GEOGLOBAL RESOURCES INC.
Form 10KSB/A
June 09, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-KSB/A
Amendment No. 1

Mark One:
þ Annual Report under Section 13 or 15(d) of the Securities Exchange Act of 1934.
For the fiscal year ended December 31, 2005; or

¨ Transition Report under Section 13 or 15(d) of the Securities Exchange Act of 1934
For the transition period from __________ to __________.

Commission File No. 1-32158

GEOGLOBAL RESOURCES INC.
(Name of small business issuer in its charter)

Delaware	33-0464753
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
Suite 200, 630- 4 Avenue SW, Calgary, Alberta, Canada	T2P 0J9
(Address of principal executive offices)	(Zip Code)

(403) 777-9250
(Issuer's telephone number)

Securities registered under Section 12(b) of the Exchange Act:

Title of each class	Name of each exchange on which registered
	None

Securities registered under Section 12(g) of the Exchange Act:
Common Stock, par value $.001 per share

(Title of Each Class)

Check whether the issuer is not required to file reports pursuant to Section 13 or 15(d) of the Exchange Act ¨

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. þ Yes ¨ No

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B contained in this form, and no disclosure will be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB. ¨

Indicate by check whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.¨ Yes þ No

Issuer's revenues for its most recent fiscal year: $-0-

The aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was sold, or the average bid and asked price of such common equity, as of April 11, 2006, was $252,479,960. (See definition of affiliate in Rule 12b-2 of the Exchange Act).

The number of shares outstanding of each of the issuer's classes of common equity, as of April 11, 2006, was 63,934,755.

DOCUMENTS INCORPORATED BY REFERENCE
None

This Form 10-KSB/A Amendment No. 1 is being filed to amend the GeoGlobal Resources Inc. (the "Company") Annual Report on Form 10-KSB for the year ended December 31, 2005. The amendment arose out of a need to restate certain financial statements previously filed with the Securities and Exchange Commission in order to correct certain errors relating to the Company's reporting of stock based compensation in compliance with FAS 123R.

This Form 10-KSB/A does not reflect events occurring after the filing of the original Form 10-KSB or modify or update those disclosures. Information not affected by the amendment is unchanged and reflects the disclosure made at the time of the original filing of the Form 10-KSB with the Securities and Exchange Commission on April 13, 2006. The following items have been amended as a result of the restatement:

Annual Report on Form 10-KSB/A
December 31, 2005

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Item 6. Management’s Discussion and Analysis or Plan of Operation

General

The following discussion and analysis of our financial condition or plan of operation should be read in conjunction with, and is qualified in its entirety by, the more detailed information including our Financial Statements and the related Notes appearing elsewhere in this Annual Report. This Annual Report contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from the results and business plans discussed in the forward-looking statements. Factors that may cause or contribute to such differences include those discussed in "Risk Factors," as well as those discussed elsewhere in this Annual Report.

Our Business Activities

We are engaged, through subsidiaries and joint ventures in which we are a participant, in the exploration for and development of oil and gas reserves. We initiated these activities in 2003. Through December 31, 2005, our activities have been undertaken in locations where we and our joint venture participants have been granted exploration rights pursuant to Production Sharing Contract's ("PSC's") entered into with the GOI.

At April 11, 2006, we have not reported any proved reserves of oil or natural gas. We have entered into five PSC’s and one Deed of Assignment and Assumption whereby we agreed to acquire a 20% participating interest in a sixth PSC. Each PSC relates to a separate drilling block onshore or offshore India and each provides for multi-year and multi-phase exploration and drilling activities. Exploration and development activities pursuant to the terms of these agreements are expected to continue throughout 2006.

Statements of Operations

Oil and Gas Operations

Our oil and gas exploration and development activities commenced at our inception on August 21, 2002. We have not since our inception earned any revenues from these operations.

On June 28, 2005, we announced a discovery of natural gas at the KG#8 well location. This discovery is subject to further delineation drilling and testing before a commercial discovery can be declared in accordance with the provisions of the PSC.

Years ended December 31, 2005 and 2004

During the year ended December 31, 2005, we had expenses of $3,693,281 compared with expenses of $1,216,094 during the year ended December 31, 2004. This increase is primarily the result of the increased scale of our participation in oil and gas exploration activities.

Our general and administrative expenses increased to $495,326 from $451,788. These general and administrative expenses include costs related to the corporate head office including administrative salaries and services, rent and office costs, insurance, American Stock Exchange listing and filing fees and transfer agent fees and services. Our consulting fees increased to $2,947,126 during the year ended December 31, 2005 from $541,617 in the prior year. The majority of this increase can be attributed to an increase in the compensation costs recognized during the year of $2,681,680 for stock arrangements with non-employee consultants of the Company as compared to $304,002 for the year ending December 31, 2004. Further, these consulting fees reflect $62,000 (2004 - $50,000) paid under our Technical Services Agreement with a corporation wholly owned by Mr. Roy and other fees and expenses we incurred in employing various technical and corporate consultants who advised us on a variety of matters. Professional fees increased to $201,298 during the year ended December 31, 2005 from $161,381 during the year ended December 31, 2004. Professional fees include those paid to our auditors for pre-approved audit, accounting and tax services and fees paid to our legal advisors primarily for services provided with regard to filing various periodic reports and other documents and reviewing our various oil and gas and other agreements. The increase is attributable to an approximately $40,000 increase in our fees paid to our auditors for additional work incurred during the year ending December 2005 as compared to 2004.

Our other expenses and income during the year ended December 31, 2005 resulted in income of $530,621 versus $44,596 for the same period in 2004. Included in other expenses and income is a

foreign exchange gain of $319 compared to a loss in 2004 of $3,495. During the year ended December 31, 2005, we recovered fees and costs of $25,900 (2004 - $16,500) resulting from services provided and billed out to the GSPC. Other expenses and income include a gain on the sale of computer equipment of $42,228 during the year ended December 31, 2005. Our increase in interest income to $462,174 from $31,591 for the year ended December 31, 2004 is a result of the significant increase in the size of our cash balances we held during the year as compared to 2004 as well as an increase in the US prime rate.

Reflecting the increase in our consulting fees offset by the increase in our interest income during the year ended December 31, 2005 as compared to the year ended December 31, 2004, our net loss increased to $3,162,660 compared to a net loss of $1,171,498 in 2004.

We capitalized overhead costs directly related to our exploration activities in India. During the year ended December 31, 2005, these capitalized overhead costs were $2,141,844 as compared to $382,788 during the year ended December 31, 2004. This increase is mostly attributed to an increase in the capitalized compensation costs recognized during the year of $1,672,576 for stock-based compensation with non-employee consultants of the Company as compared to $46,253 in the year ending December 31, 2004. The remaining increase is consistent with the increased scale of our participation in oil and gas exploration activities.

Years ended December 31, 2004 and 2003

During the year ended December 31, 2004, we had expenses of $1,216,094 compared with expenses of $544,626 during the year ended December 31, 2003. This increase is primarily the result of the increased scale of our participation in oil and gas exploration activities as well as the additional costs incurred in compliance with periodic reporting and other requirements in having our securities publicly traded and listed on the American Stock Exchange for 12 months in 2004 versus four months in 2003.

Our general and administrative expenses increased to $451,788 from $151,404. These general and administrative expenses include costs related to the corporate head office including administrative salaries and services, rent and office costs, insurance, American Stock Exchange listing and filing fees and transfer agent fees and services. Our consulting fees increased to $541,617 during the year ended December 31, 2004 from $210,953 in the prior year. The majority of this increase can be attributed to an increase in the compensation costs recognized during the year of $304,002 for stock arrangements with non-employee consultants of the Company as compared to $40,682 for the year ending December 31, 2003. Further, these consulting fees reflect $50,000 (2003 - $16,667) paid under our Technical Services Agreement with a corporation wholly owned by Mr. Roy and other fees and expenses we incurred in employing various technical and corporate consultants who advised us on a variety of matters. Professional fees increased to $161,381 during the year ended December 31, 2004 from $131,819 during the year ended December 31, 2003. Professional fees include those paid to our auditors for audit, accounting and tax advice and fees paid to our legal advisors primarily for services provided with regard to filing various periodic reports and other documents and reviewing our various oil and gas and other agreements.

Our other expenses and income during the year ended December 31, 2004 resulted in income of $44,596 versus $26,249 for the same period in 2003. Included in other expenses and income is a foreign exchange loss of $3,495 (2003 - $18,634) which loss declined mainly as a result of a more stable US dollar in 2004 as compared to 2003. During the year ended December 31, 2004, we recovered fees and costs of $16,500 (2003 - $38,775) resulting from services provided and billed out to the Gujarat State Petroleum Corporation. The decline in these recovered fees and costs was primarily the result of the consultants billing for their fees and costs directly to third parties versus through our company. Our interest income of $31,591 (2003 - $1,863) arose out of interest earned on our cash balances we held during the year as compared to 4 months in 2003.

Reflecting the increased scope of our activities during the year ended December 31, 2004 as compared to the year ended December 31, 2003, we had a net loss of $1,171,498 compared to a net loss of $518,377 in 2003.

Liquidity and Capital Resources

Years ended December 31, 2005 and 2004

Our net cash used in operating activities during the year ended December 31, 2005 was $165,558 as compared to $1,075,637 for the year ended December 31, 2004. This decrease is mostly as a result of our reduced net loss for the year ended December 31, 2005 as compared to 2004.

Cash used by investing activities during the year ended December 31, 2005 was $1,679,352 as compared to $748,222 during the year ended December 31, 2004. This increase is a result of the increased scale of our participation in oil and gas exploration activities. Funds of $1,615,000 were used for exploration activities and the acquisition of property and equipment as compared to $547,357 in 2004. The property and equipment acquired included computer and office equipment totaling $36,876 with the balance of $1,578,124 incurred as exploration costs for our oil and gas interests in India. The restricted cash of $185,689 represents additional term deposits we made in 2005 which are used as collateral for two letters of credit given to the GOI as a minimum work commitment guarantee on the Cambay Blocks.

Cash provided by financing activities for the year ended December 31, 2005 was $33,462,700 as compared to cash used in financing activities of $786,450 during the year ended December 31, 2004. As further described below, during the year ended December 31, 2005, we completed the sale of 3,252,400 Units of our securities at $6.50 per Unit, together with a concurrent sale of an additional 1,000,000 Units on the same terms, for aggregate cash gross proceeds of $27,640,600. This amount combined with cash of $7,352,985 which was provided from the issuance of 3,494,400 shares of common stock on the exercise of options, purchase warrants and broker warrants issued in our 2003 financing, less financing costs of $1,541,685 incurred in connection with the 2005 financing accounts for the increase in our cash and cash equivalents. Cash provided by financing activities for the year ended December 31, 2005 in the amount of $786,450 included the full repayment of $1,000,000 of the note payable, net of $213,550 realized from the issuance of 154,100 shares of common stock on the exercise of options and broker warrants.

The sale of the 3,252,400 Units of securities was completed in September 2005. The securities were sold at $6.50 per Unit, together with a concurrent sale of an additional 1,000,000 Units on the same terms, for aggregate gross cash total proceeds of $27,640,600.

Each Unit is comprised of one common share and one half of one warrant. One full warrant ("2005 Purchase Warrant") entitles the holder to purchase one additional common share for $9.00, for a term of two years expiring September 2007. The 2005 Purchase Warrants are subject to accelerated expiration in the event that the price of the Company's common shares on the American Stock Exchange is $12.00 or more for 20 consecutive trading days, the resale of the shares included in the Units and issuable on exercise of the 2005 Purchase Warrants has been registered under the US Securities Act of 1933, as amended (the “Act”), and the hold period for Canadian subscribers has expired. In such events, the warrant term will be reduced to 30 days from the date of issuance of a news release announcing such accelerated expiration of the warrant term.

Costs of $1,541,685 were incurred in issuing shares in these transactions which included a fee of $1,268,436 paid to Jones Gable & Company Limited with respect to the sale of the 3,252,400 Units, and, in addition, Compensation Options were issued to Jones Gable & Company Limited entitling it to purchase an additional 195,144 Units at an exercise price of $6.50 per Unit through their expiration in September 2007. Compensation Options are also subject to accelerated expiration on the same terms and conditions as the warrants issued in the transaction.

At December 31, 2005, our cash and cash equivalents were $36,037,388 (December 31, 2004 - $4,419,598). The majority of these funds are currently held as US funds in our bank accounts and in term deposits earning interest based on the US prime rate.

Years ended December 31, 2004 and 2003

Our net cash used in operating activities during the year ended December 31, 2004 was $1,069,706 as compared to $297,873 to December 31, 2003. This increase is mostly as a result of our increased activities and the additional compliance costs incurred as a public reporting company for 12 months in 2004 versus four months in 2003.

Cash used by investing activities during the year ended December 31, 2004 was $754,153 as compared to cash provided by investing activities during the year ended December 31, 2003 of $2,737,821. This latter amount included cash of $3,034,666 acquired by GeoGlobal India from our legal parent on the acquisition. Funds of $547,357 were used for the acquisition of property and equipment as compared to $296,845 in 2003. The property and equipment acquired included computer equipment totaling $87,341 with the balance of $460,016 incurred as exploration costs for our oil and gas interests in India. The restricted cash of $206,796 represents term deposits we made which are used as collateral for two letters of credit given to the Government of India ("GOI") as a minimum work commitment guarantee on the Cambay Blocks.

Cash used in financing activities was $786,450 for the year ended December 31, 2004 versus $4,589,687 provided by financing activities during the year ended December 31, 2003. As partial consideration for the purchase of GeoGlobal India, we incurred indebtedness of $2,000,000 to Mr. Roy of which $1,000,000 was paid by December 31, 2003, $500,000 was paid on January 15, 2004 and the remaining balance of $500,000 was paid on June 30, 2004. During the year ended December 31, 2004, proceeds from the issuance of common shares was $213,550 resulting from options exercised to purchase an aggregate of 115,000 common shares at various prices between $1.18 and $1.50 for gross proceeds of $154,000 and broker warrants exercised at $1.50 for gross proceeds of $58,650. This compared to the prior year when $5,800,000 was provided from the issuance of our securities in a brokered private placement together with a concurrent private placement for an additional $200,000 both of which were completed on December 23, 2003. The balance of gross proceeds of $101,650 was provided from the exercise of options to acquire 396,668 shares at various prices between $0.17 and $0.50. Share issuance costs of $550,175 were expended in issuing the above securities in the brokered private placement and in the acquisition of GeoGlobal India.

At December 31, 2004, our cash and cash equivalents were $4,419,598 (December 31, 2003 - $7,029,907). The majority of these funds are currently held as US funds in our bank accounts and in term deposits earning interest based on the US prime rate.

The KG Block and Our Carried Interest Agreement
At December 31, 2005, GSPC, the Operator of the KG Block, has expended on exploration activities approximately $14.1 million attributable to us under the CIA as compared to $5.0 million at December 31, 2004. Of this amount, 50% is for the account of RGM. Under the terms of the CIA, GeoGlobal and RGM are carried by GSPC for 100% of all our share of any costs during the exploration phase on the KG Block prior to the start date of initial commercial production.

Under the terms of the PSC, GSPC is committed to expend further funds for the exploration of and drilling on the KG Block. Preliminary estimate are that these expenditures attributable to us will total approximately $22.0 million over the 6.5 year term of the PSC, including the $14.1 million attributable to us through December 31, 2005. Additional drilling costs incurred in drilling to depths in excess of 5,000 meters versus shallower depths as originally anticipated, as well as the testing and completion costs of these wells, has resulted in our actual costs exceeding our original budgeted expenditures. As of April 11, 2006, the annual budget for the period April 1, 2006 to March 31, 2007 has not yet been approved. We are unable to estimate the amount of additional expenditures GSPC will make attributable to us prior to the start date of initial commercial production under the CIA or when, if ever, any commercial production will commence. As provided in the CIA, we will be required to bear the expenditures attributable to us after the start date of initial commercial production on the KG Block.

We will not realize cash flow from the KG venture until such time as the expenditures attributed to us, including those expenditures made for the account of RGM under the CIA have been recovered by GSPC from future production revenue. Under the terms of the CIA, all of our proportionate share of capital costs for exploration and development activities must be repaid to GSPC without interest over the projected production life or ten years, whichever is less.

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The NELP IV Cambay Block Agreements
We have committed to expend a minimum aggregate of approximately $2.5 million for exploration activities under the terms of the PSC's on the Mehsana and Sanand/Miroli Cambay Blocks over a period of 6 years. At December 31, 2005, we have incurred costs of approximately $500,000 with respect to these two contracts. We estimate that our expenditures for exploration activities during the 2006 fiscal year will be approximately $2.3 million based upon our 10% PI in these PSC's.

At December 31, 2005, we have provided to the GOI two irrevocable letters of credit totaling $392,485 (Mehsana $195,055 and Sanand/Miroli $197,430) (December 31, 2004 – $206,796) secured by term deposits of the Company in the same amount. These letters of credit serve as guarantees for the performance of the minimum work commitments for the budget period ending March 31, 2006 of Phase I of both of these Cambay Blocks.

Tarapur Block Agreement
As the holder of a participating interest in the Tarapur Block, we are required to fund a 20% share of all exploration and development costs incurred on the exploration block. To December 31, 2005, $579,572 has been paid to GSPC under the terms of our agreement with GSPC. Subsequent to the year end through April 11, 2006, a further $397,000 has been paid to GSPC. We originally committed to expend an aggregate of approximately $1.2 million for exploration activities under the terms of the agreement entered into covering the Tarapur block over the period ending November 22, 2007. It is expected however, that GSPC will increase its current drilling activities and we have increased our estimated expenditures to $2.5 million over the period ending November 22, 2007. Under the terms of the agreement, the Company will be required to keep in force a Financial and Performance Guarantee in an amount sufficient to secure its performance under the Tarapur PSC.

The NELP V Block Agreements
On September 28, 2005, we entered into two PSC's with the GOI covering two new onshore exploration blocks in India. The first block is the DS Block (DS-ONN-2003/1), which covers an area of approximately 3,155 sq. kms. onshore in the Deccan Syneclise Basin located in the northern portion of the State of Maharashtra in west-central India and in which we will hold a 100% participating interest ("PI") and be the operator. The second block is the Ankleshwar Block (CB-ONN-2003/2), which covers an area of approximately 448 sq. km onshore in the State of Gujarat south-east of our three existing Cambay blocks. We are part of a consortium and holds a 10% PI in the Ankleshwar Block. GSPC is the operator of the Ankleshwar Block and holds a 50% PI, with the remainder held by GAIL (India) Ltd. as to a 20% PI and Jubilant as to a 20% PI.

Under the terms of the new PSC's for these exploration blocks, we have committed to expend funds on the exploration and drilling of these new exploration blocks. No budgets have yet been approved by the Management Committees on these new exploration blocks, however preliminary estimates of our expenditures are approximately $1.7 million on the Ankleshwar Block and $9.6 million on the DS Block for exploration activities over a period of seven years. As at December 31, 2005, we have incurred costs of approximately $20,000 with respect to these agreements. We estimate our expenditures for exploration activities during the 2006 fiscal year will be approximately $700,000 based upon our PI in these PSC's.

Plan of Operations in 2006
We expect our exploration and development activities pursuant to the PSC's we are parties to will continue throughout 2006 in accordance with the terms of those agreements.

In addition, we may seek to participate in joint ventures bidding for the award of further PSC's for exploration blocks expected to be awarded by the GOI in the future. As of April 11, 2006, we have no specific plans to join with others in bidding for any specific PSC's in India. We expect that our interest in any such ventures would involve a minority PI in the venture. In addition, as opportunities arise, we may seek to acquire minority PI's in exploration blocks where

PSC's have been heretofore awarded by the GOI. The acquisition of any such interests would be subject to the execution of a definitive agreement and obtaining the requisite government consents and other approvals. Depending upon the scope of our activities during the year 2006, we may require additional capital for the possible acquisition of further minority PI's in PSC's in drilling blocks heretofore awarded by the GOI. We may also require additional capital in order to participate in ventures bidding for the grant of PSC's for future exploration blocks to be awarded by the GOI. We believe it can be expected that our interest in such ventures would be a PI. As of April 11, 2006, the scope of any possible such activities has not been definitively established and, accordingly, we are unable to disclose the amount of any funds that may be required for these purposes. As the holder of a PI in any such possible activities, it can be expected that we will be required to contribute capital to any such ventures.

We may during the year 2006 seek to participate in joint venture bidding for the acquisition of oil and gas interests in other international countries. As of April 11, 2006, we have not been awarded any such interests.

We may during the year 2006 also seek to raise additional capital to support an expanded level of activities as well as our ongoing operations. No specific plans or arrangements have been made to raise additional capital and we have not entered into any agreements in that regard. We expect that if we seek to raise additional capital it will be through the sale of equity securities. As of April 11, 2006, we are unable to estimate the terms on which any such capital may be raised, the price per share or possible number of shares involved.

We believe that our available cash resources will be sufficient to meet all our expenses and cash requirements during the year ended December 31, 2006 for our present level of operations. We do not expect to have any significant change in 2006 in our number of employees.

Critical Accounting Policies and Estimates

The Company’s Significant Accounting Policies are outlined in Note 2 to our Consolidated Financial Statements in Item 7 of this Annual Report. In the ordinary course of business, we have made a number of estimates and assumptions relating to the reporting of our consolidated financial position and the consolidated results of our operations and our cash flows in conformity with U.S. generally accepted accounting principles. Actual results could differ significantly from those estimates under different assumptions and conditions. We believe that the following discussion addresses our most critical accounting policies.

Property and equipment

The Company follows the full cost method of accounting for its petroleum and natural gas operations. Upon the commencement of economic production quantities of petroleum and natural gas, depletion of our exploration costs in India included in Property and Equipment, will be provided on a country-by-country basis using the unit-of-production method based upon estimated proven petroleum and natural gas reserves. The costs of acquiring and evaluating our unproven properties in India will not be depleted until it is determined whether or not proven reserves are attributable to the properties, the major development projects are completed, or impairment occurs. To date we are currently in the development stage and have not yet found any commercial reserves in India. We are continuing with our exploratory drilling programs in India and have no basis for impairment of the costs incurred to date.

Recent Accounting Standards

a) On December 16, 2004, the Financial Accounting Standards Board (FASB) issued FASB Statement No. 123 (revised 2004), Share-Based Payment, which is a revision of FASB Statement No. 123, Accounting for Stock-Based Compensation. Statement 123(R) supersedes APB Opinion No. 25, Accounting for Stock Issued to Employees, and amends FASB Statement No. 95, Statement of Cash Flows. Generally, the approach in Statement 123(R) is similar to the approach described in Statement 123. However, Statement 123(R) requires all share-based payments to employees, including grants of employee stock options, to be recognized in the statement of operations based on their fair values. Pro forma disclosure is no longer an alternative. Statement 123(R) must be adopted no later than January 1, 2006. Early adoption will be permitted in periods in which financial statements have not yet been issued. The Company was planning to adopt Statement 123(R) on January 1, 2005, however, on April 14, 2005, the Securities Exchange Commission provided for a phased-in implementation process for Statement 123(R). As such, the Company delayed the implementation until January 1, 2006.

The Company adopted Statement 123(R) using the modified prospective method on January 1, 2006 which will require the Company to recognize in the income statement a charge of $593,023 over the next 4 years.

b) In May 2005, the FASB issued FASB Statement No. 154, Accounting Changes and Error Corrections (FAS 154), a replacement of APB Opinion No. 20, Accounting Changes, and FASB Statement No. 3, Reporting Accounting Changes in Interim Financial Statements (FAS 3). FAS 154 replaces the provisions of FAS 3 with respect to reporting accounting changes in interim financial statements. FAS 154 is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005. Early adoption is permitted for accounting changes and corrections of errors made in fiscal years beginning after June 1, 2005.

The Company adopted FAS 154 on January 1, 2006, and there is no current impact.

Cautionary Statement For Purposes Of The "Safe Harbor" Provisions Of The Private Securities Litigation Reform Act Of 1995

With the exception of historical matters, the matters discussed in this Annual Report are “forward-looking statements” as defined under the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, that involve risks and uncertainties. Forward-looking statements made herein include, but are not limited to, the statements in this Annual Report regarding our plans and objectives relating to our future operations, plans and objectives regarding the exploration, development and production activities conducted on the exploration blocks in India in which we have interests, plans regarding drilling activities intended to be conducted through the ventures in which we are a participant, the success of those drilling activities and our ability and the ability of the ventures to complete any wells on the exploration blocks, to develop reserves of hydrocarbons in commercially marketable quantities, to establish facilities for the collection, distribution and marketing of hydrocarbons, to produce oil and natural gas in commercial quantities and to realize revenues from the sales of those hydrocarbons. Forward-looking statements also include our plans and objectives to join with others or to directly seek to enter into or acquire interests in additional Production Sharing Contracts with the GOI. Our assumptions, plans and expectations regarding our future capital requirements, our plans and intentions regarding our plans to raise additional capital, the costs and expenses to be incurred in conducting any exploration, well drilling, development and production activities and the adequacy of our capital to meet our requirements for our present and anticipated levels of activities are all forward-looking statements. These statements appear, among other places, under the following captions: Item 1. - Description of Business, Item 6. - Management’s Discussion and Analysis or Plan of Operations, and in Risk Factors. We cannot assure you that our assumptions or our business plans and objectives discussed herein will prove to be accurate or be able to be attained. We cannot assure you that any commercially recoverable quantities of hydrocarbon reserves will be discovered on the exploration blocks in which we have an interest. Our ability to realize revenues cannot be assured. Our ability to successfully drill, test and complete producing wells cannot be assured. We cannot assure you that we will have available to us the capital required to meet our plans and objectives at the times and in the amounts required. We cannot assure you that we will be successful in joining any further ventures seeking to be granted Production Sharing Contracts by the GOI or that we will be successful in acquiring interests in existing ventures. We cannot assure you that the GOI will consent to the assignment by GSPC of the 20% participating interest in the Tarapur Block or that the Company will be successful in entering into alternative acceptable arrangements on commercially favorable terms with GSPC should that consent not be forthcoming. If our plans fail to materialize, your investment will be in jeopardy. We cannot assure you that the outcome of testing of one or more wells on the KG Block will be satisfactory and result in a commercially-productive well or that any further wells drilled on the KG Block will have commercially-successful results. Our inability to meet our goals and objectives or the consequences to us from adverse developments in general economic or capital market conditions, events having international consequences, or military activities could have a material adverse effect on us. We caution you that various risk factors accompany those forward-looking statements and are described, among other places, under the caption "Risk Factors" herein. They are also described in our Quarterly Reports on Form 10-QSB, and our Current Reports on Form 8-K. These risk factors could cause our operating results, financial condition and ability to fulfill our plans to differ materially from those expressed in any

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forward-looking statements made in this Annual Report and could adversely affect our financial condition and our ability to pursue our business strategy and plans.

Risk Factors

An investment in shares of our common stock involves a high degree of risk. You should consider the following factors, in addition to the other information contained in this Annual Report, in evaluating our business and current and proposed activities before you purchase any shares of our common stock. You should also see the "Cautionary Statement for Purposes of the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995" regarding risks and uncertainties relating to us and to forward-looking statements in this Annual Report.

There can be no assurance that the exploratory drilling to be conducted on the exploration blocks in which we hold an interest will result in any discovery of reserves of hydrocarbons or that any hydrocarbons that are discovered will be in commercially recoverable quantities. In addition, the realization of any revenues from commercially recoverable hydrocarbons is dependent upon the ability to deliver, store and market any hydrocarbons that are discovered. The presence of hydrocarbon reserves on contiguous properties is no assurance or necessary indication that hydrocarbons will be found in commercially marketable quantities on the exploration blocks in which we hold an interest.

Risks Relating to Our Oil and Gas Activities

Because We Are In the Early Stage Of Developing Our Activities, There Are Considerable Risks That We Will Be Unsuccessful

We are in the early stage of developing our operations. Our only activities in the oil and natural gas exploration and production industry have primarily involved entering into five Production Sharing Contracts with the GOI. In addition, we have entered into an agreement to acquire a participating interest in a sixth PSC, subject to GOI consent. We have realized no revenues from our oil and natural gas exploration and development activities and do not claim any proved reserves of oil or natural gas. As of April 11, 2006 a venture in which we have a net 5% interest, has drilled and abandoned two wells, has drilled and tested a third well and has drilled a fourth well which is currently being tested.

As of April 11, 2006, we do not claim any proved reserves of hydrocarbons as a result of those drilling, testing and evaluation activities. Our current plans are to conduct the exploration and development activities on the areas offshore and onshore India in accordance with the terms of the PSC's we are a party to. There can be no assurance that the exploratory drilling to be conducted on the exploration blocks in which we hold or have agreed to acquire an interest will result in any discovery of hydrocarbons or that any hydrocarbons that are discovered will be in commercially recoverable quantities. In addition, the realization of any revenues from commercially recoverable hydrocarbons is dependent upon the ability to deliver, store and market any hydrocarbons that are discovered. The presence of hydrocarbon reserves on contiguous properties is no assurance or necessary indication that hydrocarbons will be found in commercially marketable quantities on the exploration blocks in which we hold an interest. Our exploration opportunities are highly speculative and should any of these opportunities not result in the discovery of commercial quantities of oil and gas reserves, our investment in the venture could be lost.

Our business plans also include seeking to enter into additional joint ventures or other arrangements to acquire interests in additional government created and granted hydrocarbon exploration opportunities, primarily located onshore or in the offshore waters of India. Opportunities to acquire interests in exploration opportunities will be dependent upon our ability to identify, negotiate and enter into joint venture or other similar arrangements with respect to specific exploration opportunities and upon our ability to raise sufficient capital to fund our participation in those joint ventures or other exploration activities. Our success will be dependent upon the success of the exploration activities of the ventures in which we acquire an interest.

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Our Interest In The Production Sharing Contracts Involve Highly Speculative Exploration Opportunities That Involve Material Risks That We Will Be Unsuccessful

Our interests in the exploration blocks should be considered to be highly speculative exploration opportunities that will involve material risks. None of the exploration blocks in which we have an interest have any proven reserves and are not producing any quantities of oil or natural gas. Exploratory drilling activities are subject to many risks, including the risk that no commercially productive reservoirs will be encountered. There can be no assurance that wells drilled on any of the exploration blocks in which we have an interest or by any venture in which we may acquire an interest in the future will be productive or that we will receive any return or recover all or any portion of our investment. Drilling for oil and gas may involve unprofitable efforts, not only from dry wells, but from wells that are productive but do not produce sufficient net revenues to return a profit after drilling, operating and other costs. The cost of drilling, completing and operating wells is often uncertain. Drilling operations may be curtailed, delayed or canceled as a result of numerous factors, many of which are beyond the operator's control, including economic conditions, mechanical problems, title problems, weather conditions, compliance with governmental requirements and shortages or delays of equipment and services. Drilling activities on the exploration blocks in which we hold an interest may not be successful and, if unsuccessful, such failure may have a material adverse effect on our future results of operations and financial condition.

Possible Inability of Contracting Parties to Fulfill Phase One of the Minimum Work Program for the KG Block

Under the terms of our PSC relating to the KG Block, the first phase of the exploration period expired on September 11, 2005. On August 5, 2005, a written notice requesting the six month extension was submitted and on August 29, 2005, the management committee consented to the extension of six months to March 11, 2006 and deducted the six month extension from the Phase II exploration period. On February 24, 2006, the management committee for the KG Block recommended a further extension of twelve months to March 11, 2007 which will also be deducted from the second phase of the exploration program. As at April 11, 2006, approval of this extension from the GOI is still outstanding. The PSC provides that by the end of the first phase of the exploration period the contracting parties shall have drilled at least fourteen wells. Through April 11, 2006, four wells have been drilled on the exploration block, leaving ten wells to be drilled. The PSC provides that, if at the end of an exploration phase a work program for that phase is not completed, the time for completion of the exploration program for that phase is to be extended for a period necessary to enable completion but not exceeding six months, provided the parties (i) submit a request by written notice to the GOI at least thirty days prior to the expiration of the relevant phase, (ii) can show technical or other good reasons for the non-completion of the work program, and (iii) the management committee gives its consent to the extension. Any such extension that is granted is to be deducted from the next succeeding exploration phase.

In the event the twelve month extension is granted and the ten additional wells are not drilled by March 11, 2007, the GOI would have the right to assert that the contracting parties have failed to comply with or have contravened a material provision of the PSC. Under such circumstances, the PSC will be subject to termination by the GOI on ninety days written notice, unless such failure of compliance or contravention is remedied within the ninety-day period or such extended period as may be granted by the GOI. In the event the PSC is terminated by the GOI, or in the event the work program is not fulfilled by the end of the relevant exploration phase, each party to the PSC is to pay to the GOI its participating interest share of an amount which is equal to the amount that would be required to complete the minimum work program for that phase. We are of the view that GSPC, under the terms of our Carried Interest Agreement, would be liable for our participating interest share of the amount required to complete the minimum work program for the phase. However, termination of the PSC by the GOI would result in the loss of our interest in the KG Block other than areas determined to encompass commercial discoveries. No areas on the KG Block have been determined to encompass commercial discoveries as of April 11, 2006.

Because Our Activities Have Only Recently Commenced And We Have No Operating History And Reserves Of Oil And Gas, We Anticipate Future Losses; There Is No Assurance Of Our Profitability

Our oil and natural gas operations have been only recently established and we have no operating history, oil and gas reserves or assets upon which an evaluation of our business, our current business plans and our prospects can be based. Our prospects must be considered in light of the risks, expenses and problems frequently encountered by all companies in their early stages of development and, in particular, those engaged in exploratory oil and gas activities. Such risks include, without limitation:

§ We will experience failures to discover oil and gas in commercial quantities;

§ There are uncertainties as to the costs to be incurred in our exploratory drilling activities, cost overruns are possible and we may encounter mechanical difficulties and failures in completing wells;

§ There are uncertain costs inherent in drilling into unknown formations, such as over-pressured zones, high temperatures and tools lost in the hole; and

§ We may make changes in our drilling plans and locations as a result of prior exploratory drilling.

During the exploration phase prior to the start date of initial commercial production, we have a carried interest in the exploration activities on the KG Block. Our interests in our other five exploration blocks are participating interests which require us to pay our proportionate share of exploration, drilling and development expenses on these blocks substantially as those expenses are incurred. Unexpected or additional costs can affect the commercial viability of producing oil and gas from a well and will affect the time when and amounts that we can expect to receive from any production from a well. Because our carried costs of exploration and drilling on the KG Block are to be repaid in full to the operator, GSPC, before we are entitled to any share of production, additional exploration and development expenses will reduce and delay any share of production and revenues we will receive.

There can be no assurance that the ventures in which we are a participant will be successful in addressing these risks, and any failure to do so could have a material adverse effect on our prospects for the future. Our operations were recently established, and as such, we have no substantial operating history to serve as the basis to predict our ability to further the development of our business plan. Likewise, the outcome of our exploratory drilling activities, as well as our quarterly and annual operating results cannot be predicted. Consequently, we believe that period to period comparisons of our exploration, development, drilling and operating results will not necessarily be meaningful and should not be relied upon as an indication of our stage of development or future prospects. Through December 31, 2005, we abandoned two wells drilled on the KG Block and it is likely that in some future quarter our stage of development or operating or drilling results may fall below our expectations or the expectations of securities analysts and investors and that some of our drilling results will be unsuccessful and the wells abandoned. In such event, the trading price of our common stock may be materially and adversely affected.

We Expect to Have Substantial Requirements For Additional Capital That May Be Unavailable To Us Which Could Limit Our Ability To Participate In Our Existing and Additional Ventures Or Pursue Other Opportunities. Our Available Capital is Limited

In order to participate under the terms of our Production Sharing Contracts as well as in further joint venture arrangements leading to the possible grant of exploratory drilling opportunities, we will be required to contribute or have available to us material amounts of capital. Under the terms of our carried interest agreement relating to the KG Block, after the start date of initial commercial production on the KG Block, and under the terms of the five additional Production Sharing Contracts we are parties to, as well as the agreement relating to the acquisition of the 20% participating interest in the Tarapur Block, we are required to bear our proportionate share of costs during the exploration phases of those agreements. There can be no assurance that our currently available capital will be sufficient for these purposes or that any additional capital that is required will be available to us in the amounts and at the times required. Such capital also may be required to secure bonds in connection with the grant of exploration rights, to conduct or participate in exploration activities or be engaged in drilling and completion activities. We intend to seek the additional capital to meet our requirements from equity and debt offerings of our securities. Our ability to access additional capital will depend in part on the success of the ventures in which we are a participant in locating reserves of oil and gas and developing producing wells on the exploration blocks, the results of our management in locating, negotiating and entering into joint venture or other arrangements on terms considered acceptable, as well as the status of the capital markets at the time such capital is sought. There can be no assurance that capital will be available to us from any source or that, if available, it will be at prices or on terms acceptable to us. Should we be unable to access the capital markets or should sufficient capital not be available, our activities could be delayed or reduced and, accordingly, any future exploration opportunities, revenues and operating activities may be adversely affected and could also result in our breach of the terms of a Production Sharing Contracts which could result in the loss of our rights under the contract.

As of December 31, 2005, we had cash and cash equivalents of approximately $36.0 million. We currently expect that our available cash will be sufficient to fund through December 2006 at the present level of operations our required capital expenditures on the five exploration blocks in which we are currently a participant and our participation in the Tarapur Block in which we agreed to acquire a 20% participating interest. Although exploration activity budgets are subject to ongoing review and revision, our present estimate of our commitments of capital pursuant to the terms of our PSC’s relating to these exploration blocks, including the agreements signed on September 23, 2005, totals approximately $4.0 million during 2006 fiscal year. Any further PSC's we may seek to enter into or any expanded scope of our operations or other transactions that we may enter into may require us to fund our participation or capital expenditures with amounts of capital not currently available to us. We may be unsuccessful in raising the capital necessary to meet these capital requirements. There can be no assurance that we will be able to raise the capital.

Pursuant to our agreement executed on April 7, 2005 to acquire a 20% participating interest from GSPC in the Tarapur Block, we paid to GSPC the sum of $976,572. In addition, it is expected that under the terms of our agreement with GSPC the total capital we will be required to contribute to exploration activities on Tarapur during the period ending November 22, 2007, based on our 20% participating interest, will be approximately $1.5 million.

Our agreement with GSPC is subject to obtaining the GOI consent. In the event such consent is not obtained, the assignment would be terminated. Under such circumstances, we intend to seek to negotiate an alternative acceptable arrangement with GSPC. In the event the GOI does not reject in writing the application for consent to the assignment within 180 days, it is deemed approved. We intend that such an alternative acceptable arrangement would include provisions that would place us in an economic position substantially equivalent to the position we would have held if the consent of the GOI had been obtained and the assignment of the interest effected. We do not have an alternative agreement or understanding with GSPC in effect, and we cannot make any assurance that such an alternative arrangement can be entered into with GSPC. In the event such an arrangement is not entered into we would seek to have the moneys advanced by us to GSPC returned to us. There can be no assurance that the GOI consent will be obtained or that we will be successful in having the moneys advanced to GSPC returned to us if an acceptable alternative arrangement is not available to us.

India’s Regulatory Regime May Increase Our Risks And Expenses In Doing Business

All phases of the oil and gas exploration, development and production activities in which we are participating are regulated in varying degrees by the Indian government, either directly or through one or more governmental entities. The areas of government regulation include matters relating to restrictions on production, price controls, export controls, income taxes, expropriation of property, environmental protection and rig safety. In addition, the award of a PSC is subject to GOI consent and matters relating to the implementation and conduct of operations under the PSC is subject, under certain circumstances, to GOI consent. As a consequence, all future drilling and production programs and operations we undertake or are undertaken by the ventures in which we participate in India must be approved by the Indian government. Shifts in political conditions in India could adversely affect our business in India and the ability to obtain requisite government approvals in a timely fashion or at all. We, and our joint venture participants, must maintain satisfactory working relationships with the Indian government. This regulatory environment may increase the risks associated with our intended exploration and productivity activities and increase our costs of doing business.

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Our Control By Directors And Executive Officers May Result In Those Persons Having Interests Divergent From Our Other Stockholders

As of April 11, 2006, our Directors and executive officers and their respective affiliates, in the aggregate, beneficially hold 32,216,167 shares or approximately 50.4% of our outstanding Common Stock. As a result, these stockholders possess significant influence over us, giving them the ability, among other things, to elect a majority of our Board of Directors and approve significant corporate transactions. These persons will retain significant control over our present and future activities and our other stockholders and investors may be unable to meaningfully influence the course of our actions. These persons may have interests regarding the future activities and transactions in which we engage which may diverge from the interests of our other stockholders. Such share ownership and control may also have the effect of delaying or preventing a change in control of us, impeding a merger, consolidation, takeover or other business combination involving us, or discourage a potential acquiror from making a tender offer or otherwise attempting to obtain control of us which could have a material adverse effect on the market price of our Common Stock. Although management has no intention of engaging in such activities, there is also a risk that the existing management will be viewed as pursuing an agenda which is beneficial to themselves at the expense of other stockholders.

Our Reliance On A Limited Number Of Key Management Personnel Imposes Risks On Us That We Will Have Insufficient Management Personnel Available If The Services Of Any Of Them Are Unavailable

We are dependent upon the services of our President and Chief Executive Officer, Jean Paul Roy, and Executive Vice President and Chief Financial Officer, Allan J. Kent. The loss of either of their services could have a material adverse effect upon us. We currently do not have employment agreements with either of such persons or key man life insurance. The services of both Mr. Roy and Mr. Kent are provided pursuant to the terms of agreements with corporations wholly-owned by each of them. At present, Mr. Kent’s services are provided through an oral agreement with the corporation he owns. Accordingly, these agreements do not contain any provisions whereby Mr. Roy and Mr. Kent have direct contractual obligations to us to provide services or refrain from other activities.

At present, our future is substantially dependent upon the geological and geophysical capabilities of Mr. Roy to locate oil and gas exploration opportunities for us and the ventures in which we are a participant. His inability to do the foregoing could materially adversely affect our future activities. We entered into a three-year Technical Services Agreement with Roy Group (Barbados) Inc. dated August 29, 2003, a company owed 100% by Mr. Roy, to perform such geological and geophysical duties and exercise such powers related thereto as we may from time to time assign to it. The expiration term of this contract has subsequently been extended to December 31, 2007. We have no agreement directly with Mr. Roy regarding his services to us.

Our Success Is Largely Dependent On The Success Of The Operators Of The Ventures In Which We Participate And Their Failure Or Inability To Properly Or Successfully Operate The Oil And Gas Exploration, Development And Production Activities On An Exploration Block, Could Materially Adversely Affect Us

At present, our only oil and gas interests are our rights under the terms of the five PSC's with the GOI that we have entered into and the Deed of Assignment and Assumption agreement with GSPC, effective only upon obtaining GOI consent, relating to an interest in the Tarapur Block. We are not and will not be the operator of any of the exploration, drilling and production activities conducted on our exploration blocks, with the exception of the DS block in which we are the operator. Accordingly, the realization of successes in the exploration of the blocks is substantially dependent upon the success of the operators in exploring for and developing reserves of oil and gas and their ability to market those reserves at prices that will yield a return to us.

Under the terms of our carried interest agreement for the KG Block, we have a carried interest in the exploration activities conducted by the parties on the KG Block prior to the start date of initial commercial production. However, under the terms of that agreement, all of our proportionate share of capital costs for exploration and development activities must be repaid without interest over the projected production life or ten years, whichever is less. Our proportionate share of these costs and expenses expected to be incurred over the 6.5 year term of the PSC for which our interest is carried is estimated to be approximately $22.0 million, including the $14.1 million attributable to us as of December 31, 2005

($5.0 million attributable to us as of December 31, 2004), of which 50% is for the account of Roy Group (Mauritius) Inc. Additional expenditures may be required for cost overruns and completions of commercially successful wells. We are unable to estimate the amount of additional expenditures GSPC will make as operator attributable to us prior to the start date of initial commercial production under the carried interest agreement or when, if ever, any commercial production will commence. Of these expenditures, 50% are for the account of Roy Group (Mauritius) Inc. under the terms of the Participating Interest Agreement between us and Roy Group (Mauritius) Inc. We are not entitled to any share of production from the KG Block until such time as the expenditures attributed to us, including those expenditures made for the account of Roy Group (Mauritius) Inc., under the carried interest agreement, have been recovered by GSPC from future production revenue. Therefore, we are unable to estimate when we may commence to receive distributions from any production of hydrocarbon reserves found on the KG Block. As provided in the carried interest agreement, in addition to repaying our proportionate share of capital costs incurred for which we were carried, we will be required to bear our proportionate share of the expenditures attributable to us after the start date of initial commercial production on the KG Block.

Certain Terms Of The Production Sharing Contracts May Create Additional Expenses And Risks That Could Adversely Affect Our Revenues And Profitability

The PSC's contain certain terms that may affect the revenues of the joint venture participants to the agreements and create additional risks for us. These terms include, possibly among others, the following:

§ The venture participants are required to complete certain minimum work programs during the three phases of the terms of the PSC's. In the event the venture participants fail to fulfill any of these minimum work programs, the parties to the venture must pay to the GOI their proportionate share of the amount that would be required to complete the minimum work program. Accordingly, we could be called upon to pay our proportionate share of the estimated costs of any incomplete work programs;

§ Until such time as the GOI attains self sufficiency in the production of crude oil and condensate and is able to meet its national demand, the parties to the venture are required to sell in the Indian domestic market their entitlement under the PSC's to crude oil and condensate produced from the exploration blocks. In addition, the Indian domestic market has the first call on natural gas produced from the exploration blocks and the discovery and production of natural gas must be made in the context of the government’s policy of utilization of natural gas and take into account the objectives of the government to develop its resources in the most efficient manner and promote conservation measures. Accordingly, this provision could interfere with our ability to realize the maximum price for our share of production of hydrocarbons;

§ The parties to each agreement that are not Indian companies, which includes us, are required to negotiate technical assistance agreements with the GOI or its nominee whereby such foreign company can render technical assistance and make available commercially available technical information of a proprietary nature for use in India by the government or its nominee, subject, among other things, to confidentiality restrictions. Although not intended, this could increase each venture’s and our cost of operations; and

§ The parties to each venture are required to give preference, including the use of tender procedures, to the purchase and use of goods manufactured, produced or supplied in India provided that such goods are available on equal or better terms than imported goods, and to employ Indian subcontractors having the required skills insofar as their services are available on comparable standards and at competitive prices and terms. Although not intended, this could increase the venture’s and our cost of operations.

These provisions of the PSC's, possibly among others, may increase our costs of participating in the ventures and thereby affect our profitability.

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Oil And Gas Prices Fluctuate Widely And Low Oil And Gas Prices Could Adversely Affect Our Financial Results

There is no assurance that there will be any market for oil or gas produced from the exploration blocks in which we hold an interest and our ability to deliver the production from any wells may be constrained by the absence of or limitations on collector systems and pipelines. Future price fluctuations could have a major impact on the future revenues from any oil and gas produced on these exploration blocks and thereby our revenue, and materially affect the return from and the financial viability of any reserves that are claimed. Historically, oil and gas prices and markets have been volatile, and they are likely to continue to be volatile in the future. A significant decrease in oil and gas prices could have a material adverse effect on our cash flow and profitability and would adversely affect our financial condition and the results of our operations. In addition, because world oil prices are quoted in and trade on the basis of U.S. dollars, fluctuations in currency exchange rates that affect world oil prices could also affect our revenues. Prices for oil and gas fluctuate in response to relatively minor changes in the supply of and demand for oil and gas, market uncertainty and a variety of additional factors that are beyond our control, including:

§ political conditions in oil producing regions, including the Middle East and elsewhere;

§ the domestic and foreign supply of oil and gas;

§ quotas imposed by the Organization of Petroleum Exporting Countries upon its members;

§ the level of consumer demand;

§ weather conditions;

§ domestic and foreign government regulations;

§ the price and availability of alternative fuels;

§ overall economic conditions; and

§ international political conditions.

In addition, various factors may adversely affect the ability to market oil and gas production from the exploration block, including:

§ the capacity and availability of oil and gas gathering systems and pipelines;

§ the ability to produce oil and gas in commercial quantities and to enhance and maintain production from existing wells and wells proposed to be drilled;

§ the proximity of future hydrocarbon discoveries to oil and gas transmission facilities and processing equipment (as well as the capacity of such facilities);

§ the effect of governmental regulation of production and transportation (including regulations relating to prices, taxes, royalties, land tenure, allowable production, importing and exporting of oil and condensate and matters associated with the protection of the environment);

§ the imposition of trade sanctions or embargoes by other countries;

§ the availability and frequency of delivery vessels;

- § changes in supply due to drilling by others;
- § the availability of drilling rigs; and
- § changes in demand.

Our Ability To Locate And Participate In Additional Exploration Opportunities And To Manage Growth May Be Limited By Reason Of Our Limited History Of Operations And The Limited Size Of Our Staff

While our President and Executive Vice President have had extensive experience in the oil and gas exploration business, we have been engaged in limited activities in the oil and gas business over approximately the past three years and have a limited history of activities upon which you may base your evaluation of our performance. As a result of our brief operating history and limited activities in oil and gas exploration activities, our success to date in entering into ventures to acquire interests in exploration blocks may not be indicative that we will be successful in entering into any further ventures. There can be no assurance that we will be successful in growing our oil and gas exploration and development activities.

Any future significant growth in our oil and gas exploration and development activities will place demands on our executive officers, and any increased scope of our operations will present challenges to us due to our current limited management resources. Our future performance will depend upon our management and their ability to locate and negotiate opportunities to participate in joint venture and other arrangements whereby we can participate in exploration opportunities. There can be no assurance that we will be successful in these efforts. Our inability to locate additional opportunities, to hire additional management and other personnel or to enhance our management systems could have a material adverse effect on our results of operations.

Our Future Performance Depends Upon Our Ability And The Ability Of The Ventures In Which We Participate To Find Or Acquire Oil And Gas Reserves That Are Economically Recoverable

Our success in developing our oil and gas exploration and development activities will be dependent upon establishing, through our participation with others in joint ventures and other similar activities, reserves of oil and gas and maintaining and possibly expanding the levels of those reserves. We and the joint ventures in which we may participate may not be able to locate and thereafter replace reserves from exploration and development activities at acceptable costs. Lower prices of oil and gas may further limit the kinds of reserves that can be developed at an acceptable cost. The business of exploring for, developing or acquiring reserves is capital intensive. We may not be able to make the necessary capital investment to enter into joint ventures or similar arrangements to maintain or expand our oil and gas reserves if capital is unavailable to us and the ventures in which we participate. In addition, exploration and development activities involve numerous risks that may result in dry holes, the failure to produce oil and gas in commercial quantities, the inability to fully produce discovered reserves and the inability to enhance production from existing wells.

We expect that we will continually seek to identify and evaluate joint venture and other exploration opportunities for our participation as a joint venture participant or through some other arrangement. Our ability to enter into additional exploration activities will be dependent to a large extent on our ability to negotiate arrangements with others and with various governments and governmental entities whereby we can be granted a participation in such ventures. There can be no assurance that we will be able to locate and negotiate such arrangements, have sufficient capital to meet the costs involved in entering into such arrangements or that, once entered into, that such exploration activities will be successful. Successful acquisition of exploration opportunities can be expected to require, among other things, accurate assessments of potential recoverable reserves, future oil and gas prices, projected operating costs, potential environmental and other liabilities and other factors. Such assessments are necessarily inexact, and as estimates, their accuracy is inherently uncertain. We cannot assure you that we will successfully consummate any further exploration opportunities or joint venture or other arrangements leading to such opportunities.

Estimating Reserves And Future Net Revenues Involves Uncertainties And Oil And Gas Price Declines May Lead To Impairment Of Oil And Gas Assets

Currently, we do not claim any proved reserves of oil or natural gas . Any reserve information that we may provide in the future will represent estimates based on reports prepared by independent petroleum engineers, as well as internally generated reports. Petroleum engineering is not an exact science. Information relating to proved oil and gas reserves is based upon engineering estimates derived after analysis of information we furnish or furnished by the operator of the property. Estimates of economically recoverable oil and gas reserves and of future net cash flows necessarily depend upon a number of variable factors and assumptions, such as historical production from the area compared with production from other producing areas, the assumed effects of regulations by governmental agencies and assumptions concerning future oil and gas prices, future operating costs, severance and excise taxes, capital expenditures and workover and remedial costs, all of which may in fact vary considerably from actual results. Oil and gas prices, which fluctuate over time, may also affect proved reserve estimates. For these reasons, estimates of the economically recoverable quantities of oil and gas attributable to any particular group of properties, classifications of such reserves based on risk of recovery and estimates of the future net cash flows expected therefrom prepared by different engineers or by the same engineers at different times may vary substantially. Actual production, revenues and expenditures with respect to reserves we may claim will likely vary from estimates, and such variances may be material. Either

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inaccuracies in estimates of proved undeveloped reserves or the inability to fund development could result in substantially reduced reserves. In addition, the timing of receipt of estimated future net revenues from proved undeveloped reserves will be dependent upon the timing and implementation of drilling and development activities estimated by us for purposes of the reserve report.

Quantities of proved reserves are estimated based on economic conditions in existence in the period of assessment. Lower oil and gas prices may have the impact of shortening the economic lives on certain fields because it becomes uneconomic to produce all recoverable reserves on such fields, thus reducing proved property reserve estimates. If such revisions in the estimated quantities of proved reserves occur, it will have the effect of increasing the rates of depreciation, depletion and amortization on the affected properties, which would decrease earnings or result in losses through higher depreciation, depletion and amortization expense. The revisions may also be sufficient to trigger impairment losses on certain properties that would result in a further non-cash charge to earnings.

Risks Relating To The Market For Our Common Stock

Volatility Of Our Stock Price

The public market for our common stock has been characterized by significant price and volume fluctuations. There can be no assurance that the market price of our common stock will not decline below its current or historic price ranges. The market price may bear no relationship to the prospects, stage of development, existence of oil and gas reserves, revenues, earnings, assets or potential of our Company and may not be indicative of our future business performance. The trading price of our common stock could be subject to wide fluctuations. Fluctuations in the price of oil and gas and related international political events can be expected to affect the price of our common stock. In addition, the stock market in general has experienced extreme price and volume fluctuations that have affected the market price for many companies which fluctuations have been unrelated to the operating performance of these companies. These market fluctuations, as well as general economic, political and market conditions, may have a material adverse effect on the market price of our company's common stock. In the past, following periods of volatility in the market price of a company's securities, securities class action litigation has often been instituted against such companies. Such litigation, if instituted, and irrespective of the outcome of such litigation, could result in substantial costs and a diversion of management's attention and resources and have a material adverse effect on our company's business, results of operations and financial condition.

Item 7. Financial Statements

Our Financial Statements are included in a separate section of this report. See page F-1.

Item 8A. Controls and Procedures

Under the supervision and with the participation of our management, including Jean Paul Roy, our President and Chief Executive Officer, and Allan J. Kent, our Executive Vice President and Chief Financial Officer, we have evaluated the effectiveness of the design and operation of our disclosure controls and procedures within 90 days of the filing date of this annual report, and, based on their evaluation, Mr. Roy and Mr. Kent have concluded that these controls and procedures are effective. There were no significant changes in our internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation.

Disclosure controls and procedures are our controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act are recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including Mr. Roy and Mr. Kent, as appropriate to allow timely decisions regarding required disclosure.

Based on the restatement of the financial statements for the year ended December 31, 2005 due to an error in the classification and calculation for stock-based compensation for non-employee consultants, the Chief Executive Officer and the Chief Financial Officer have concluded that the Company's disclosure controls and procedures were not effective as of December 31, 2005.

Item 13. Exhibits

Exhibit	Description
3.1	Certificate of Incorporation of the Registrant, as amended. (1)
3.2	Bylaws of the Registrant, as amended. (4)
3.3	Certificate of Amendment filed with the State of Delaware on November 25, 1998. (2)
3.4	Certificate of Amendment filed with the State of Delaware on December 4, 1998. (2)
3.5	Certificate of Amendment filed with the State of Delaware on March 18, 2003. (5)
3.6	Certificate of Amendment filed with the State of Delaware on January 8, 2004. (5)
4.1	Specimen stock certificate of the Registrant. (5)
10.1	Restated 1993 Stock Incentive Plan. (1)
10.2	1994 Directors Stock Option Plan. (1)
10.3	1994 Stock Option Plan. (1)
10.4	1993 Stock Incentive Plan. (1)
10.5	1998 Stock Incentive Plan. (2)
10.6	Stock Purchase Agreement dated April 4, 2003 by and among Suite101.com, Inc., Jean Paul Roy and GeoGlobal Resources (India) Inc. (3)
10.7	Amendment dated August 29, 2003 to Stock Purchase Agreement dated April 4, 2003. (4)
10.8	Technical Services Agreement dated August 29, 2003 between Suite101.com, Inc. and Roy Group (Barbados) Inc. (4)
10.8.1	Amendment to Technical Services Agreement dated January 31, 2006 between GeoGlobal Resources Inc. and Roy Group (Barbados) Inc. (8)
10.9	Participating Interest Agreement dated March 27, 2003 between GeoGlobal Resources (India) Inc. and Roy Group (Mauritius) Inc. (4)
10.10	Escrow Agreement dated August 29, 2003 among Registrant, Jean Paul Roy and Computershare Trust Company of Canada. (4)
10.11	Promissory Note dated August 29, 2003 payable to Jean Paul Roy. (4)
10.12	Production Sharing Contract dated February 4, 2003, among The Government of India, Gujarat State Petroleum Corporation Limited, Jubilant Enpro Limited and GeoGlobal Resources (India) Inc. (6)
10.13	Production Sharing Contract dated February 6, 2004 among The Government of India, Gujarat State Petroleum Corporation Limited, Jubilant Enpro Private Limited and GeoGlobal Resources (Barbados) Inc. (6)
10.14	Production Sharing Contract dated February 6, 2004 among The Government of India, Gujarat State Petroleum Corporation Limited, Jubilant Enpro Private Limited, Prize Petroleum Company Limited and GeoGlobal Resources (Barbados) Limited. (6)
10.15	Carried Interest Agreement dated August 27, 2002 between Gujarat State Petroleum Corporation Limited and GeoGlobal Resources (India) Inc. (5)
10.16	Agency Agreement dated September 9, 2005 between the Company and Jones, Gable & Company Limited. (7)
10.17	Form of Subscription Agreement entered into by subscribers relating to offers and sales of Units by Jones, Gable & Company Limited. (7)
10.18	Form of Subscription Agreement with respect to sales of an aggregate of 1,000,000 of the Units. (7)

	Registration Rights Agreement dated September 9, 2005 between the Company and Jones, Gable & Company Limited. (7)
10.19	Production Sharing Contract dated September 23, 2005, between the Government of India and the Company. (7)
10.20	Production Sharing Contract dated September 23, 2005, between the Government of India, Gujarat State Petroleum Corporation Limited, GAIL (India) Ltd., Jubilant Capital Pvt. Ltd. and the Company. (7)
14	Code of Ethics. (5)

21 Subsidiaries of the Registrant:

Name	State or Jurisdiction of Incorporation
GeoGlobal Resources (India) Inc.	Barbados
GeoGlobal Resources (Canada) Inc.	Alberta
GeoGlobal Resources (Barbados) Inc.	Barbados

23 Consent of experts and counsel:
23.1 Consent of Ernst & Young LLP. (9)
31.1 Certification of President and Chief Executive Officer Pursuant to Rule 13a-14(a). (9)
31.2 Certification of Chief Financial Officer Pursuant to Rule 13a-14(a). (9)
32.1 Certification of President and Chief Executive Officer Pursuant to Section 1350 (furnished, not filed). (9)
32.2 Certification of Chief Financial Officer Pursuant to Section 1350 (furnished, not filed). (9)

(1) Filed as an Exhibit to Neuro Navigational Corporation Form 10-KSB No. 0-25136 dated September 30, 1994.
(2) Filed as an Exhibit to our Current Report on Form 8-K dated December 10, 1998.
(3) Filed as exhibit 10.1 to our Quarterly Report on Form 10-QSB for the quarter ended March 31, 2003.
(4) Filed as an exhibit to our Current Report on Form 8-K for August 29, 2003.
(5) Filed as an Exhibit to our Form 10-KSB dated April 1, 2004.
(6) Filed as an Exhibit to our Form 10-KSB/A dated April 28, 2004.
(7) Filed as an Exhibit to our Quarterly Report on Form 10-QSB for the quarter ended September 30, 2005.
(8) Filed as an Exhibit to our Current Report on Form 8-K dated January 31, 2006.
(9) Filed herewith.

GEOGLOBAL RESOURCES INC.
(a development stage enterprise)

CONSOLIDATED FINANCIAL STATEMENTS

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DECEMBER 31, 2005 AND DECEMBER 31, 2004

(in United States dollars)
GeoGlobal Resources Inc.
(a development stage enterprise)

Index to Consolidated Financial Statements

December 31, 2005 and December 31, 2004

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders Of
GeoGlobal Resources Inc.

We have audited the accompanying restated consolidated balance sheets of GeoGlobal Resources Inc., a development stage enterprise, as of December 31, 2005 and 2004 and the related consolidated statements of operations, stockholders' equity and cash flows for the years ended December 31, 2005, 2004 and 2003, and for the cumulative period from inception on August 21, 2002 to December 31, 2005. These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the restated consolidated financial position of GeoGlobal Resources Inc. as at December 31, 2005 and 2004 and the consolidated results of its operations and its cash flows for the years ended December 31, 2005, 2004, and 2003, and for the cumulative period from inception on August 21, 2002 to December 31, 2005 in conformity with United States generally accepted accounting principles.

As explained in note 5(c), the consolidated balance sheets as at December 31, 2005, 2004 and 2003 and the related consolidated statements of operations, stockholders' equity and cash flows for the years ended December 31, 2005, 2004 and 2003, and for the cumulative period from inception on August 21, 2002 to December 31, 2005 have been restated.

"Ernst & Young LLP" (signed)

CALGARY, ALBERTA
April 11, 2006 except for Note 5(c),
which is as of June 5, 2008

CHARTERED ACCOUNTANTS

GEOGLOBAL RESOURCES INC.
(a development stage enterprise)
CONSOLIDATED BALANCE SHEETS

December 31	2005 US $ Restated note 5c	2004 US $ Restated note 5c
Assets		
Current		
Cash and cash equivalents (note 2g)	36,037,388	4,419,598
Restricted cash (note 10a)	392,485	206,796
	36,429,873	4,626,394
Accounts receivable and prepaids	144,753	181,237
Cash call receivable	49,947	27,511
	36,624,573	4,835,142
Property and equipment (note 3)		
Exploration costs, not subject to depletion	3,957,723	707,023
Computer and office equipment, net	89,826	143,053
	4,047,549	850,076
	40,672,122	5,685,218
Liabilities		
Current		
Accounts payable	159,145	29,623
Accrued liabilities	43,500	54,442
Due to related companies (notes 7c, 7d and 7e)	244,452	19,624
	447,097	103,689
Stockholders' Equity		
Capital stock (note 4)		
Authorized		
100,000,000 common shares with a par value of US$0.001 each		
1,000,000 preferred shares with a par value of US$0.01 each		
Issued		
62,954,255 common shares (December 31, 2004 – 55,207,455)	48,361	40,615
Additional paid-in capital (note 4)	45,043,012	7,244,602
Deficit accumulated during the development stage	(4,866,348)	(1,703,688)
	40,225,025	5,581,529
	40,672,122	5,685,218

See Commitments, Contingencies and Guarantees (note 3e, 3f and 10)
The accompanying notes are an integral part of these Consolidated Financial Statements

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GEOGLOBAL RESOURCES INC.
(a development stage enterprise)
CONSOLIDATED STATEMENTS OF OPERATIONS

	Year ended Dec 31, 2005 US $ Restated note 5c	Year ended Dec 31, 2004 US $ Restated note 5c	Year ended Dec 31, 2003 US $ Restated note 5c	Period from Inception, Aug 21, 2002 to Dec 31, 2005 US $ Restated note 5c
Expenses (notes 7c, 7d and 7e)				
General and administrative	495,326	451,788	151,404	1,104,716
Consulting fees	2,947,126	541,617	210,953	3,699,696
Professional fees	201,298	161,381	131,819	501,415
Depreciation	49,531	61,308	50,450	161,987
	3,693,281	1,216,094	544,626	5,467,814
Other expenses (income)				
Consulting fees recovered	(12,950)	(14,300)	(38,775)	(66,025)
Equipment costs recovered	(12,950)	(2,200)	(4,245)	(19,395)
Gain on sale of equipment	(42,228)	--	--	(42,228)
Foreign exchange (gain) loss	(319)	3,495	18,634	21,810
Interest (note 2g)	(462,174)	(31,591)	(1,863)	(495,628)
	(530,621)	(44,596)	(26,249)	(601,466)
Net loss and comprehensive loss for the period (note 8)	(3,162,660)	(1,171,498)	(518,377)	(4,866,348)
Net loss per share – basic and diluted (note 4f)	(0.06)	(0.03)	(0.03)	

The accompanying notes are an integral part of these Consolidated Financial Statements

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GEOGLOBAL RESOURCES INC.
(a development stage enterprise)
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	Capital Stock US $	Additional paid-in capital US $ Restated note 5c	Accumulated Deficit US $ Restated note 5c	Stockholders' Equity US $ Restated note 5c
Common shares issued on incorporation on August 21, 2002	64	--	--	64
Net loss and comprehensive loss for the period	--	--	(13,813)	(13,813)
Balance at December 31, 2002	64	--	(13,813)	(13,749)
Common shares issued during the year				
On acquisition (note 6)	34,000	1,072,960	--	1,106,960
Exercise of options	397	101,253	--	101,650
Private placement financing	6,000	5,994,000	--	6,000,000
Share issuance costs	--	(550,175)	--	(550,175)
Stock based compensation	--	62,913	--	62,913
Net loss and comprehensive loss for the year	--	--	(518,377)	(518,377)
Balance at December 31, 2003	40,461	6,680,951	(532,190)	6,189,222
Common shares issued during the year				
Exercise of options	115	154,785	--	154,900
Exercise of warrants	39	58,611	--	58,650
Stock based compensation	--	350,255	--	350,255
Net loss and comprehensive loss for the year	--	--	(1,171,498)	(1,171,498)
Balance at December 31, 2004	40,615	7,244,602	(1,703,688)	5,581,529
Common shares issued during the year				
Options exercised for cash (note 4e)	739	1,004,647	--	1,005,386
2003 Purchase warrants exercised for cash (note 4d(i))	2,214	5,534,036	--	5,536,250
Broker warrants exercised for cash (note 4d(ii))	541	810,809	--	811,350
Private placement financing (note 4b)	4,252	27,636,348	--	27,640,600
Share issuance costs on private placement (note 4b)	--	(1,541,686)	--	(1,541,686)
Stock based compensation	--	4,354,256	--	4,354,256
Net loss and comprehensive loss for the year	--	--	(3,162,660)	(3,162,660)
Balance at December 31, 2005	48,361	45,043,012	(4,866,348)	40,225,025

See note 4 for further information
The accompanying notes are an integral part of these Consolidated Financial Statements

GEOGLOBAL RESOURCES INC.
(a development stage enterprise)
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended Dec 31, 2005 US $ Restated note 5c	Year ended Dec 31, 2004 US $ Restated note 5c	Year ended Dec 31, 2003 US $ Restated note 5c	Period from Inception, Aug 21, 2002 to Dec 31, 2005 US $ Restated note 5c
Cash flows provided by (used in) operating activities				
Net loss	(3,162,660)	(1,171,498)	(518,377)	(4,866,348)
Adjustments to reconcile net loss to net cash used in operating activities:				
Depreciation	49,531	61,308	50,450	161,987
Stock-based compensation	2,681,680	304,002	40,682	3,026,364
Gain on sale of equipment	(42,228)	--	--	(42,228)
Changes in operating assets and liabilities:				
Accounts receivable and prepaids	36,484	(99,750)	(6,487)	(69,753)
Accounts payable	24,307	(147,060)	121,304	4,922
Accrued liabilities	22,500	4,600	16,400	43,500
Due to shareholder	--	--	(6,952)	--
Due to related companies	224,828	(27,239)	5,107	202,696
	(165,558)	(1,075,637)	(297,873)	(1,538,860)
Cash flows provided by (used in) investing activities				
Property and equipment				
Exploration costs	(1,578,124)	(460,016)	(156,598)	(2,216,663)
Computer and office equipment	(36,876)	(87,341)	(140,247)	(292,385)
Proceeds on sale of equipment	82,800			82,800
Cash acquired on acquisition (note 6)	--	--	3,034,666	3,034,666
Restricted cash (note 10a)	(185,689)	(206,796)	--	(392,485)
Changes in investing assets and liabilities:				
Cash call receivable	(22,436)	(27,511)	--	(49,947)
Accounts payable	94,415	--	--	94,415
Accrued liabilities	(33,442)	33,442	--	--
	(1,679,352)	(748,222)	2,737,821	260,401
Cash flows provided by (used in) financing activities				
Proceeds from issuance of common shares	34,993,586	213,550	6,101,650	41,308,850
Share issuance costs	(1,541,686)	--	(550,175)	(2,091,861)
Changes in financing liabilities:				
Note payable (note 7a)	--	(1,000,000)	(1,000,000)	(2,000,000)
Accounts payable	10,800	--	61,078	71,878
Due to shareholder	--	--	(37,998)	--
Due to related companies	--	--	15,132	26,980
	33,462,700	(786,450)	4,589,687	37,315,847
Net increase (decrease) in cash and	31,617,790	(2,610,309)	7,029,635	36,037,388

cash equivalents				
Cash and cash equivalents, beginning of period	4,419,598	7,029,907	272	--
Cash and cash equivalents, end of period	36,037,388	4,419,598	7,029,907	36,037,388
Cash and cash equivalents				
Current bank accounts	127,803	90,670	36,631	127,803
Term deposits	35,909,585	4,328,928	6,993,276	35,909,585
	36,037,388	4,419,598	7,029,907	36,037,388

The accompanying notes are an integral part of these Consolidated Financial Statements

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Notes to the Consolidated Financial Statements
GeoGlobal Resources Inc.
(a development stage enterprise)
December 31, 2005

1. Nature of Operations

The Company is engaged primarily in the pursuit of petroleum and natural gas through exploration and development in India. Since inception, the efforts of GeoGlobal have been devoted to the pursuit of Production Sharing Contracts ("PSC") with the Gujarat State Petroleum Corporation ("GSPC") and the Government of India ("GOI") and the development thereof. To date, the Company has not earned revenue from these operations and is considered to be in the development stage. The recoverability of the costs incurred to date is uncertain and dependent upon achieving commercial production or sale, the ability of the Company to obtain sufficient financing to fulfill its obligations under the PSC's in India and upon future profitable operations and upon finalizing agreements with GSPC.

On August 29, 2003, all of the issued and outstanding shares of GeoGlobal Resources (India) Inc. ("GeoGlobal India") were acquired by GeoGlobal Resources Inc., formerly Suite101.com, Inc. As a result of the transaction, the former shareholder of GeoGlobal India held approximately 69.3% of the issued and outstanding shares of GeoGlobal Resources Inc. This transaction is considered an acquisition of GeoGlobal Resources Inc. (the accounting subsidiary and legal parent) by GeoGlobal India (the accounting parent and legal subsidiary) and has been accounted for as a purchase of the net assets of GeoGlobal Resources Inc. by GeoGlobal India. Accordingly, this transaction represents a recapitalization of GeoGlobal India, the legal subsidiary, effective August 29, 2003. These consolidated financial statements are issued under the name of GeoGlobal Resources Inc. but are a continuation of the financial statements of the accounting acquirer, GeoGlobal India. The assets and liabilities of GeoGlobal India are included in the consolidated financial statements at their historical carrying amounts. As a result, the stockholders' equity of GeoGlobal Resources Inc. is eliminated and these consolidated financial statements reflect the results of operations of GeoGlobal Resources Inc. only from the date of the acquisition.

GeoGlobal Resources Inc. changed its name from Suite101.com, Inc. after receiving shareholder approval at the Annual Shareholders Meeting held on January 8, 2004. Collectively, GeoGlobal Resources Inc., GeoGlobal India and its other wholly-owned direct and indirect subsidiaries, are referred to as the "Company" or "GeoGlobal".

2. Significant Accounting Policies

a) Basis of presentation

These consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States within the framework of the accounting policies summarized below.

These consolidated financial statements include the accounts of (i) GeoGlobal Resources Inc., from the date of acquisition, being August 29, 2003, (ii) GeoGlobal Resources (India) Inc., incorporated under the Business Corporations Act (Alberta), Canada on August 21, 2002 which was continued under the Companies Act of Barbados, West Indies on June 27, 2003, which is a wholly-owned subsidiary of GeoGlobal Resources Inc., (iii) GeoGlobal Resources (Canada) Inc., incorporated under the Business Corporations Act (Alberta), Canada on September 4, 2003, which is a wholly-owned subsidiary of GeoGlobal Resources Inc., and (iv) GeoGlobal Resources (Barbados) Inc. incorporated under the Companies Act of Barbados, West Indies on September 24, 2003, which is the wholly-owned subsidiary of GeoGlobal Resources (Canada) Inc.

b) Property and equipment

i) Capitalized costs

The Company follows the full cost method of accounting for its petroleum and natural gas operations. Under this method all costs related to the exploration for and development of petroleum and natural gas reserves are capitalized. Costs include land acquisition costs, geological and geophysical expenditures, costs of drilling both productive and non-productive wells and related overhead costs. Proceeds from the sale of properties will be applied against capitalized costs, without any gain or loss being realized, unless such sale would significantly alter the relationship between capital costs and proven reserves of petroleum and natural gas attributable to the cost center.

Notes to the Consolidated Financial Statements
GeoGlobal Resources Inc.
(a development stage enterprise)
December 31, 2005

2. Significant Accounting Policies (continued)

ii) Depreciation and depletion

Computer and office equipment is recorded at cost, with depreciation provided for on a declining-balance basis at 30% per annum.

Upon the commencement of economic quantities of oil and gas, depletion of exploration and development costs and depreciation of production equipment will be provided on a country-by-country basis using the unit-of-production method based upon estimated proven petroleum and natural gas reserves. The costs of acquiring and evaluating unproven properties and major development properties will be excluded from costs subject to depletion until it is determined whether or not proven reserves are attributable to the properties, the major development projects are completed, or impairment occurs. For depletion and depreciation purposes, relative volumes of petroleum and natural gas production and reserves will be converted into equivalent units based upon estimated relative energy content.

iii) Ceiling test

In applying the full cost method, the Company will be calculating a ceiling test whereby the carrying value of petroleum and natural gas properties and production equipment, net of recorded deferred income taxes is limited to the present value of after-tax future net revenues from proven reserves, discounted at 10% (based on prices and costs at the balance sheet date calculated quarterly), plus the lower of cost and fair value of unproven properties. Should this comparison indicate an excess carrying value, the excess will be charged against earnings as additional depletion and depreciation.

iv) Asset retirement obligations

The Company recognizes the fair value of a liability for an asset retirement obligation in the period in which it is incurred and a corresponding increase in the carrying value of the related long-lived asset. The fair value is determined through a review of engineering and environmental studies, industry guidelines, and management’s estimate on a site by site basis. The liability is subsequently adjusted for the passage of time, and is recognized as accretion expense in the consolidated statement of operations. The liability is also adjusted due to revisions in either the timing or the amount of the original estimated cash flows associated with the liability. The increase in the carrying value of the asset is amortized over the useful life of the related productive assets.

c) Joint operations

All of the Company's petroleum and natural gas activities are conducted jointly with others. The Company’s undivided interests in joint ventures are consolidated on a proportionate basis.

d) Net loss per share

Net loss per share is calculated based upon the weighted-average number of shares outstanding during the period. The treasury stock method is used to determine the dilutive effect of the stock options. The treasury stock method assumes any proceeds obtained upon exercise of options would be used to purchase common shares at the average market price during the period. There are no differences between net loss and the weighted-average number of shares used in the calculation of the basic net loss per share and that used in the calculation of diluted net loss per share as the affect of the options and warrants on the net loss per share calculations are anti-dilutive.

e) Use of estimates

The preparation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimated amounts.

Notes to the Consolidated Financial Statements
GeoGlobal Resources Inc.
(a development stage enterprise)
December 31, 2005

2. Significant Accounting Policies (continued)

f) Financial instruments

The Company has estimated the fair value of its financial instruments which include cash and cash equivalents, restricted cash, accounts receivable and prepaids, cash call receivable, accounts payable, note payable, due to shareholder and due to related companies. The Company used valuation methodologies and market information available as at period end to determine that the carrying amounts of such financial instruments approximate fair value in all cases, unless otherwise noted. Of the Company's accounts receivable, US$74,907 (December 31, 2004 – US$154,884) is due from one entity in the oil and gas industry. If these amounts were uncollectible, they would be capitalized as part of the property and equipment exploration costs.

It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from its financial instruments.

g) Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and short-term deposits with original maturities of three months or less, earning interest based upon the US prime rate. Interest earned during the year ended December 31, 2005 was $462,174 which included interest earned on our cash and cash equivalents held in term deposits of $454,887 which is an average rate of 2.57%.

h) Foreign currency translation

The Company translates integrated foreign operations into the functional currency of the parent. Monetary assets and liabilities denominated in foreign currencies are translated into U.S. dollars at rates of exchange in effect at the date of the balance sheet. Non-monetary items are translated at the rate of exchange in effect when the assets are acquired or obligations incurred. Revenues and expenses are translated at average rates in effect during the period, with the exception of depreciation which is translated at historic rates. Exchange gains and losses are charged to operations.

i) Income taxes

The Company follows the liability method of tax allocation. Under this method, assets and liabilities are determined based on differences between the tax basis of an asset or liability and its carrying value using enacted tax rates anticipated to apply in the periods when the temporary differences are expected to reverse.

The effect on deferred income tax assets and liabilities of changes in tax rates is recognized in income or loss in the period in which the change is enacted.

j) Revenue recognition

Revenue associated with the production and sales of crude oil, natural gas and natural gas liquids owned by the Company will be recognized when title passes from the Company to its customer.

k) Stock-based compensation plan

The Company has a stock-based compensation plan which includes stock options. Consideration received from employees or directors on the exercise of stock options under the stock option plan is recorded as capital stock.

The Company uses the intrinsic value method of accounting for employee and director stock-based compensation. As all options have been granted at exercise prices based on the market value of the Company's common shares at the date of the grant, no compensation cost is recognized. Non-employee stock-based compensation costs are measured using the fair value based method and is charged to earnings on the measurement date.

The Company adopted Statement 123(R) using the modified prospective method on January 1, 2006 (note 13a)

Notes to the Consolidated Financial Statements
GeoGlobal Resources Inc.
(a development stage enterprise)
December 31, 2005

2. Significant Accounting Policies (continued)

l) Comprehensive loss

Comprehensive loss includes all changes in equity except those resulting from investments made by owners and distributions to owners. Other accumulated comprehensive loss consists only of net loss for all periods presented.

3. Property and Equipment

	Balance Sheet as at December 31, US $		Exploration costs incurred in US $			
	2005 Restated note 5c	2004 Restated note 5c	2005 Restated note 5c	2004 Restated note 5c	2003 Restated note 5c	2002
Exploration and development						
Exploration costs – India	3,957,723	707,023	3,250,700	506,269	178,829	21,925
Computer and office equipment						
Computer and office equipment	209,585	255,509				
Accumulated depreciation	(119,759)	(112,456)				
	89,826	143,053				
	4,047,549	850,076				

a) Exploration costs – India

The exploration costs incurred to date are not subject to depletion and cover six exploration blocks, known as the KG Block, the Mehsana Block, the Sanand/Miroli Block, the Ankleshwar Block, the DS Block and the Tarapur Block. It is anticipated that all or certain of these exploration costs may be subject to depletion no earlier than the 2007 fiscal year.

b) Capitalized overhead costs (Restated note 5c)

Included in the US$3,250,700 of exploration cost additions during the year ended December 31, 2005 (year ended December 31, 2004 – US$506,269) are certain overhead costs capitalized by the Company in the amount of US$2,141,844 (year ended December 31, 2004 – US$382,788) directly related to the exploration activities in India. The capitalized overhead amount includes capitalized stock-based compensation of US$1,672,576 (year ended December 31, 2004 – US$46,253) (see note 5c). Further, the capitalized overhead amount includes US$145,773 (year ended December 31, 2004 - US$49,370) paid to third parties and $51,800 (year ended December 31, 2004 – US$nil) recovered from third parties. The balance of US$375,295 was paid to and on behalf of a related party (year ended December 31, 2004 – US$287,165) (see note 7c). These costs are incurred solely by and on behalf of the Company in providing its services under the Carried Interest Agreement ("CIA") and are therefore not reimbursable under the CIA (see note 3c).

c) Carried Interest Agreement

On August 27, 2002, GeoGlobal entered into a CIA with GSPC, which grants the Company a 10% Carried Interest ("CI") (net 5% - see note 3d) in the KG Block. The CIA provides that GSPC is responsible for GeoGlobal's entire share of any and all costs incurred during the Exploration Phase prior to the date of initial commercial production.

Notes to the Consolidated Financial Statements
GeoGlobal Resources Inc.
(a development stage enterprise)
December 31, 2005

3. Property and Equipment (continued)

Under the terms of the CIA, all of GeoGlobal's and Roy Group (Mauritius) Inc.'s (“RGM”), a related party (note 7b) proportionate share of capital costs for exploration and development activities will be recovered by GSPC without interest over the projected production life or ten years, whichever is less, from oil and natural gas produced on the Exploration Block. GeoGlobal is not entitled to any share of production until GSPC has recovered the Company's share of the costs and expenses that were paid by GSPC on behalf of the Company and RGM.

As at December 31, 2005, GSPC has incurred costs of Rs 63.31 crore (approximately US$14.1 million) (December 31, 2004 – Rs 22.77 crore (approximately US$5.01 million)) attributable to GeoGlobal under the CIA of which 50% is for the account of RGM.

d) Participating Interest Agreement

On March 27, 2003, GeoGlobal entered into a Participating Interest Agreement (“PIA”) with RGM, whereby GeoGlobal assigned and holds in trust for RGM subject to GOI consent, 50% of the benefits and obligations of the PSC covering the Exploration Block KG-OSN-2001/3 ("PSC-KG") and the CIA leaving GeoGlobal with a net 5% participating interest in the PSC-KG and a net 5% carried interest in the CIA. Under the terms of the PIA, until the GOI consent is obtained, GeoGlobal retains the exclusive right to deal with the other parties to the PSC-KG and the CIA and is entitled to make all decisions regarding the interest assigned to RGM, RGM has agreed to be bound by and be responsible for the actions taken by, obligations undertaken and costs incurred by GeoGlobal in regard to RGM's interest and to be liable to GeoGlobal for its share of all costs, interests, liabilities and obligations arising out of or relating to the RGM interest. RGM has agreed to indemnify GeoGlobal against any and all costs, expenses, losses, damages or liabilities incurred by reason of RGM's failure to pay the same. Subject to obtaining the government consent to the assignment, RGM is entitled to all income, receipts, credits, reimbursements, monies receivable, rebates and other benefits in respect of its 5% interest which relate to the PSC-KG. GeoGlobal has a right of set-off against sums owing to GeoGlobal by RGM. In the event that the Indian government consent is delayed or denied, resulting in either RGM or GeoGlobal being denied an economic benefit it would have realized under the PIA, the parties agreed to amend the PIA or take other reasonable steps to assure that an equitable result is achieved consistent with the parties' intentions contained in the PIA. As a consequence of this transaction the Company reports its holdings under the PSC-KG and CIA as a net 5% PI.

e) Deed of Assignment and Assumption

On April 7, 2005, the Company entered into a Deed of Assignment and Assumption with GSPC whereby, subject to the terms of the agreement, the Company agreed to acquire and assume and GSPC agreed to assign a 20% participating interest in the onshore Tarapur Exploration Block (CB-ON/2). The assignment of the 20% interest is subject to obtaining the consent of the GOI to the assignment which consent has not yet been obtained. Based on the Company’s past experience as a party to other PSC’s with GSPC and its relationship with GSPC, the Company believes that such consent from the GOI will be forthcoming. In the event such consent is not obtained, the assignment would be terminated. Under such circumstances, the Company intends to negotiate an alternative acceptable arrangement with GSPC. The payment of the US$579,523 to GSPC under the terms of the Company’s agreement with GSPC has been included in Exploration costs – India at December 31, 2005.

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Notes to the Consolidated Financial Statements
GeoGlobal Resources Inc.
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3. Property and Equipment (continued)

f) Production Sharing Contracts

i) Exploration Block KG-OSN-2001/3 (also referred to as “KG Block”)

On February 4, 2003, GeoGlobal, as to a 10% Participating Interest ("PI") (net 5% - see note 3d) together with its joint venture participants, Jubilant Enpro Limited ("Enpro") and GSPC, as to their 10% and 80% PI respectively, entered into a PSC with the GOI with respect to PSC-KG located offshore on the east coast of India in the Krishna Godavari Basin. See also Carried Interest Agreement note 3c.

The PSC-KG allows the joint venture participants to explore for petroleum and natural gas over a 6.5 year period commencing March 12, 2003 on the KG Block subject to the work commitment as outlined in note 10d.

ii) Exploration Block CB-ONN-2002/2 (also referred to as “Mehsana Block”)

On February 6, 2004, GeoGlobal as to its 10% PI, along with its joint venture participants, Enpro and GSPC as to their 30% and 60% PI respectively, entered into a PSC with the GOI with respect to onshore Exploration Block CB-ONN-2002/2 ("PSC-Mehsana") covering an area of approximately 125 square kilometers ("sq. kms.") in the Cambay Basin, located in the province of Gujarat in Northwest India.

The PSC-Mehsana allows the joint venture participants to explore for petroleum and natural gas over a 6 year period commencing May 31, 2004 on the Exploration Block subject to the work commitment as outlined in note 10b.

iii) Exploration Block CB-ONN-2002/3 (also referred to as “Sanand/Miroli Block”)

On February 6, 2004, GeoGlobal as to its 10% PI, along with its joint venture participants, Enpro, GSPC, and Prize Petroleum Company Limited as to their 20%, 55% and 15% PI respectively, entered into a PSC with the GOI with respect to onshore Exploration Block CN-ONN-2002/3 ("PSC-Sanand/Miroli") covering an area of approximately 285 sq. kms. in the Cambay Basin.

The PSC-Sanand/Miroli allows the joint venture participants to explore for petroleum and natural gas over a 6 year period commencing July 29, 2004 on the Exploration Block subject to the work commitment as outlined in note 10b.

iv) Exploration Block CB-ONN-2003/2 (also referred to as “Ankleshwar Block”)

On August 15, 2005, the Company announced that it was awarded, under the fifth round of the National Exploration Licensing Policy ("NELP-V"), a 10% PI in a new onshore Exploration Block CB-ONN-2003/2 covering an area of approximately 448 sq. kms. in the Cambay Basin.

On September 28, 2005, GeoGlobal as to its 10% PI, along with its joint venture participants, Gail (India) Ltd., Jubilant Capital Pvt. Ltd. and GSPC as to their 20%, 20% and 50% PI respectively, entered into a PSC with the GOI with respect to this Exploration Block ("PSC-Ankleshwar").

The PSC-Ankleshwar allows the joint venture participants to explore for petroleum and natural gas over a 7 year period commencing upon the receipt of the Petroleum Exploration Licence, on the Exploration Block subject to the work commitment as outlined in note 10b.

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Notes to the Consolidated Financial Statements
GeoGlobal Resources Inc.
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3. Property and Equipment (continued)

v) Exploration Block DS-ONN-2003/1 (also referred to as “DS Block”)

On August 15, 2005, the Company also announced that it was awarded, under NELP-V, a 100% PI in a new onshore Exploration Block DS-ONN-2003/1 covering an area of approximately 3,155 sq. kms. in the Deccan Syneclise Basin.

On September 28, 2005, GeoGlobal as to its 100% PI entered into a PSC with the GOI with respect to this Exploration Block ("PSC-DS").

The PSC-DS allows GeoGlobal to explore for petroleum and natural gas over a 7 year period commencing upon the receipt of the Petroleum Exploration Licence, on the Exploration Block subject to the work commitment as outlined in note 10b.

4. Capital Stock

a) Common shares

	Number of shares	Capital stock US $	Additional paid-in capital US $ Restated note 5c
Balance at December 31, 2002	1,000	64	--
2003 Transactions			
Capital stock of GeoGlobal at August 29, 2003	14,656,687	14,657	10,914,545
Common shares issued by GeoGlobal to acquire GeoGlobal India	34,000,000	34,000	1,072,960
Share issuance costs on acquisition	--	--	(66,850)
Elimination of GeoGlobal capital stock in recognition of reverse takeover (note 6)	(1,000)	(14,657)	(10,914,545)
Options exercised for cash	396,668	397	101,253
December 2003 private placement financing (note 4c)	6,000,000	6,000	5,994,000
Share issuance costs on private placement	--	--	(483,325)
Stock-based compensation (note 5c)	--	--	62,913
	55,052,355	40,397	6,680,951
Balance as at December 31, 2003	55,053,355	40,461	6,680,951
2004 Transactions			
Options exercised for cash	115,000	115	154,785
Broker warrants exercised for cash	39,100	39	58,611
Stock-based compensation (note 5c)	--	--	350,255

	154,100	154	563,651
Balance as at December 31, 2004	55,207,455	40,615	7,244,602
2005 Transactions			
Options exercised for cash (note 4e)	739,000	739	1,004,647
2003 Purchase warrants exercised for cash (note 4d(i))	2,214,500	2,214	5,534,036
Broker warrants exercised for cash (note 4d(ii))	540,900	541	810,809
September 2005 private placement financing (note 4b)	4,252,400	4,252	27,636,348
Share issuance costs on private placement (note 4b)	--	--	(1,541,686)
Stock-based compensation (note 5c)	--	--	4,354,256
	7,746,800	7,746	37,798,410
Balance as at December 31, 2005	62,954,255	48,361	45,043,012

Notes to the Consolidated Financial Statements
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4. Capital Stock (continued)

b) September 2005 Financing

During September 2005, GeoGlobal completed the sale of 3,252,400 Units of its securities at US$6.50 per Unit, together with a concurrent sale of an additional 1,000,000 Units on the same terms, for aggregate gross cash total proceeds of US$27,640,600.

Each Unit is comprised of one common share and one half of one warrant. One full warrant ("2005 Purchase Warrant") entitles the holder to purchase one additional common share for US$9.00, for a term of two years expiring September 2007. The 2005 Purchase Warrants are subject to accelerated expiration in the event that the price of the Company's common shares on the American Stock Exchange is US$12.00 or more for 20 consecutive trading days, the resale of the shares included in the Units and issuable on exercise of the 2005 Purchase Warrants has been registered under the US Securities Act of 1933, as amended (the “Act”), and the hold period for Canadian subscribers has expired. In such events, the warrant term will be reduced to 30 days from the date of issuance of a news release announcing such accelerated expiration of the warrant term.

Costs of US$1,541,685 were incurred in issuing shares in these transactions which included a fee of US$1,268,436 paid to Jones Gable & Company Limited with respect to the sale of the 3,252,400 Units, and, in addition, Compensation Options were issued to Jones Gable & Company Limited entitling it to purchase an additional 195,144 Units at an exercise price of US$6.50 per Unit through their expiration in September 2007. Compensation Options are also subject to accelerated expiration on the same terms and conditions as the warrants issued in the transaction.

c) December 2003 Financing

On December 23, 2003, GeoGlobal completed a brokered private placement of 5,800,000 units at US$1.00 each, together with a concurrent private placement of an additional 200,000 units on the same terms, for aggregate gross cash total proceeds of US$6,000,000.

Each unit is comprised of one common share and one half of one warrant. One full warrant ("2003 Purchase Warrant"), entitles the holder to purchase one additional common share for US$2.50, for a term of two years from date of closing. The 2003 Purchase Warrants are subject to accelerated expiration 30 days after issuance of a news release to that effect in the event that the common shares trade at US$4.00 or more for 20 consecutive trading days and if the resale of the shares has been registered under the 1933 Act and the hold period for Canadian subscribers has expired. Also issued as additional consideration for this transaction were 580,000 Broker Warrants.

The 580,000 Broker Warrants described above entitled the holder to purchase 580,000 common shares at an exercise price of US$1.50 per share which expired on December 23, 2005.

d) Warrants

i) 2003 Purchase Warrants

During the year ended December 31, 2005, 2,214,500 of the 2003 Purchase Warrants were exercised for gross proceeds of US$5,536,250. As at December 31, 2005, there remained 785,500 of the 2003 Purchase Warrants which had not yet been exercised. Subsequent to the year end, all of the remaining 2003 Purchase Warrants were exercised for gross proceeds of US$1,963,750.

ii) Broker Warrants

During the year ended December 31, 2005, 540,900 of the Broker Warrants were exercised for gross proceeds of US$811,350. As at December 31, 2005, all of the Broker Warrants have been exercised.

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Notes to the Consolidated Financial Statements
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4. Capital Stock (continued)

iii) 2005 Purchase Warrants
As at December 31, 2005, all of the 2005 Purchase Warrants remained outstanding, which if exercised, would result in the issuance of 2,126,200 common shares for gross proceeds of US$19,135,800.

iv) Compensation Option Warrants
As at December 31, 2005, none of the 97,572 Compensation Option Warrants have been issued as a result of the Compensation Options not being exercised. If the Compensation Options are exercised and the Compensation Option Warrants issued, if exercised, would result in gross proceeds of US$878,148.

e) Options
i) Stock Options
During the year ended December 31, 2005, 739,000 (December 31, 2004 – 115,000) options were exercised at various prices between US$1.01 and US$1.50 for gross proceeds of US$1,005,385 (December 31, 2004 - US$154,900).

ii) Compensation Options
As at December 31, 2005, none of the 195,144 Compensation Options were exercised. When fully exercised, the Compensation Options would result in gross proceeds of US$1,268,436.

f) Weighted-average number of shares
For purposes of the determination of net loss per share, the basic and diluted weighted-average number of shares outstanding for the year ended December 31, 2005 was 53,058,660 (December 31, 2004 – 41,671,136, December 31, 2003 – 19,737,035, December 31, 2002 - 14,500,000). The amount for the years ended December 31, 2005 and 2004 exclude the 5,000,000 shares currently held in escrow. The amount for the year ended December 31, 2003 also excludes the 5,000,000 shares currently held in escrow plus 14,500,000 shares which were not released from escrow until August 27, 2004. The amount for the period ended December 31, 2002 is deemed to be the number of shares issued to the legal subsidiary pursuant to the reverse take-over transaction described in note 6, reduced by the 19,500,000 shares which were held in escrow.

5. Stock Options

a) The Company’s 1998 Stock Incentive Plan
Under the terms of the 1998 Stock Incentive Plan (the "Plan"), as amended, 8,000,000 common shares have been reserved for issuance on exercise of options granted under the Plan. As at December 31, 2005, the Company had 1,875,697 (December 31, 2004 – 385,697) common shares remaining for issuance under the Plan. The Board of Directors of the Company may amend or modify the Plan at any time, subject to any required stockholder approval. The Plan will terminate on the earliest of: (i) 10 years after the Plan Effective Date, being December 2008; (ii) the date on which all shares available for issuance under the Plan have been issued as fully-vested shares; or, (iii) the termination of all outstanding options in connection with certain changes in control or ownership of the Company.

On January 17, 2005, the Board of Directors resolved to amend the Plan to increase the shares reserved for grant of options from 3,900,000 to 8,000,000 subject to shareholder approval. Shareholder approval was obtained at the annual stockholder meeting held on June 14, 2005.

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Notes to the Consolidated Financial Statements
GeoGlobal Resources Inc.
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5. Stock Options (continued)

b) Stock-based compensation

Under the Statement of Financial Accounting Standards 123, the Company is required to measure and disclose on a pro-forma basis the impact on net loss and net loss per share of applying the fair value based method to stock-based compensation arrangements with employees and directors.

Under this method, compensation cost is measured at fair value at grant date using the Black-Scholes option pricing method and recognized over the vesting period. If the fair value based method had been used, the stock based compensation costs, pro-forma exploration costs – India net loss and pro-forma net loss per share would be as follows:

	Year ended Dec 31, 2005 US $	Year ended Dec 31, 2004 US $ Restated note 5c	Year ended Dec 31, 2003 US $ Restated note 5c	Period from Inception, Aug 21, 2002 to Dec 31, 2005 US $ Restated note 5c
Pro-forma basis				
Stock-based compensation				
Exploration costs – India	337,113	56,654	44,542	438,309
General and administrative	458,766	132,767	88,349	679,882
Exploration costs - India				
As reported	3,957,723	707,023	200,754	3,957,723
Pro-forma	4,396,032	808,219	245,296	4,396,032
Net loss				
As reported	(3,162,660)	(1,171,498)	(518,377)	(4,866,348)
Pro-forma	(3,621,426)	(1,304,265)	(606,726)	(5,546,230)
Net loss per share - basic and diluted				
As reported	(0.06)	(0.03)	(0.03)	
Pro-forma	(0.07)	(0.03)	(0.03)	

Black-Scholes Assumptions			
Fair value of stock options granted	$ 1.06	--	$ 0.20
Risk-free interest rate	2.75%	--	2.61%
Volatility	102%	--	55%
Weighted average expected life	1.8 years	--	0.8 years
Dividend yield	0%	--	0%

i) The risk-free rate is based on the U.S. Treasury yield curve in effect at the time of grant.

ii) Expected volatilities are based on historical volatility of the Company's stock and other factors.

iii) The expected life of options granted represents the period of time that the options are expected to be outstanding and is derived from historical exercise behavior and current trends.

5. Stock Options (continued)

c) Restatement

	Year ended Dec 31, 2005 US $ Restated note 5c	Year ended Dec 31, 2004 US $ Restated note 5c	Year ended Dec 31, 2003 US $ Restated note 5c	Period from Inception, Aug 21, 2002 to Dec 31, 2005 US $ Restated note 5c
Stock-based compensation				
Consolidated Statements of Operations				
Consulting fees	2,681,680	304,002	40,682	3,026,364
Consolidated Balance Sheets				
Property and equipment				
Exploration costs – India	1,672,576	46,253	22,231	1,741,060
	4,354,256	350,255	62,913	4,767,424

The years ended December 31, 2005, 2004, 2003 and the period from inception August 21, 2002 to December 31, 2005 have been restated due to an error in the classification and calculation for stock-based compensation for non-employee consultants.

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Notes to the Consolidated Financial Statements
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5. Stock Options (continued)

The following is a summary of the effects of this restatement on the Company's Consolidated Balance Sheets and Statements of Stockholders' Equity at December 31, 2005 and 2004 and 2003 and the Consolidated Statements of Operations for the years ended December 31, 2005 and 2004 and 2003 and the period from inception of August 21, 2002 to December 31, 2005.

	As Reported	Adjustment		As Restated
	Dec 31, 2005 US$	Dec 31, 2005 US$	Period of Inception, Aug 21, 2002 to Dec 31, 2004 US$	Dec 31, 2005 US$
Balance Sheets				
Oil and gas interests	2,216,663	1,672,576	68,484	3,957,723
Additional paid-in capital	40,275,588	4,354,256	413,168	45,043,012
Deficit accumulated	(1,839,984)	(2,681,680)	(344,684)	(4,866,348)
Stockholders' equity	38,483,965	1,672,576	68,484	40,225,025
Statement of Stockholders' Equity				
Additional paid-in capital	40,275,588	4,354,256	413,168	45,043,012
Accumulated deficit	(1,839,984)	(2,681,680)	(344,684)	(4,866,348)
Stockholders' equity	38,483,965	1,672,576	68,484	40,225,025

	As Reported		Adjustment		As Restated	
	Year ended Dec 31, 2005 US$	Period of Inception, Aug 21, 2002 to Dec 31, 2005 US$	Year ended Dec 31, 2005 US$	Period of Inception, Aug 21, 2002 to Dec 31, 2005 US$	Year ended Dec 31, 2005 US$	Period of Inception, Aug 21, 2002 to Dec 31, 2005 US$
Statements of Operations						
Consulting fees	265,446	673,332	2,681,680	3,026,364	2,947,126	3,699,696
Net loss and comprehensive loss	(480,980)	(1,839,984))	(2,681,680)	(3,026,364)	(3,162,660)	(4,866,348))
Net loss per share	(0.01)		(0.05)		(0.06)	

- basic and diluted

Notes to the Consolidated Financial Statements
GeoGlobal Resources Inc.
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5. Stock Options (continued)

	As Reported	Adjustment		As Restated
	Dec 31, 2004 US$	Dec 31, 2004 US$	Period of Inception, Aug 21, 2002 to Dec 31, 2003 US$	Dec 31, 2004 US$
Balance Sheets				
Oil and gas interests	638,539	46,253	22,231	707,023
Additional paid-in capital	6,831,434	350,255	62,913	7,244,602
Deficit accumulated	(1,359,004)	(304,002)	(40,682)	(1,703,688)
Stockholders' equity	5,513,045	46,253	22,231	5,581,529
Statement of Stockholders' Equity				
Additional paid-in capital	6,831,434	350,255	62,913	7,244,602
Accumulated deficit	(1,359,004)	(304,002)	(40,682)	(1,703,688)
Stockholders' equity	5,513,045	46,253	22,231	5,581,529

	As Reported		Adjustment		As Restated	
	Year ended Dec 31, 2004 US$	Period of Inception, Aug 21, 2002 to Dec 31, 2004 US$	Year ended Dec 31, 2004 US$	Period of Inception, Aug 21, 2002 to Dec 31, 2004 US$	Year ended Dec 31, 2004 US$	Period of Inception, Aug 21, 2002 to Dec 31, 2004 US$
Statements of Operations						
Consulting fees	237,615	407,886	304,002	344,684	541,617	752,570
Net loss and comprehensive loss	(867,496)	(1,359,004))	(304,002)	(344,684)	(1,171,498)	(1,703,688))
Net loss per share - basic and diluted	(0.02)		(0.01)		(0.03)	

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Notes to the Consolidated Financial Statements
GeoGlobal Resources Inc.
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5. Stock Options (continued)

	As Reported	Adjustment		As Restated
	Dec 31, 2003 US$	Dec 31, 2003 US$	Period of Inception, Aug 21, 2002 to Dec 31, 2002 US$	Dec 31, 2003 US$
Balance Sheets				
Oil and gas interests	295,543	22,231	--	317,774
Additional paid-in capital	6,618,038	62,913	--	6,680,951
Deficit accumulated	(491,508)	(40,682)	--	(532,190)
Stockholders' equity	6,166,991	22,231	--	6,189,222
Statement of Stockholders' Equity				
Additional paid-in capital	6,618,038	62,913	--	6,680,951
Accumulated deficit	(491,508)	(40,682)	--	(532,190)
Stockholders' equity	6,166,991	22,231	--	6,189,222

	As Reported		Adjustment		As Restated	
	Year ended Dec 31, 2003 US$	Period of Inception, Aug 21, 2002 to Dec 31, 2003 US$	Year ended Dec 31, 2003 US$	Period of Inception, Aug 21, 2002 to Dec 31, 2003 US$	Year ended Dec 31, 2003 US$	Period of Inception, Aug 21, 2002 to Dec 31, 2003 US$
Statements of Operations						
Consulting fees	170,271	170,271	40,682	40,682	210,953	210,953
Net loss and comprehensive loss	(477,695)	(491,508))	(40,682)	(40,682)	(518,377)	(532,190))
Net loss per share - basic and diluted	(0.02)		(0.01)		(0.03)	

The restatement had no impact on the Consolidated Statements of Cash Flows for the year ended December 31, 2005 and from inception of August 21, 2002 to December 31, 2005 and therefore, no changes have been reflected.

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Notes to the Consolidated Financial Statements
GeoGlobal Resources Inc.
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5. Stock Options (continued)

d) Black-Scholes Assumptions

The Company believes that the estimated fair value of the stock options is more readily measurable than the fair value of services rendered. The fair value of the stock options granted to non-employee consultants is calculated at each reporting date using the Black-Scholes option-pricing model. Weighted average assumptions used in the valuation are disclosed in the following table:

	Year ended Dec 31, 2005 US $ Restated note 5c	Year ended Dec 31, 2004 US $ Restated note 5c	Year ended Dec 31, 2003 US $ Restated Note 5c
Black-Scholes Assumptions			
Fair value of stock options at reporting date	$ 4.52	$ 0.73	$ 0.67
Risk-free interest rate	3.33%	1.67%	1.32%
Volatility	103%	98%	89%
Expected life	0.5 years	0.5 years	1.1 years
Dividend yield	0%	0%	0%

e) Stock option table
These options were granted for services provided to the Company:

Grant date (mm/dd/yy)	Option exercise price US $	Expiry date (mm/dd/yy)	Vesting date (mm/dd/yy)	Balance Dec 31, 2004 #	Granted during the year #	Cancelled (c) Exercised (e) during the year #	Balance Dec 31, 2005 #	Balance exercisable Dec 31, 2005 #
12/09/03	1.18	08/31/06	Vested	1,945,000	--	193,500 (e)	1,751,500	1,751,500
12/30/03	1.50	08/31/06	Vested	945,000	--	150,000 (c)		
						450,000 (e)	345,000	345,000
01/17/05	1.01	08/31/06	Vested	--	790,000	60,500 (e)	729,500	729,500
01/18/05	1.10	08/31/08	Vested	--	450,000	--	450,000	450,000
01/18/05	1.10	08/31/08	08/15/06		150,000	--	150,000	--
01/25/05	1.17	08/31/06	Vested	--	60,000	35,000 (e)	25,000	25,000
06/14/05	3.49	06/14/15	Vested	--	150,000	--	150,000	150,000
08/24/05	6.50	08/24/08	Vested	--	60,000	--	60,000	60,000
08/24/05	6.50	08/24/08	08/31/06	--	50,000	--	50,000	--
10/03/05	6.81	10/03/15	10/03/06	--	16,666	-	16,666	--

10/03/05	6.81	10/03/15	10/03/07	--	16,667	--	16,667	--
10/03/05	6.81	10/03/15	10/03/08	--	16,667	--	16,667	--
				2,890,000	1,760,000	889,000	3,761,000	3,511,000

i) On January 17, 2005, the Board of Directors of the Company passed a resolution with respect to stock options issued in 2003 to extend the expiry date of all then outstanding options from August 31, 2005 to August 31, 2006.

ii) During the year ended December 31, 2005, the Company granted options to purchase 1,760,000 shares exercisable at various prices and expiry dates.

iii) As at December 31, 2005, there were 3,761,000 options outstanding at various prices which, if exercised, would result in total proceeds of US$5,589,315.

iv) Of the 889,000 options exercised or cancelled in the period, 150,000 were cancelled during the three months ended March 31, 2005 and the remaining 739,000 options were all exercised in the period from April 1 to December 31, 2005.

v) At the annual stockholder meeting held on June 14, 2005, the stockholders of the Company approved amendments to the Plan to a) increase the shares of Common Stock reserved for issuance under the Plan from 3,900,000 shares to 8,000,000 shares and b) amend the terms of the Automatic Option Grant Program of the Plan to increase the number of shares subject to the annual automatic option grant to non-employee Board members from 5,000 shares to 50,000 shares.

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6. Acquisition

On August 29, 2003, pursuant to an agreement dated April 4, 2003 and amended August 29, 2003, the Company completed a transaction with Mr. Roy and GeoGlobal Resources (India) Inc. ("GeoGlobal India"), a corporation then wholly-owned by Mr. Roy, whereby the Company acquired from Mr. Roy all of the outstanding capital stock of GeoGlobal India. In exchange for the outstanding capital stock of GeoGlobal India, the Company issued 34.0 million shares of our Common Stock. Of the 34.0 million shares, 14.5 million shares were delivered to Mr. Roy at the closing of the transaction on August 29, 2003 and an aggregate of 19.5 million shares were held in escrow by an escrow agent. The terms of the escrow provide for the release of the shares upon the occurrence of certain developments relating to the outcome of oil and natural gas exploration and development activities conducted on the KG Block. On August 27, 2004, 14.5 million shares were released to Mr. Roy from escrow upon the commencement of a drilling program on the KG Block. The final 5.0 million shares remaining in escrow will be released only if a commercial discovery is declared on the KG Block. In addition to the shares of Common Stock, the Company delivered to Mr. Roy a US$2.0 million promissory note, of which US$500,000 was paid on the closing of the transaction on August 29, 2003, US$500,000 was paid on October 15, 2003, US$500,000 was paid on January 15, 2004 and US$500,000 was paid on June 30, 2004. The note did not accrue interest. The note was secured by the outstanding stock of GeoGlobal India which has subsequently been released. As a consequence of the transaction, Mr. Roy held as of the closing of the transaction an aggregate of 34.0 million shares of our outstanding Common Stock, or approximately 69.3% of the shares outstanding, assuming all shares held in escrow are released to him. The terms of the transaction provide that Mr. Roy is to have the right to vote all 34.0 million shares following the closing, including the shares during the period they are held in escrow. Shares not released from the escrow will be surrendered back to GeoGlobal.

As discussed in note 1, the acquisition of GeoGlobal India by GeoGlobal was accounted for as a reverse takeover transaction. As a result, the cost of the transaction was determined based upon the net assets of GeoGlobal deemed to have been acquired. These consolidated financial statements include the results of operations of GeoGlobal from the date of acquisition. The net identifiable assets acquired of GeoGlobal were as follows:

	US $
Net assets acquired	
Cash	3,034,666
Other current assets	75,000
Current liabilities	(2,706)
Net book value of identifiable assets acquired	3,106,960
Consideration paid	
Promissory note issued	2,000,000
34,000,000 common shares issued par value $0.001	34,000
Additional paid-in capital	1,072,960
	3,106,960

Notes to the Consolidated Financial Statements
GeoGlobal Resources Inc.
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7. Related Party Transactions

Related party transactions are measured at the exchange amount which is the amount of consideration established and agreed by the related parties.

a) Note payable

On August 29, 2003, as part of the Acquisition (note 6), a US$2,000,000 promissory note was issued to the sole shareholder of GeoGlobal India. On each of August 29, 2003, October 15, 2003, January 15, 2004 and June 30, 2004, US$500,000 of the note was repaid. The promissory note was non-interest bearing and the capital stock of GeoGlobal India collateralized the repayment of the note. The collateral has been released.

b) Roy Group (Mauritius) Inc.

Roy Group (Mauritius) Inc. is related to the Company by common management and is controlled by a director of the Company who is also a principal shareholder of the Company. On March 27, 2003, the Company entered into a Participating Interest Agreement (note 3d) with the related party.

c) Roy Group (Barbados) Inc. (“Roy Group”)

Roy Group is related to the Company by common management and is controlled by a director of the Company who is also a principal shareholder of the Company. On August 29, 2003, the Company entered into a Technical Services Agreement ("TSA") with Roy Group to provide services to the Company as assigned by the Company and to bring new oil and gas opportunities to the Company. Roy Group receives consideration of US$250,000 per year for an initial term of three years plus a bonus for the year ended December 31, 2005 of US$60,000 as outlined and recorded below:

	Year ended Dec 31, 2005 US $	Year ended Dec 31, 2004 US $	Year ended Dec 31, 2003 US $	Period from Inception, Aug 21, 2002 to Dec 31, 2005 US$
Consolidated Statement of Operations				
Consulting fees	62,000	50,000	16,667	128,667
Consolidated Balance Sheets				
Property and equipment				
Exploration costs - India (note 3a)	248,000	200,000	66,666	514,666
	310,000	250,000	83,333	643,333

Roy Group was also reimbursed for medical insurance and expenses; travel, hotel, meals and entertainment expenses; computer costs; and amounts billed by third parties incurred during the periods as outlined and recorded below:

Consolidated Statement of Operations				
General and administrative	45,430	19,640	40,649	105,719

Consolidated Balance Sheets				
Accounts receivable	1,020	20,350	--	21,370
Property and equipment				
Exploration costs - India (note 3a)	127,295	87,165	61,412	297,797
Computer and office equipment	1,610	8,064	--	37,595
	175,355	135,219	102,061	462,481

At December 31, 2005, the Company owed Roy Group (Barbados) Inc. US$169,181 (December 31, 2004 - US$16,103) for services provided and expenses incurred on behalf of the Company and pursuant to the TSA. These amounts bear no interest and have no set terms of repayment.

Notes to the Consolidated Financial Statements
GeoGlobal Resources Inc.
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7. Related Party Transactions (continued)

d) D.I. Investments Ltd. ("D.I.")
D.I. is related to the Company by common management and is controlled by a director of the Company. DI charged consulting fees for services rendered as outlined and recorded below:

	Year ended Dec 31, 2005 US $	Year ended Dec 31, 2004 US $	Year ended Dec 31, 2003 US $	Period from Inception, Aug 21, 2002 to Dec 31, 2005 US$
Consolidated Statement of Operations				
Consulting fees	150,000	120,000	61,715	331,715

DI was also reimbursed for office costs, including rent, parking, office supplies and telephone as well as travel, hotel, meals and entertainment expenses incurred during the periods as outlined and recorded below:

Consolidated Statement of Operations				
General and administrative				
Office costs	54,062	65,073	33,802	159,135
Travel, hotel, meals and entertainment	5,121	3,344	39,045	47,510
Consolidated Balance Sheets				
Accounts receivable	14,165	--	--	14,165
	73,348	68,417	72,847	220,810

At December 31, 2005, the Company owed D.I. US$70,309 (December 31, 2004 –US$nil) as a result of services provided and expenses incurred on behalf of the Company. These amounts bear no interest and have no set terms of repayment.

e) Amicus Services Inc. ("Amicus")
Amicus is related to the Company by virtue of being controlled by the brother of a director of the Company. Amicus charged as consulting fees for services rendered as outlined below:

	Year ended Dec 31, 2005 US $	Year ended Dec 31, 2004 US $	Year ended Dec 31, 2003 US $	Period from Inception, Aug 21, 2002 to Dec 31, 2005 US$

Consolidated Statement of Operations				
Consulting fees	35,713	33,921	14,469	84,103

Amicus was also reimbursed for office costs, including parking, office supplies and telephone as well as travel and hotel expenses incurred during the periods as outlined and recorded below:

Consolidated Statement of Operations				
General and administrative	685	1,961	168	2,814
Consolidated Balance Sheets				
Accounts receivable	2,530	967	3,052	6,549
Computer and office equipment	--	1,599	--	1,599
	3,215	4,527	3,220	10,962

At December 31, 2005, the Company owed Amicus Services Inc. US$4,962 (December 31, 2004 – US$3,521) as a result of services provided and expenses incurred on behalf of the Company. These amounts bear no interest and have no set terms of repayment.

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8. Income Taxes

a) Income tax expense

The provision for income taxes in the consolidated financial statements differs from the result which would have been obtained by applying the combined Federal, State and Provincial tax rates to the loss before income taxes. This difference results from the following items:

	Year ended Dec 31, 2005 US $ Restated note 5c	Year ended Dec 31, 2004 US $ Restated note 5c	Year ended Dec 31, 2003 US $ Restated note 5c	Period from Inception, Aug 21, 2002 to Dec 31, 2005 US$ Restated note 5c
Net loss	(3,162,660)	(1,171,498)	(518,377)	(4,866,348)
Expected tax rate	35.0%	35.0%	35.0%	
Expected income tax recovery	(1,106,931)	(410,024)	(181,432)	(1,704,205)
Excess of expected tax rate over tax rate of foreign affiliates	55,912	54,623	24,804	137,299
Non-deductible expenditures	965,779	122,589	22,020	1,110,388
Acquisition of losses	--	--	4,355,268	4,355,268
Other	165,772	298,110	316,029	789,693
	80,532	65,298	4,536,689	4,688,443
Valuation allowance	(80,532)	(65,298)	(4,536,689)	(4,688,443)
Provision for income taxes	--	--	--	--

b) Deferred income taxes

The Company has not recognized the deferred income tax asset because the benefit is not more likely than not to be realized. The components of the net deferred income tax asset consist of the following temporary differences:

	Dec 31, 2005 US $	Dec 31, 2004 US $
Difference between tax base and reported amounts of depreciable assets	25,871	2,679
Non-capital loss carry forwards	18,907,135	524,904
	18,933,006	527,583
Valuation allowance	(18,933,006)	(527,583)
Deferred income tax asset	--	--

Notes to the Consolidated Financial Statements
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8. Income Taxes (continued)

c) Loss carry forwards

i) At December 31, 2004, the Company has US$7,865,527 of available non-cash capital loss carry forwards to reduce taxable income for income tax purposes in the various jurisdictions as outlined below which have not been reflected in these consolidated financial statements.

Tax Jurisdiction	Amount US $	Expiry Dates Commence
United States	7,489,826	2006
Canada	35,513	2010
Barbados	340,188	2012
	7,865,527	

ii) At December 31, 2003, the Company has US$5,890,659 of available capital loss carry forwards to reduce capital gains for US income tax purposes expiring in 2008, which have not been reflected in these consolidated financial statements

9. Segmented Information

The Company's petroleum and natural gas exploration and development activities are conducted in India. Management of the Company considers the operations of the Company as one operating segment. The following information relates to the Company's geographic areas of operation.

	December 31, 2005 Property and equipment US $ Restated note 5c	December 31, 2004 Property and equipment US $ Restated note 5c
Canada	89,826	97,482
India	3,957,723	752,594
	4,047,549	850,076

10. Commitments, Contingencies and Guarantees

a) Restricted cash

The Company has provided to the GOI two irrevocable letters of credit totalling US$392,485 (Mehsana US$195,055 and Sanand/Miroli US$197,430) (December 31, 2004 – US$206,796) secured by term deposits of the Company in the same amount as guarantees for the performance of the minimum work commitments for the budget period ending

March 31, 2006 of Phase I of both of these Cambay Blocks.

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Notes to the Consolidated Financial Statements
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10. Commitments, Contingencies and Guarantees (continued)

b) Production Sharing Contracts

The Company is required to expend funds on the exploration activities to fulfill the terms of the minimum work commitment based on our participating interest for Phase I pursuant to the PSC's in respect of each of our exploration blocks as follows:

i) Mehsana - Acquire, process and interpret 75 square kilometers of 3D seismic and drill 7 exploratory wells between 1,000 and 2,200 meters.

ii) Sanand/Miroli - Acquire, process and interpret 200 square kilometers of 3D seismic and drill 12 exploratory wells between 1,500 and 3,000 meters.

iii) Ankleshwar - Acquire, process and interpret 448 square kilometers of 3D seismic and drill 14 exploratory wells between 1,500 and 2,500 meters.

iv) DS Block - Gravity and geochemical surveys and a 12,000 line kilometer aero magnetic survey.

Under the terms of all the PSC's, the Company is required to keep in force a financial and performance guarantee.

c) Tarapur Block

As the holder of a participating interest in the Tarapur Block, the Company will be required to fund its 20% share of all further exploration and development costs incurred on the exploration block. To December 31, 2005, US$579,572 has been paid to GSPC under the terms of the Company's agreement with GSPC. Subsequent to the year end, a further US$397,000 has been paid to GSPC. The Company has committed to expend an aggregate of approximately US$1.2 million for exploration activities under the terms of the agreement entered into covering the Tarapur block over the period ending November 22, 2007. Under the terms of the agreement, the Company will be required to keep in force a financial and performance guarantee securing its performance under the Tarapur PSC.

d) KG Block

Under the terms of our PSC relating to the KG Block, the first phase of the exploration period was to expire on September 11, 2005. The PSC provides that by the end of the first phase, the contracting parties, in addition to other parts of the work program which have been completed, shall have drilled at least fourteen wells. Through March 11, 2006, four wells had been drilled on the exploration block, leaving ten wells to be drilled. The PSC provides that, if at the end of an exploration phase a work program for that phase is not completed, the time for completion of the exploration program for that phase is to be extended for a period necessary to enable completion but not exceeding six months provided the parties (i) submit a request by written notice to the Government of India at least thirty days prior to the expiration of the relevant phase, (ii) can show technical or other good reasons for the non-completion of the work program, and (iii) the management committee gives its consent to the extension. Any such extension that is granted is to be deducted from the next succeeding exploration phase.

On August 5, 2005, a written notice requesting the six month extension was submitted and on August 29, 2005, the management committee consented to the extension of six months to March 11, 2006 and deducted the six month extension from the Phase II exploration period.

On February 24, 2006, the management committee for the KG Block recommended a further extension of twelve months to March 11, 2007 which is also to be deducted from the second phase of the exploration program. As a further condition to the extension, the management committee recommended that GSPC be required to provide a bank guarantee as to 50% of the unfinished work program, which GSPC has agreed to provide. As at April 12, 2006, approval of this extension from the Government of India is still pending.

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10. Commitments, Contingencies and Guarantees (continued)

Under the terms of the PSC, in the event the ten remaining wells are not drilled by March 11, 2007, the Government of India would have the right to assert that the contracting parties have failed to comply with or have contravened a material provision of the PSC. Under such circumstances, the PSC will be subject to termination by the Government of India on ninety days written notice, unless such failure of compliance or contravention is remedied within the ninety-day period or such extended period as may be granted by the Government of India. In the event the PSC is terminated by the Government of India, or in the event the work program is not fulfilled by the end of the relevant exploration phase, each party to the PSC is to pay to the Government of India its participating interest share of an amount which is equal to the amount that would be required to complete the minimum work program for that phase. We are of the view that GSPC, under the terms of our CIA, would be liable for our participating interest share of the amount required to complete the minimum work program for the phase. However, termination of the PSC by the Government of India would result in the loss of our interest in the KG Block other than areas determined to encompass commercial discoveries. To December 31, 2005, exploration costs related to the KG Block capitalized in the Company's accounts amount to US$977,692.

11. Comparative Figures

a) As a result of the reverse takeover outlined in note 6, the comparatives are those of the continuing entity for accounting purposes and are for the years ended December 31, 2005, 2004 and 2003.

b) As the Company is in its development stage, these are the accumulated amounts of the continuing entity for the period from inception, being August 21, 2002 to December 31, 2005.

12. Subsequent Event

On January 25, 2006, the registration statement filed by the Company with the US Securities and Exchange Commission under the Act with respect to the registration for resale of 6,573,744 shares of the Company's common stock by the holders was declared effective. The shares registered for resale include the common stock issued in the Company's September 2005 financing, the shares of common stock issuable on exercise of the 2005 Purchase Warrants and the Compensation Options issued in this financing.

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13. Recent Accounting Standards

a) On December 16, 2004, the Financial Accounting Standards Board (FASB) issued FASB Statement No. 123 (revised 2004), Share-Based Payment, which is a revision of FASB Statement No. 123, Accounting for Stock-Based Compensation. Statement 123(R) supersedes APB Opinion No. 25, Accounting for Stock Issued to Employees, and amends FASB Statement No. 95, Statement of Cash Flows. Generally, the approach in Statement 123(R) is similar to the approach described in Statement 123. However, Statement 123(R) requires all share-based payments to employees, including grants of employee stock options, to be recognized in the statement of operations based on their fair values. Pro forma disclosure is no longer an alternative. Statement 123(R) must be adopted no later than January 1, 2006. Early adoption will be permitted in periods in which financial statements have not yet been issued. The Company was planning to adopt Statement 123(R) on January 1, 2005, however, on April 14, 2005, the Securities Exchange Commission provided for a phased-in implementation process for Statement 123(R). As such, the Company delayed the implementation until January 1, 2006.

The Company adopted Statement 123(R) using the modified prospective method on January 1, 2006 which will require the Company to recognize in the income statement a charge of $367,596 over the next 3 years.

b) In May 2005, the FASB issued FASB Statement No. 154, Accounting Changes and Error Corrections (FAS 154), a replacement of APB Opinion No. 20, Accounting Changes, and FASB Statement No. 3, Reporting Accounting Changes in Interim Financial Statements (FAS 3). FAS 154 replaces the provisions of FAS 3 with respect to reporting accounting changes in interim financial statements. FAS 154 is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005. Early adoption is permitted for accounting changes and corrections of errors made in fiscal years beginning after June 1, 2005.

The Company adopted FAS 154 on January 1, 2006, and there is no current impact.

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14. Selected Quarterly Information (Unaudited)

The following represents selected quarterly financial information:

2005	3 months ended Mar 31 US$	3 months ended June 30 US$	6 months ended June 30 US$	3 months ended Sept 30 US$	9 months ended Sept 30 US$	Year ended Dec 31 US$
Interest income	14,677	19,609	34,286	77,693	111,979	462,174
Net earnings (loss) and comprehensive earnings (loss)						
As previously reported	(176,847)	(198,511)	(375,358)	(217,348)	(592,706)	(480,980)
Adjustment - current period	(78,791)	(1,187,023)	(1,265,814)	(316,583)	(1,582,397)	(2,681,680)
As restated	(255,638)	(1,385,534)	(1,641,172)	(533,931)	(2,175,103)	(3,162,660)
Net earnings (loss) per share - basic and diluted						
As previously reported	0.00	0.00	(0.01)	0.00	(0.01)	(0.01)
Adjustment - current period	(0.01)	(0.03)	(0.02)	(0.01)	(0.03)	(0.05)
As restated	(0.01)	(0.03)	(0.03)	(0.01)	(0.04)	(0.06)
Deficit						
As previously reported	(1,535,851)		(1,734,362)		(1,951,710)	(1,839,984)
Adjustment - prior years	(344,684)		(344,684)		(344,684)	(344,684)
Adjustment - current period	(78,791)		(1,265,814)		(1,582,397)	(2,681,680)
As restated	(1,959,326)		(3,344,860))		(3,878,791)	(4,866,348)
Oil and gas interests						
As previously reported	916,506	38,742	955,248	146,809	1,102,057	1,578,124
Adjustment - current period	31,153	744,651	775,804	200,732	976,536	1,672,576
As restated - current period	947,659	783,393	1,731,052	347,541	2,078,593	3,250,700
Opening balance - beginning of year	707,023		707,023		707,023	707,023
As restated	1,654,682		2,438,075		2,785,616	3,957,723
Stock-based compensation						
As previously reported						
Consulting	--	--	--	--	--	--
Oil and gas interests	--	--	--	--	--	--
	--	--	--	--	--	--

Adjustment						
Consulting	78,791	1,187,023	1,265,814	316,583	1,582,397	2,681,680
Oil and gas interests	31,153	744,651	775,804	200,732	976,536	1,672,576
	109,944	1,931,674	2,041,618	517,315	2,558,933	4,354,256
As restated						
Consulting	78,791	1,187,023	1,265,814	316,583	1,582,397	2,681,680
Oil and gas interests	31,153	744,651	775,804	200,732	976,536	1,672,576
	109,944	1,931,674	2,041,618	517,315	2,558,933	4,354,256

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15. Selected Quarterly Information (Unaudited) (continued)

2004	3 months ended Mar 31 US$	3 months ended June 30 US$	6 months ended June 30 US$	3 months ended Sept 30 US$	9 months ended Sept 30 US$	Year ended Dec 31/04 US$	Year ended Dec 31/03 US$
Interest income	5,883	7,092	12,975	6,386	19,361	31,591	1,863
Net earnings (loss) and comprehensive earnings (loss)							
As previously reported	(201,539)	(306,205)	(507,744)	(163,165)	(670,909)	(867,496)	(477,695)
Adjustment - current period	(396,065)	(240,838)	(636,903)	111,139	(525,764)	(304,002)	(40,682)
As restated	(597,604)	(547,043)	(1,144,647)	(52,026)	(1,196,673)	(1,171,498)	(518,377)
Net earnings (loss) per share - basic and diluted							
As previously reported	(0.01)	(0.01)	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)
Adjustment - current period	(0.01)	(0.01)	(0.02)	0.01	(0.01)	(0.01)	(0.01)
As restated	(0.02)	(0.02)	(0.03)	0.00	(0.03)	(0.03)	(0.03)
Deficit							
As previously reported	(693,047)		(999,252)		(1,162,417)	(1,359,004)	(491,508)
Adjustment - prior years	(40,682)		(40,682)		(40,682)	(40,682)	--
Adjustment - current period	(396,065)		(636,903)		(525,764)	(304,002)	(40,682)
As restated	(1,129,794)		(1,676,837)		(1,728,863)	(1,703,688)	(532,190)
Oil and gas interests							
As previously reported	83,568	186,650	270,218	67,741	337,959	460,016	156,598
Adjustment - current period	59,424	35,918	95,342	(14,789)	80,553	46,253	22,231

As restated - current period	142,992	222,568	365,560	52,952	418,512	506,269	178,829
Opening balance - beginning of year	200,754		200,754		200,754	200,754	21,925
As restated	343,746		566,314		619,266	707,023	200,754
Stock-based compensation							
As previously reported							
Consulting	--	--	--	--	--	--	--
Oil and gas interests	--	--	--	--	--	--	--
	--	--	--	--	--	--	--
Adjustment							
Consulting	396,065	240,838	636,903	(111,139)	525,764	304,002	40,682
Oil and gas interests	59,424	35,918	95,342	(14,789)	80,553	46,253	22,231
	455,489	276,756	732,245	(125,928)	606,317	350,255	62,913
As restated							
Consulting	396,065	240,838	636,903	(111,139)	525,764	304,002	40,682
Oil and gas interests	59,424	35,918	95,342	(14,789)	80,553	46,253	22,231
	455,489	276,756	732,245	(125,928)	606,317	350,255	62,913

Quarterly net earnings (loss) and comprehensive earnings (loss) and net earnings (loss) per share - basic and diluted have been restated due to an error in the classification and calculation for stock-based compensation for non-employee consultants.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

GeoGlobal Resources Inc.

By: /s/ Allan J. Kent
Allan J. Kent
Executive Vice President and CFO

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Company and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Jean Paul Roy Jean Paul Roy	President, Chief Executive Officer and Director	June 3, 2008
/s/ Allan J. Kent Allan J. Kent	Executive Vice President, Chief Financial Officer and Director	June 3, 2008
/s/ Brent J. Peters Brent J. Peters	Director	June 3, 2008
/s/ Peter R. Smith Peter R. Smith	Chairman of the Board and Director	June 3, 2008
/s/ Michael J. Hudson Michael J. Hudson	Director	June 3, 2008
/s/ Dr. Avinash Chandra Dr. Avinash Chandra	Director	June 3, 2008