. Nature of business

Wentworth Resources Limited (“Wentworth” or the “Company”) is an East Africa-focused upstream oil and natural gas company. These unaudited condensed consolidated interim financial statements include the accounts of the Company and its subsidiaries (collectively referred to as “Wentworth Group of Companies” or the “Group”). The Company is actively involved in oil and gas exploration, development and production operations. Wentworth is incorporated in Canada and shares of the Company are widely held and listed on the Oslo Stock Exchange (ticker: WRL) and the AIM Market of the London Stock Exchange (ticker: WRL).

The Company has offices located in Calgary, Canada and Dar es Salaam, Tanzania.

### 2. Summary of accounting policies

#### Basis of presentation and statement of compliance

These unaudited condensed consolidated interim financial statements have been prepared by management in accordance with International Accounting Standard 34, “Interim Financial Reporting”.

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these unaudited condensed consolidated interim financial statements, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended December 31, 2014. These unaudited condensed consolidated interim financial statements have been prepared following the same accounting policies as the annual audited consolidated financial statements for the year ended December 31, 2014 and should be read in conjunction with the annual audited consolidated financial statements and the notes thereto.

These unaudited condensed consolidated interim financial statements were approved by the Board of Directors on November 18, 2015. The disclosures provided below are incremental to those included in the annual consolidated financial statements.

# WENTWORTH RESOURCES LIMITED

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

United States \$000s unless otherwise stated

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### 2. Summary of accounting policies (continued)

#### Recent accounting pronouncements

The following standards and amendments applicable to the Company are issued but not yet effective and have not been early adopted in these consolidated financial statements.

New and Amended Standards		Effective for annual periods beginning on or after
IFRS 15	Revenue from Contracts with Customers	January 1, 2018
IFRS 9	Financial Instruments	January 1, 2018
IFRS 11 (Amendments)	Accounting for Acquisitions of Interests in Joint Operations	January 1, 2016
IFRS 10 and IAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	January 1, 2016

The Company intends to adopt these standards and amendments to IFRS in its financial statements for the applicable annual period. The Company has not completed an assessment of the impact of the above standards on the financial statements.

#### Credit risk

Wentworth's maximum credit risk exposure is equal to the carrying value of its cash and cash equivalents, trade, other and long-term receivables. Trade and other receivables are comprised predominantly of amounts due from government departments in Tanzania, tax input credits for Goods and Services Tax (GST) in Canada and Value Added Tax (VAT) in Tanzania and Mozambique.

At September 30, 2015, an undiscounted long-term receivable of \$35,749 is due from Tanzania Petroleum Development Company ("TPDC"), a partner in the Mnazi Bay Concession. The Company currently receives, directly from the operator of the Mnazi Bay Concession, a significant portion of TPDC's and the government's share of gas sales from the Mnazi Bay Concession to reduce the receivable from TPDC. There is a risk that future production from the Mnazi Bay Concession may not be sufficient to settle the receivable and, should such a determination be made, a provision against the receivable may be made.

At September 30, 2015, an undiscounted long-term receivable of \$6,511 related to the Company's disposal of transmission and distribution assets, and the costs associated with the Mtwara Energy Project incurred by a wholly owned subsidiary of Wentworth. On February 6, 2012, the Company, TANESCO, TPDC and the Ministry of Energy and Minerals ("MEM") reached an agreement that the Company's cost of historical operations in respect of the Mtwara Energy Project should be reimbursed. Wentworth is currently in discussions with TANESCO, TPDC and MEM on agreeing on a method of reimbursement. There is a risk that the cost reimbursement method may not be in cash, but rather in a long-term recovery from other sources.

# WENTWORTH RESOURCES LIMITED

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

United States \$000s unless otherwise stated

### 2. Summary of accounting policies (continued)

#### Financial instrument classification and measurement

The Company classifies the fair value of financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs, including expected interest rate, share prices, and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3 – Valuation in this level are those with inputs for the assets or liabilities that are not based on observable market data.

The Company's long-term receivables, long-term loans and other long-term liabilities are considered Level 2 measurements. The Company does not have any fair value measurements considered as Level 3.

### 3. Segment information

#### Net loss for the quarter ended September 30, 2015

	Tanzania Operations	Mozambique Operations	Corporate	Consolidated
Natural gas sales	972	-	-	972
Production and operating	(752)	-	-	(752)
General and administrative	(711)	(140)	(628)	(1,479)
Depreciation and depletion	(387)	-	(47)	(434)
Other	708	-	(264)	444
Total segment expenses	(1,142)	(140)	(939)	(2,221)
Net loss	(170)	(140)	(939)	(1,249)

#### Selected Cash Flows for the quarter ended September 30, 2015

Net additions to exploration and evaluation assets	2	380	-	382
Net additions to property, plant and equipment assets	1,116	-	8	1,124



**WENTWORTH RESOURCES LIMITED****Notes to the Unaudited Condensed Consolidated Interim Financial Statements**

United States \$000s unless otherwise stated

**3. Segment information (continued)****Net loss for the quarter ended September 30, 2014**

	Tanzania Operations	Mozambique Operations	Corporate	Consolidated
Natural gas sales	270	-	-	270
Production and operating	(474)	-	-	(474)
General and administrative	(1,011)	(482)	(274)	(1,767)
Depreciation and depletion	(115)	-	(40)	(155)
Other	1,310	-	(502)	808
Total segment expenses	(290)	(482)	(816)	(1,588)
Net loss	(20)	(482)	(816)	(1,318)

**Selected Cash Flows for the quarter ended September 30, 2014**

Net additions to exploration and evaluation assets	2,941	5,035	-	7,976
Net additions to property, plant and equipment assets	328	-	3	331

**Net loss for the nine months ended September 30, 2015**

	Tanzania Operations	Mozambique Operations	Corporate	Consolidated
Natural gas sales	1,536	-	-	1,536
Production and operating	(2,645)	-	-	(2,645)
General and administrative	(2,121)	(394)	(1,817)	(4,332)
Depreciation and depletion	(530)	-	(132)	(662)
Other	984	-	(658)	326
Total segment expenses	(4,312)	(394)	(2,607)	(7,313)
Net loss	(2,776)	(394)	(2,607)	(5,777)

**Selected balances at September 30, 2015**

Current assets	28,281	123	1,121	29,525
Long-term receivables	13,435	-	-	13,435
Exploration and evaluation assets	8,089	35,346	-	43,435
Property, plant and equipment assets	95,150	-	42	95,192
Current liabilities	10,874	288	639	11,801
Non-current liabilities	22,358	-	-	22,358

**Selected Cash Flows for the nine months September 30, 2015**

Net additions to exploration and evaluation assets	153	9,519	-	9,672
Net additions to property, plant and equipment assets	10,780	-	39	10,819

# WENTWORTH RESOURCES LIMITED

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

United States \$000s unless otherwise stated

### 3. Segment information (continued)

#### Net loss for the nine months ended September 30, 2014

	Tanzania Operations	Mozambique Operations	Corporate	Consolidated
Natural gas sales	759	-	-	759
Production and operating	(1,646)	-	-	(1,646)
General and administrative	(2,263)	(810)	(1,993)	(5,066)
Depreciation and depletion	(327)	-	(119)	(446)
Other	4,201	(4)	(1,316)	2,881
Total segment expenses	(35)	(814)	(3,428)	(4,277)
Net income/(loss)	724	(814)	(3,428)	(3,518)

#### Selected balances at September 30, 2014

	Tanzania Operations	Mozambique Operations	Corporate	Consolidated
Segment current assets	14,649	84	13,175	27,908
Long-term receivables	23,210	-	-	23,210
Exploration and evaluation assets	47,230	19,853	-	67,083
Property, plant and equipment assets	18,990	-	167	19,157
Segment current liabilities	2,822	8	1,098	3,928
Segment non-current liabilities	3,763	-	3,425	7,188

#### Selected Cash Flows for the nine months ended September 30, 2014

Net additions to exploration and evaluation assets	7,413	9,034	-	16,447
Net additions to property, plant and equipment assets	1,067	-	40	1,107

### 4. Long-term receivables

	Balance at September 30, 2015	Balance at December 31, 2014
TPDC receivable (i)	32,432	28,914
Tanzanian government receivable (Transmission & Distribution) (ii)	5,308	5,088
	<b>37,740</b>	<b>34,002</b>
<b>Current portion</b>		
TPDC receivable (i)	24,305	14,530
<b>Long-term portion</b>		
TPDC receivable (i)	8,127	14,384
Tanzanian government receivable (Transmission & Distribution) (ii)	5,308	5,088
	<b>13,435</b>	<b>19,472</b>

# WENTWORTH RESOURCES LIMITED

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

United States \$000s unless otherwise stated

### 4. Long-term receivables (continued)

The first gas delivery to the new government owned Mtwara to Dar es Salaam gas pipeline commenced on 20 August 2015. The current portion of TPDC receivable as at September 30, 2015 represents those amounts that are expected to be collected within the next twelve months.

#### i) TPDC receivable

As at September 30, 2015, the undiscounted receivable from TPDC is \$35,749 (\$33,518 at December 31, 2014).

Balance at December 31, 2014	28,914
Accretion	3,441
Change in accounting estimates	(1,395)
Retained gas revenue to offset receivable	(1,442)
Share of TPDC Mnazi Bay Concession costs paid by the Company	2,914
<b>Balance at September 30, 2015</b>	<b>32,432</b>

#### ii) Tanzanian government receivable

As at September 30, 2015 the undiscounted Tanzanian government receivable is \$6,511 (December 31, 2014 - \$6,511).

Balance at December 31, 2014	5,088
Accretion	357
Change in accounting estimates	(137)
<b>Balance at September 30, 2015</b>	<b>5,308</b>

These receivables are considered financial instruments and are initially recorded at fair value based on discounted cash flows and at each reporting date are accreted using the effective interest method over the expected life of the receivable.

### 5. Exploration and evaluation assets ("E&E")

#### Cost

Balance at December 31, 2014	33,762
Additions	9,672
<b>Balance at September 30, 2015</b>	<b>43,434</b>

#### Carrying amounts

December 31, 2014	33,762
<b>September 30, 2015</b>	<b>43,434</b>

# WENTWORTH RESOURCES LIMITED

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

United States \$000s unless otherwise stated

### 6. Property, plant and equipment (“PP&E”)

	Natural gas properties	Office and other equipment	Total
<b>Cost</b>			
Balance at December 31, 2014	88,002	489	88,491
Additions (i)	10,780	39	10,819
<b>Balance at September 30, 2015</b>	<b>98,782</b>	<b>528</b>	<b>99,310</b>
<b>Accumulated depreciation and depletion</b>			
Balance at December 31, 2014	(3,102)	(354)	(3,456)
Depreciation and depletion	(530)	(132)	(662)
<b>Balance at September 30, 2015</b>	<b>(3,632)</b>	<b>(486)</b>	<b>(4,118)</b>
<b>Carrying amounts</b>			
December 31, 2014	84,900	135	85,035
<b>September 30, 2015</b>	<b>95,150</b>	<b>42</b>	<b>95,192</b>

- (i) Non-cash additions totalling \$49 (2014 - \$nil) relate to the decommissioning obligation for existing natural gas properties.

### 7. Long-term loans

#### Credit facilities from Tanzania based banks

<b>Total credit facilities</b>	<b>26,000</b>
Principal balance drawn on credit facilities at December 31, 2014	6,000
Drawn during the period	20,000
<b>Principal balance drawn on credit facilities at September 30, 2015</b>	<b>26,000</b>
<b>Carrying amount of long-term loans at September 30, 2015</b>	<b>25,770</b>
Current	4,333
Non-current	21,437
	<b>25,770</b>

During the quarter and nine months ended September 30, 2015, the Company incurred interest expense, inclusive of the accretion of financing costs, of \$475 and \$1,081 respectively (2014 - \$Nil) on credit facilities from Tanzania based banks of which \$421 and \$663 respectively, was settled in cash (2014 - \$Nil).

At September 30, 2015, the carrying amount of the credit facilities approximates its fair value as the loan's effective interest rate approximates market rates.

# WENTWORTH RESOURCES LIMITED

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

United States \$000s unless otherwise stated

### 8. Finance income and finance costs

	Quarter ended		Nine months ended	
	September 30,		September 30,	
	2015	2014	2015	2014
<b>Finance income</b>				
Accretion - TPDC receivable (Note 4)	1,086	1,293	3,441	4,019
Accretion – Tanzanian government receivable (Note 4)	119	123	357	369
Change in estimates – contingent liability	-	-	101	-
Interest income	-	21	-	96
	<b>1,205</b>	<b>1,437</b>	<b>3,899</b>	<b>4,484</b>
<b>Finance costs</b>				
Change in estimates – TPDC receivable (Note 4)	-	-	(1,395)	-
Change in estimates – Tanzanian government receivable (Note 4)	-	-	(137)	-
Interest expense – Tanzania based banks	(475)	-	(1,081)	-
Interest expense – Vitol loan	-	(203)	-	(599)
Accretion – contingent liability	(61)	(57)	(183)	(169)
Accretion – decommissioning provision	(28)	(24)	(89)	(72)
Foreign exchange loss	(61)	(42)	(94)	(38)
	<b>(625)</b>	<b>(326)</b>	<b>(2,979)</b>	<b>(878)</b>

### 9. Share based payments

Movement in the number of share options outstanding and their related weighted average exercise prices are summarized as follows:

	Number of options	Weighted average exercise price at September 30, 2015
<b>Outstanding at December 31, 2014 and September 30, 2015</b>	<b>9,950,000</b>	<b>0.54</b>

The following table summarizes share options outstanding and exercisable at September 30, 2015:

Exercise Price (NOK)	Exercise Price (US\$) (i)	Outstanding		Exercisable
		Number of options	Weighted average remaining life (years)	Number of options
3.15	0.40	1,000,000	5.0	1,000,000
3.52	0.45	500,000	6.3	500,000
3.60	0.46	2,400,000	5.0	2,400,000
4.08	0.52	250,000	7.6	166,667
4.64	0.59	150,000	8.7	50,000
4.70	0.60	200,000	8.7	66,667
4.90	0.62	350,000	6.6	266,667
5.18	0.66	3,500,000	8.1	1,199,993
5.75	0.73	1,600,000	5.5	1,600,000
		<b>9,950,000</b>	<b>6.6</b>	<b>7,249,994</b>

(1) The US Dollar to Norwegian Kroner exchange rate used for determining the exercise price at September 30, 2015 is 0.11764.

# WENTWORTH RESOURCES LIMITED

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

United States \$000s unless otherwise stated

### 9. Share based payments (continued)

The weighted average exercise price of options that have vested and are exercisable at September 30, 2015 is US\$0.51 (NOK 4.34).

#### Share based payment charge

No options were granted, exercised and forfeited during the quarter and nine months ended September 30, 2015 (2014 - 3,750,000 options were granted during the nine months, 250,000 options were exercised during the quarter and nine months and no options were forfeited during the nine months).

During the quarter and nine months ended September 30, 2015 a total of \$136 and \$594 respectively (2014 - \$308 and \$785 respectively) in share based compensation was expensed with an offsetting charge to equity reserve.

### 10. Share capital

On July 01, 2015, the Company completed a private placement and issued 15,412,269 new common shares, for cash consideration of \$0.50 (GBP 0.32, NOK 3.88) per share for gross proceeds of \$7.64 million (GBP 4.9 million or NOK 59.7 million). Following the private placement offering the Company had 169,534,969 common shares outstanding.

Expenses incurred in relation to the private placement offering were \$371.

### 11. Loss Income per share

#### Basic and diluted loss per share

The calculation of loss per share for the quarter and nine months ended September 30, 2015 is based on a loss attributable to shareholders of the Company of \$1,249 and \$5,777 respectively (2014 – \$1,318 and \$3,518 respectively). Share options and other equity instruments such as warrants were anti-dilutive for both periods.

	Quarter ended September 30,		Nine months ended September 30,	
	2015	2014	2015	2014
Weighted average number of shares outstanding	<b>169,367,444</b>	154,122,700	<b>159,260,123</b>	153,974,348
Dilutive weighted average number of shares outstanding	<b>169,367,444</b>	154,122,700	<b>159,260,123</b>	153,974,348

**12. Tax assessments – Tanzanian operations****i. Gas operations**

In 2014, the Company accrued an estimated tax liability for the period 2008-2012 of Tshs 478 million (equivalent to \$0.28 million at the December 31, 2014 exchange rate of 1Tsh=0.00058 US\$). The final tax assessment for this period was received in 2015 and totaled Tshs 282 million (equivalent to \$0.13 million at the September 30, 2015 exchange rate of 1Tsh=0.00047 US\$), which was settled by way of an offset against a deposit on account with the Tanzania Revenue Authority (“TRA”). The net amount was recorded within production and operating expense.

**ii. Discontinued transmission and distribution operations**

In 2015, the Company received a tax assessment relating to a discontinued, dissolved subsidiary of the Company totalling Tshs 2.57 billion (equivalent to \$1.2 million at the September 30, 2015 exchange rate of 1Tsh=0.00047 US\$) for the period 2009-2012. The Company accrued an estimated tax liability of Tshs 1.86 billion (\$0.87 million) which has been recorded within production and operating expense.

During Q3 2015, the Company made a cash payment of Tshs 534 million (\$0.25 million) and on October 2, 2015 the TRA approved the Company’s request to offset Tshs 1.014 billion (\$0.48 million) against the remaining deposit on account with the TRA, leaving an accrued payable balance at September 30, 2015 of Tshs 312 million (\$0.15 million).



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## **INDEPENDENT AUDITORS' REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS**

To the shareholders of Wentworth Resources Ltd.

### ***Introduction***

We have reviewed the accompanying condensed consolidated interim statement of financial position of Wentworth Resources Ltd. as at September 30, 2015, the condensed consolidated interim statements of profit or loss and other comprehensive income and cash flows for the three and nine-month periods ended September 30, 2015 and 2014, changes in equity for the nine-month periods ended September 30, 2015 and 2014, and notes to the condensed consolidated interim financial statements ("the condensed consolidated interim financial statements"). Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on these unaudited condensed consolidated interim financial statements based on our review.

### ***Scope of Review***

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

### ***Conclusion***

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unaudited condensed consolidated interim financial statements as at September 30, 2015, are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

***KPMG LLP***

Chartered Professional Accountants

November 18, 2015  
Calgary, Canada