aminex

annual report & accounts 2015

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◆ Gas feed lines into the Songo Songo Island Gas Processing Plant

Chairman's Statement

Dear Shareholder,

Accompanying this letter are Aminex PLC's results for the year ended 31 December 2015 together with reports on its operations. The Group made a loss for the financial year of $3.78 million (2014: $7.01 million).

During the year Aminex negotiated a long-awaited gas sales agreement for the Kiliwani North field and completed a partial disposal of its interest in the field which enabled it to retire a portion of its corporate debt. It also converted an Egyptian carried working interest into a royalty arrangement. The transaction for the Egyptian asset has transformed a potential work obligation into a potential future revenue stream. As the Board has previously stated that it does not intend to commit further funds to its Moldova asset in the near term, Aminex's activities are now exclusively concentrated on its Tanzanian gas projects, all of which it operates. The Company is consequently not directly affected by the current slump in world oil prices as it will be producing gas at a pre-agreed price for power generation.

This time last year I forecast that Aminex would be producing Tanzanian gas in 2015 but events outside the control of the Company prevented this from occurring. However, since the year end we have signed a formal Gas Sales Agreement with the Tanzania Petroleum Development Corporation ('TPDC') and, at the time of writing, Kiliwani North gas is producing commissioning gas.

Our next step will be to build on our earlier success in the Ruvuma area with follow-up drilling this year. We expect to spud a new well, Ntorya-2, to offset and appraise the Ntorya-1 discovery during the course of this summer with an additional well, Ntorya-3, also being planned to test the main channel system. Once Ntorya-2 has been drilled, Aminex expects to apply for a development licence for the prospect, opening the way for the Company to produce from not one but two separate Tanzanian fields in the foreseeable future.

Past months have not been easy in our sector in general but Aminex has successfully weathered many storms in the past and we expect to do so in the future. Tough times can present openings for flexible, smaller companies which are not always available when the markets are strong and when larger players are ready to pay very high prices for assets. Aminex's management team is ever vigilant for such opportunities.

May I express your Board's appreciation for the continuing support we have received. Perseverance and patience usually pay in the long run and we are grateful to those who have stayed with us. This year's AGM will be held in London on 18 May and we hope to meet as many of you as possible on that occasion.

Yours sincerely,

Brian Hall
Chairman

◆ Gas flare for Kiliwani North-1 prior to production in April 2016

Chief Executive's Review

HIghlights

During 2015:

- Gas Sales Agreement signed effective 31 December 2015
- Sale of 6.5% interest in Kiliwani North to Solo Oil for $3.5 million
- Regional gas pipeline completed with sales line connected to Kiliwani North
- Drilling and development plan moving forward for Ruvuma
- Planning for Ntorya-1 recompletion and Ntorya-2 appraisal drilling, expected during 2016
- Nyuni Area deep water potential reassessed
- Technical team strengthened
- Ongoing restructuring and cost monitoring

Looking ahead:

- 2016 will be the year when Aminex begins to reap rewards from a decade of exploration and development in Tanzania with first production from Kiliwani North, booking its first reserves in country.
- In a difficult market favourable opportunities may present themselves and the Company is actively engaged in looking for production and development led opportunities.

Aminex has now become an African producer for the first time and this will transform the Group. The team continues to explore and maximise the prospectivity of the Group's assets in preparation for production and the development of the onshore Ruvuma Basin, where the Company has an existing discovery.

Tanzania

The major new regional gas pipeline developed by the Tanzania Petroleum Development Corporation ('TPDC') was under construction throughout 2015 and is now receiving Kiliwani North commissioning gas. The pipeline provides a commercialisation route for Kiliwani North gas and opens up the potential for commercialisation of the Company's Ntorya discovery and any other discoveries which may be made in the Company's onshore Ruvuma Basin acreage.

Kiliwani North is being used to commission the Songo Songo Gas Processing Plant and, once commercial rates have been established, is expected to produce initially at a rate of 25-30 MMcfd. The Company will sell gas directly at wellhead for a price of $3.07 per MCF and will be paid in US Dollars with payment guarantees in place.

During 2015 the Company completed a new seismic programme in the vicinity of its Ntorya-1 discovery on the Ruvuma PSA acreage. The programme was designed to identify the channel fairway associated with the Tertiary and Cretaceous reservoirs where Ntorya-1 tested gas at 20 MMcfd with 139 barrels of associated condensate. The seismic programme was completed on time and within budget. The Company currently has an obligation to drill a minimum of four exploration wells by the end of 2016 but is in discussions with the TPDC to focus resources on the development of Ntorya with a view to accelerating the supply of gas into the new regional pipeline system. Should the Company have success in its appraisal and development drilling programme in the Ruvuma Basin, any further gas discovered can be commercialised through the new pipeline.

At the Nyuni Area PSA, the Company will focus exploration activity on the deep water sector of the licence. The Tanzanian authorities have agreed to replace a commitment to acquire 2D seismic in the shallow zones with 3D seismic in the deep water sector. This will enable the acquisition of up to 700 square kilometres of new 3D seismic in the deep water. As part of this approval, a two-well commitment due to be carried out in 2015 has been deferred into the next exploration phase which expires in October 2019.

Other assets

Since 2014, the Aminex Board has sought to focus the Group's resources on its key production, development and appraisal assets in Tanzania by reducing commitments in other regions. In 2015, the Group converted its interest in the West Esh el Mallaha-2 ('WEEM-2') concession in Egypt to a 1% gross overriding royalty in the South Malak-2 discovery, thereby eliminating future capital expenditure in a small non-operated interest. The Group's interest in Moldova does not give rise to any capital commitments. In the current low oil price environment the Company has decided to impair the carrying value of the Moldova interest.

Evaluation of New Opportunities

The Company's management and technical team continue to evaluate and analyse new production-led business opportunities with the aim of creating a larger and stronger base for its activities, balancing risk against opportunity.

Looking Forward

This is a very promising time for the Company. Its first commercial production from Kiliwani North will help meet the Group's ongoing overhead expenses, which continue to be monitored closely, and assist with further debt retirement. The planned appraisal of the Ntorya discovery offers considerable growth potential for the Group. After drilling the Ntorya-2 appraisal well, Aminex plans to apply for a licence to fast-track development of the Ntorya field so as to monetise gas discoveries through the new gas infrastructure. Aminex is also in discussions with the TPDC to identify opportunities for an early production system from Ntorya-1 and Ntorya-2.

I would like to thank our staff and all those that have been associated with the Company's progress for their consistent hard work and our shareholders for their continued support.

Jay Bhattacherjee
Chief Executive

Financial Review

Financing and future operations

The signing of a Gas Sales Agreement for the Kiliwani North gas field in January 2016, effective 31 December 2015, with gas production from Kiliwani North-1 well starting in April 2016 sees Aminex return to being a production company. Aminex had anticipated first gas in 2015 but delays in the completion of the infrastructure mean that the Group was unable to report any production revenues in the year. The Directors anticipate that net operating revenues from Kiliwani North production will provide approximately $10-$15 million net cash flow a year to Aminex once full rates of production have commenced following testing and commissioning. With Kiliwani North onstream, the Group will be able to reduce corporate debt and finalise funding arrangements for the next stage of drilling to offset the Company's Ntorya discovery on the Ruvuma PSA acreage.

In February 2015, Aminex completed the partial disposal of a 6.5% interest in the Kiliwani North Development Licence to Solo Oil plc for a consideration of $3.5 million. In June the Company raised $2.45 million (net of expenses) through a placing of new shares under authority granted by shareholders at the 2015 Annual General Meeting. The combined funding enabled the Company to repay $3.28 million of its corporate debt and provided working capital to enable well planning for appraisal drilling at Ntorya. During the year, Aminex ran a tendering process managed by its drilling contractor, North Sea Well Engineering Ltd., and at the date of this report is negotiating with potential contractors for drilling operations later in the year.

Aminex continues to control costs carefully. During 2015, it strengthened its technical team for Ntorya appraisal operations and Kiliwani North production, while also reducing corporate debt from $10.2 million at 31 December 2014 to $8.6 million at 31 December 2015. Together with adding value to its key assets, repayment of the corporate debt remains a priority for the Board. The debt provider has supported the Board, agreeing to a further extension of the repayment date to 31 July 2016. Over the year-end, Aminex was in negotiations to complete a farm out of the Ruvuma PSA and partial disposal of Kiliwani North Development Licence to Bowleven plc. As the parties were unable to agree a work programme, the debt provider agreed to the termination of negotiations and supported Aminex in retaining its licence interests.

In April 2016 pursuant to an option granted in 2015, Aminex has entered into an Asset Sale Agreement with Solo Oil plc for the sale of a further interest of up to 3.825% in the Kiliwani North Development Licence. The total consideration is approximately $2.17 million which will be used to retire debt and fund working capital requirements. On completion of this transaction and the exercise of a 5% back-in right by the Tanzania Petroleum Development Corporation, Aminex will retain a 51.75% interest in the revenues from the Kiliwani North Development Licence.

◆ Songo Songo Island Gas Processing Plant

◆ KN-1 feed line into Songo Songo Island Gas Processing Plant

While Aminex is planning to recomplete Ntorya-1 and drill two new offset wells, the Ntorya-2 appraisal well and the Ntorya-3 exploration well, the programme will not fully complete the licence obligations. The Company is therefore in discussions with the TPDC regarding a delay or amendment to the work programme so that the development and early commercialisation of the Ntorya gas field can be prioritised. The Company believes that there is considerable further potential in the onshore Ruvuma Basin, which could provide significant value enhancement to the Company, particularly now that the new regional pipeline passes through the concession.

Revenue Producing Operations

Revenues from continuing operations arise from oilfield services, comprising the provision of technical and administrative services to joint venture operations. For the current period revenues were $350,000 (2014: $444,000). Cost of sales was $341,000 (2014: $412,000). The gross profit for the period was $9,000 (2014: $32,000).

Group administrative expenses, net of costs capitalised against projects, were $1.6 million (2014: $2.8 million). The decrease is due to reduced payroll costs as the Group has fewer employees than in previous years and from lower consultancy fees. Along with other savings, administrative expenses have been kept low and are primarily focused on supporting Tanzanian operations. The loss on operations before other items decreased from $2.77 million in 2014 to $1.62 million in 2015. During 2015, Aminex disposed of a partial interest in the Kiliwani North Development Licence which gave rise to a gain after tax of $1.77 million. As a result of the low oil price and political instability in Moldova, Aminex has provided in full against the carrying value of $0.85 million for the Moldova asset. Aminex has also made provisions amounting to $0.35 million against exploration and evaluation assets and has reduced the fair value of US production payments by $0.97 million. With other losses arising from the interest in Northcote Energy Limited, the resulting net loss from operating activities was $2.10 million (2014: $3.64 million).

Finance costs reflect an interest charge of $1.69 million (2014: $2.24 million), which mainly consists of the charge for the corporate loan, the repayment date of which was extended in December 2015 to 31 July 2016. The charge also includes the unwinding of the discount on the decommissioning provision and bank interest.

The Group's net loss for the period amounted to $3.78 million (2014: $7.01 million after recording a loss of $1.14 million arising on discontinued operations).

Balance sheet

The Group's investment in exploration and evaluation assets increased from $78.7 million at 31 December 2014 to $79.9 million at 31 December 2015. The increase related to additions of $1.48 million for well planning and preparation for Ntorya-2 at Ruvuma, together with general ongoing licence costs on the Ruvuma PSA and the Nyuni Area PSA. After reviewing the assets for indicators of impairment, the Directors have concluded that impairment provisions amounting to $0.35 million were required relating to expenditure on blocks proposed for relinquishment on Nyuni Area and for obsolete inventory.

◆ KN-1 feed line into Songo Songo Island Gas Processing Plant, specifically showing the temperature and pressure gauges either side of the master valve

The carrying value of property, plant and equipment has decreased from $13.5 million at 31 December 2014 to $12.4 million at 31 December 2015, following the partial disposal of an interest in the Kiliwani North Development Licence with a cost of $1.35 million offset by a net increase in additions and foreign exchange movements of $0.24 million. The low oil price environment has reduced the fair value of the production payments up to a maximum of $4.5 million due from future production on the US assets by $0.97 million of which an amount of $0.85 million is considered to be a reduction in the non-current receivable from Northcote Energy Limited ('Northcote'), an AIM listed company. The Board has noted though that Northcote drilled the successful Lutcher Moore-20 well in the second half of 2015 and the well has been put on production since the year-end. The fair value of the interest in an investment in Northcote has also been reduced in the year. As part of the impairment review, the Directors concluded that, as a result of low oil prices and political instability in the country, the Moldova asset, which is considered non-core, is impaired and full provision of $0.85 million has been made against the carrying value. The Board will continue to seek payment of amounts due or alternative solutions including the sale of Aminex's interest but, as previously advised, no investment will be made in Moldova in the near future. Other current assets comprise trade and other receivables of $0.61 million and cash and cash equivalents of $2.13 million.

Under current liabilities, loans and borrowings relating to the corporate loan (see commentary under Going Concern) have decreased from $10.2 million at 31 December 2014 to $8.6 million at 31 December 2015. The reduction reflects repayments totalling $3.3 million offset by an additional loan charge for the year of $1.7 million. Trade and other payables amount to $3.1 million. The decommissioning provision of $0.4 million remains in line with the provision as at 31 December 2014. Total equity has decreased by $1.6 million between 31 December 2014 and 31 December 2015 to $84.9 million. The movement comprises the net increase in issued capital and share premium of $2.6 million arising from the fundraising in June. The foreign currency translation reserve has increased by $0.3 million as a result of a stronger US dollar. The loss of $3.78 million for the year under review and share issue costs of $0.2 million, offset by a release of $0.2 million from the share option reserve, has increased the retained loss to $83.9 million.

Cash Flows

The net increase in cash and cash equivalents for the year ended 31 December 2015 was $0.36 million compared with a net increase of $1.60 million for the comparative period. The Company raised net proceeds of $2.45 million received on the issue of new equity through a placing in June 2015. Net cash outflows from operating activities amounted to $2.50 million (2014: $3.45 million) after interest payments of $1.56 million (2014: $1.18 million). Expenditure on exploration and evaluation assets in 2015 amounted to $1.00 million, relating mainly to well planning and preparation costs prior to drilling the Ntorya-2 well as well as continuing licence costs on Aminex's three licences in Tanzania. Expenditure on property, plant and equipment amounted to $0.20 million for licence costs on the Kiliwani North

Development Licence. Aminex received net proceeds of $3.33 million for the partial disposal of an interest in the Kiliwani North Development Licence from which the Company repaid $1.72 million of the principal outstanding on the corporate loan. The cash balance at 31 December 2015 was $2.13 million (31 December 2014: $1.76 million).

Going concern

The Directors have given careful consideration to the Group's ability to continue as a going concern. During the year ended 31 December 2015, the Group reached agreement with Argo Capital Management (Cyprus) Limited, representing the provider of a corporate loan facility (the 'Argo Loan') (see Note 22), to extend the scheduled repayment date of this loan to the end of July 2016. Based on current cash flow projections, the Group will not be in a position to repay the balance of the loan, (which at the end of July 2016 is estimated to be approximately $9.4 million including interest and redemption premium), in full on the due date or meet its operational and capital expenditure planned for 2016 and 2017. In the event that the Company is unable to meet exploration work commitments under the terms of the Ruvuma Production Sharing Agreement, the Tanzania Petroleum Development Corporation has security over up to 15% of Kiliwani North, the enforcement of which may reduce future revenues available to the Group.

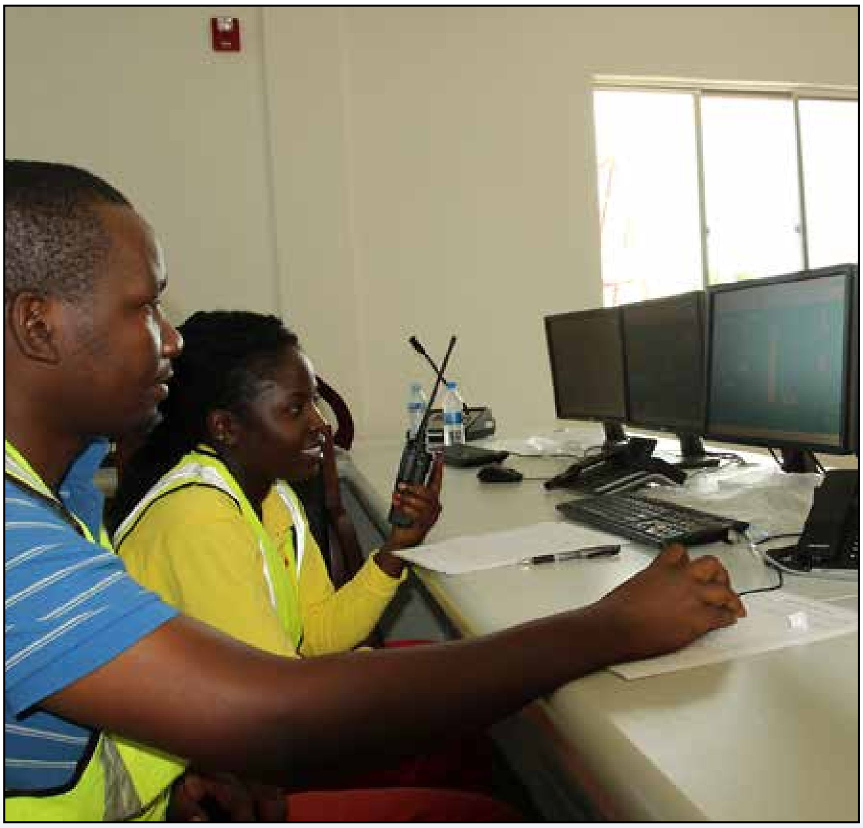
However, the Directors have taken into account factors since the balance sheet date. In January 2016, Ndovu Resources Limited, a wholly-owned subsidiary company of the Aminex Group, entered into a Gas Sales Agreement for the Kiliwani North gas field, and in conjunction with the recently completed gas pipeline and processing facilities on Songo Songo Island, Kiliwani North-1 has commenced production of gas for the testing and commissioning of the facilities in April 2016 with the start date for commercial operations being agreed with the Tanzania Petroleum Development Corporation by 30 June 2016. In April 2016 the Group signed an Asset Sale Agreement with Solo Oil plc for the disposal in three tranches of an interest of up to 3.825% in the Kiliwani North Development Licence, for approximately $2.17 million. Aminex expects to apply net proceeds to pay down the Argo Loan and to meet working capital requirements. The Directors are in discussions regarding amendments to the terms of the Argo Loan, including a potential extension of the repayment period to enable the balance of the loan to be repaid from Kiliwani North revenues from the second half of this year. The Directors are also in discussions with third parties to seek a re-financing of the Argo Loan. Further, the Directors are reviewing other measures available to the Group, including the sale of assets, deferral of planned expenditure and alternative methods of raising capital to enable it to repay the Argo Loan. The Directors are in discussions with the Tanzania Petroleum Development Corporation regarding the timing of work programme commitments and possible extensions to licence periods to enable Aminex to meet its obligations while prioritising the development of potential near-term gas production from Ntorya.

These factors indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business. Nevertheless, after making enquiries and having considered the uncertainties described above and the options available to the Group, the Directors have a reasonable expectation that the Group either will be able to extend the repayment period of or re-finance the Argo Loan and will have sufficient funds available to it to meet other planned expenditures when they fall due for the foreseeable future or defer or amend work commitments. Based on the above, the Directors continue to adopt the going concern basis for the preparation of the financial statements.

The financial statements do not include any adjustments that would result if the Group was unable to continue as a going concern.

Max Williams

Finance Director



◆ TPDC employees function testing part of the Songo Songo Island Gas Processing Plant from the control room

Operations Report

TANZANIA

Kiliwani North Development Licence – Near-term production

	At 31 December 2015	At date of report
Aminex (operator)	55.575%	54.575%
RAK Gas Commission	23.75%	23.75%
Bounty Oil	9.5%	9.5%
Solo Oil plc	6.175%	7.175%
TPDC	5%	5%

The growth of the Tanzanian natural gas infrastructure continues to develop apace with new pipelines and processing facilities recently being completed. Aminex directly benefits from these developments and started production from the Kiliwani North field during April 2016. These developments include production through the Tanzanian national gas pipeline and the construction of the Songo Songo Island Gas Processing Plant ("SSIGPP"). A 24-inch spur line from these facilities connects the Kiliwani North gas field to the 532 km 36-inch national gas pipeline which provides gas to Dar Es Salaam

and into which gas started flowing from the Mtwara region in August 2015. The pipeline has a capacity of 784 MMscfd and the average gross daily production was 46 MMscfd during Q4 2015. This is believed to have increased to 70-80 MMscfd in Q1 2016 as gas turbines at existing and new power generation facilities have been commissioned and become fully operational. This leaves plenty of capacity for Kiliwani North via from the SSIGPP.

The SSIGPP is complete and plant commissioning and well testing and determining an optimal commercial rate. SSIGPP has a 140 MMscfd processing capacity and will be supplied with natural gas from the Kiliwani North field and potentially from wells in the neighbouring Songo Songo gas field. Well integrity testing was successfully completed at the Kiliwani North field during March 2016, in preparation to begin gas production.

The Gas Sales Agreement ("GSA") was signed with the Tanzanian government in January 2016 with an effective date of 31 December 2015. Key aspects of the GSA include take or pay provisions, payment protection, transaction currency in US dollars, price set at $3.07 per MCF for 2015 and indexed to US CPI from 2016 thereafter. LR Senergy (May 2015 Competent Persons Report or 'CPR') ascribed contingent resources (2C) at Kiliwani North-1 of gross 28 billion cubic feet. With the GSA now signed, Aminex expects to book reserves for Kiliwani North in 2016. The well has been production-tested at 40 MMscfd but production is expected to commence commercial production rates at 25 to 30 MMscfd (approximately 4,100 to 5,000 BOED) from the field.

In April 2016, Aminex entered into a further asset disposal agreement with Solo Oil plc for the sale of up to a 3.825% interest in Kiliwani North in three instalments. On completion of this transaction and the exercise of back-in rights by TPDC, Aminex's wholly-owned subsidiary, Ndovu Resources Limited, will hold a 51.75% working interest in the field.

Ruvuma PSA – Onshore Appraisal and Exploration

Aminex (operator)	75%
Solo Oil plc	25%

The Ruvuma PSA provides Aminex with a combination of gas appraisal opportunities and gas production from the potential implementation of an early production system. The key to unlocking the commercial potential for these opportunities is the new, common-user national gas pipeline. The pipeline and associated facilities became operational in 2015 and will provide a means of marketing any further gas discoveries at Ruvuma through a gas sales agreement with the TPDC. An appraisal licence (or "Location") was issued by the Tanzanian Government for the Ntorya-1 gas discovery. Aminex acquired 181 km of 2D seismic during 2014 to appraise the Ntorya discovery and using this and existing seismic data Aminex has selected drill locations over the key Ntorya, Namisange and Sudi prospects.

The Ntorya-1 well, drilled in 2012, discovered a gross 25-metre sandstone interval. Based in part on the new 2014 seismic, LR Senergy has assigned 70 BCF best estimate contingent resources or 153 BCF Pmean resources to the Cretaceous Ntorya-1 gas discovery. The up-dip part of Ntorya has been ascribed a further 945 Pmean BCF gas in-place for a total of 1.1 TCF Pmean gas in-place for the greater Ntorya gas field. The Ntorya-1 well tested over 20 MMscfd on a 1" choke (equivalent to over 3,000 BOPD) with 139 barrels of 53° API associated condensate. The Ntorya-2 appraisal well, planned to be drilled in 2016, will appraise the primary Cretaceous gas discovery.

A detailed analysis of Ntorya-1 concluded that a workover of the well would allow the discovery well to be produced. Further analysis of the local market has indicated that there is ample local demand that could support an early production system ("EPS"), such as compressed natural gas ("CNG") or gas-to-power. Aminex is now in the process of working with the TPDC and CNG/gas-to-power specialists to determine if commercially viable EPS can be developed. This could result in gas sales from Ntorya-1 within 12 months of drilling.

The Ntorya-2 appraisal well, located just west and up-dip of Ntorya-1, will target the same Cretaceous sandstones as found in the Ntorya-1 well. Ntorya-1 encountered 25 metres of gross pay of which 3.5 metres was tested while a further 16.5 metres of good quality sandstone was below the water contact. The primary objective for Ntorya-2 will be to test the same net 20-metre sand interval which is believed to be above the water contact at the proposed location. Ntorya-2 is an appraisal well and is estimated to have a 60% chance of success. It is testing a 153 BCF Pmean resource (or 70 BCF best case Contingent Resources). Following the Ntorya-2 well, Aminex plans to drill the Ntorya-3 well in the main Cretaceous channel fairway.

Aminex has contracted North Sea Well Engineering Ltd. ("Norwell") to undertake detailed well engineering for the Ntorya-2 and Ntorya-3 well planning, which is currently ongoing. Ntorya-3 will test 1.5 TCF Pmean estimated gas-in-place Cretaceous and Tertiary intervals (LR Senergy, 2015). The Company is in the final phases of a tendering process for the service companies and will update shareholders once that has been completed. While there are further exploration drilling commitments required by December 2016 in addition to the current drilling plans, Aminex is currently in discussions with the TPDC to facilitate and accelerate the development of Ntorya, including the potential monetisation of gas through an EPS, and meet or vary the remaining obligations, for example, by extension of the licenced wells and converting exploration wells to development wells.

Nyuni Area PSA – Onshore, Shelf and Deepwater Exploration

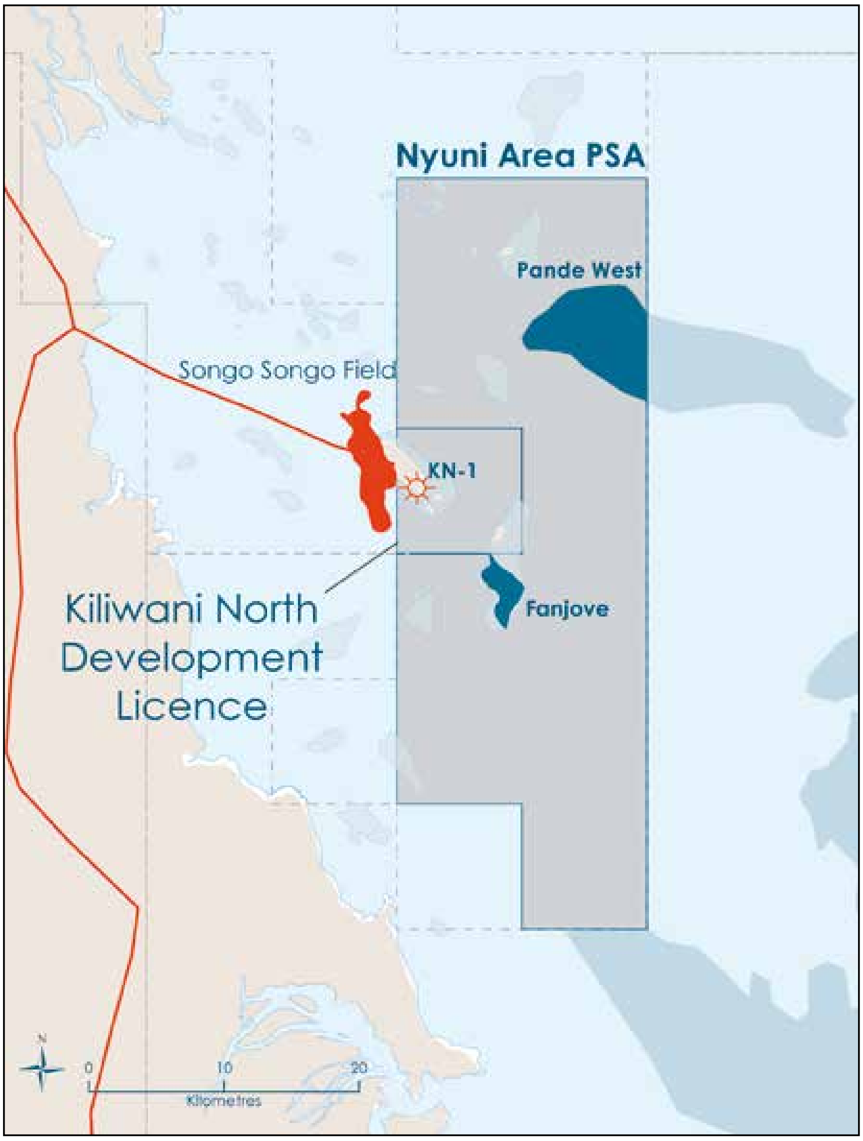
Aminex (operator)	90%
Bounty Oil	10%

The Nyuni Area PSA was awarded in late 2011 for an eleven-year period and replaced the Nyuni/East Songo-Songo PSA after it had expired, with all obligations met and a commercial discovery established. Aminex has drilled, as operator, four exploration wells in the Nyuni Area, including the Kiliwani North gas discovery which is now the subject of a separate development licence and is producing in 2016.

With the focus for the Nyuni Area PSA in the highly prospective deep water sector, the TPDC deferred the two exploration well drilling commitment into the First Extension Period which ends in October 2019. Aminex has submitted a relinquishment plan which should maintain optionality through the retention of substantially all the deep water blocks while retaining key blocks on the continental shelf, including Nyuni and Fanjove Islands. The relinquishment plan is subject to approval by the TPDC and the Ministry of Energy & Mines.

Aminex has identified a large potential lead (Pande West) in the deep water part of the Nyuni Area PSA. This lead is analogous to some of the recent major deep water discoveries in the vicinity. The drilling success rate achieved by other operators, based on 3D seismic in the main fairway east of Nyuni Area, is over 90% and this has been the primary driver for the new deep water focus in the Nyuni Area PSA. 3D acquisition is not expected until the next weather window in 2016/2017 and subject to a suitable vessel being available as this will further reduce costs. A feasibility study is also underway to determine if a deep water discovery in the Nyuni Area PSA could be tied back to Songo Songo Island and produced through the newly completed SSIGPP. Aminex is also seeking financial proposals for work on the licence area.

Aminex received notification from RAK Gas LLC of its intention to withdraw from the Nyuni Area PSA and not to participate in the First Extension Period. On completion of the withdrawal and after discussion with Bounty Oil, Aminex's interest in the licence will become 90%. Although the Company is unlikely to be in a position to drill an expensive deep water well in the Nyuni Area without introducing a larger company as a farm-in partner, the possibility of drilling wells on the shelf more economically remains an option.



◆ KN-1 fully commissioned and ready to deliver gas to Songo Songo Island Gas Processing Plant

Other assets

Egypt

Prior to August 2015, Aminex had a 10% beneficial interest in this PSC through its 12.5% shareholding in Aminex Petroleum Egypt Limited. Aminex's interest in this PSC was free-carried by a partner through to first commercial production and the Company therefore had no day-to-day control over the timing of drilling operations. In August 2015, Aminex entered into an agreement to sell its carried interest in the West Esh el Mallaha-2 licence, on which the South Malak-2 gas discovery was made earlier in the year. In order to optimise the Company's commercial interest in the discovery, over which it had no operational control, Aminex agreed to sell its shareholding in Aminex Petroleum Egypt Limited, together with its indirect carried interest, to a fellow shareholder in return for a 1% gross overriding royalty on all sales revenues from the discovery well in excess of $2.5 million.

Moldova

Aminex retains an interest under the terms of a partnership agreement with Valiexchimp SRL, the concession-holder of two licences for the Valeni and Victorovca oil and gas fields in the Republic of Moldova. As the Board considers the Moldovan assets not to be core to Aminex's business, no further wells are currently planned and the carrying value of the asset has been provided for in full as at 31 December 2015. Aminex continues to seek purchasers for the interest.

◆ Looking up the flare tower for the Songo Songo Island Gas Processing Plant

Resources Independently audited estimates of resources in Tanzania

PSA/Licence	Licence status	Gas resource	Gross GIIP BCF Pmean	Aminex Interest	Net GIIP BCF Pmean	Gross Contingent BCF Best Est	Net Contingent BCF Best Est
Kiliwani North	Development	Discovered	44	54.575%	24	28	15
Ntorya Discovery	Appraisal	Discovered	153	75%	115	70	53
Ntorya Updip	Appraisal	Undiscovered	945	75%	709	-	-
Ruvuma (other)	Exploration	Undiscovered	3,074	75%	2,305	-	-
Nyuni Area	Exploration	Undiscovered	5,672	90%	5,105	-	-
Total			**9,888**		**8,258**	**98**	**68**

IMPORTANT NOTES:

The volumes shown to the above were independently assessed by LR Senergy in 2015.

They are defined as discovered or undiscovered Gas Initially in Place before application of a recovery factor and cannot be categorised as reserves.

LR Senergy assigned best estimate contingent resources to both the Kiliwani North and Ntorya discoveries in 2015

BCF GIIP = billions of cubic feet of natural gas initially in place. The undiscovered resources are unrisked.

Pmean refers to the average probability of the existence of the volumes reported.

Aminex's interest in Kiliwani North is stated before the completion of the Asset Sale Agreement with Solo Oil plc for up to 3.825%.

Aminex's interest in the Nyuni Area and Kilwani North are subject to the completion of deeds of assignment of interests for outstanding transfers.

The Nyuni Area resources are stated prior to the approval of a relinquishment proposal made to the Tanzania Petroleum Development Corporation. On approval, the resource for Nyuni Area would reduce to 4,250 BCF GIIP Pmean gross or 3,825 BCF GIIP Pmean net.

Corporate and Social Responsibility

Local village scene near Mtwara

Environmental Policy

Successful environmental management is dependent on recognising, and avoiding or minimising, environmental impacts. Aminex is aware that protection of the environment requires careful planning and commitment from all levels within the Company. Best practice environmental management demands a continuing, integrated process through all phases of a project.

Environmental management is a core business requirement for Aminex, essential to long-term success. Aminex complies with all relevant legislative requirements and commitments applicable to its operations and where practical, exceeds these requirements. In addition, Aminex is committed to good environmental management and continuous improvement in its performance.

The Company has also committed to membership of various local and regional environmental groups and associations. This allows for up to date information and industry best practices to be readily adopted in all phases of our operations.

Health, Safety and Environment Policy

Aminex values the safety and health of all our employees, contractors and the wider community in which it operates.

As standard practice, the Company:

- does not compromise on safety;
- complies with legislative requirements;
- identifies, assesses and manages environmental health and safety hazards, risks and impacts;
- promotes continuous improvement practices within all aspects of the business;
- minimises work place exposure to hazards; and
- understands and works to meet the expectations of the community and provides appropriate training to employees and contractors to ensure health and safety responsibilities are understood.

Community

Aminex believes that continuous improvement in the areas of environment, community and safety is fundamental to ongoing sustainability and success.

The Company's good reputation as a worthy corporate citizen has been achieved by:

- working closely with neighbours and co-occupiers of the land;
- supporting local community through sponsorship and resources;
- providing public information about environmental, community, health and safety aspects of the business; and
- encouraging the services of local suppliers where possible.

Aminex has strived to foster a lasting and tangible relationship with the local communities and stakeholder groups where it works, and is aware that in addition to regulatory operating approvals, the Company also requires a community acceptance to operate, and that acceptance has to be earned. Aminex is committed to working in an effective and collaborative manner with local communities that co-exist with its operations.

To achieve this Aminex has and will continue to:

- establish and maintain positive and meaningful communication with all affected groups;
- consult with the people whose land may be affected by its activities; and
- engage with relevant groups on various community projects.

Aminex has strict anti-bribery procedures and policies in place and ensures that its employees observe these at all times in carrying out the Company's business.

Aminex supports local community initiatives where possible. The Company is a supporter of the WA Surgical Mission (www.asanterafiki.com) and the Australia Tanzania Young Ambassadors (www.youngambassadors.com.au). Aminex also contributes to community projects, such as schools and hospitals.

Board of Directors

Brian Hall, (70) (UK)

Chairman ‡

Brian Hall has managed the Company since 1991, leading it into Russia in 1994 and profitably exiting its main Russian project in 2001. In the 1970s he was a member of the team which developed Argyll, the UK North Sea's first producing oilfield, since which he has worked continuously in the international oil industry. Under his management Aminex has worked in Russia, the USA, Tanzania, Kenya, Egypt, Madagascar, Tunisia and Pakistan. He serves or has served on the boards of five publicly-traded resources companies and has held executive roles in several others. He is a Chartered Accountant. Prior to March 2014 Mr. Hall was an Executive Director and since that date has been non-executive Chairman following the appointment of a new Chief Executive. In 2012 Mr. Hall joined the board of AIM-listed Great Western Mining Corporation PLC where he is now chairman.

Jay Bhattacherjee, (38) (Canada)

Executive Director, Chief Executive Officer

Jay Bhattacherjee, a reservoir engineer, has over 15 years' experience in the oil and gas industry during which he has worked for Apache, Pengrowth, Scotia Waterous and Longreach Oil & Gas Ltd. He was appointed VP Operations at Longreach and was instrumental in its growth and development both technically and commercially which culminated in Longreach successfully becoming listed on the TSX Venture Exchange in Canada. Strategic farm-ins and financings undertaken helped to double Longreach's market capitalisation during his time there. Previously he was a member of Apache's unconventional gas programme team and in another period of his career was integral in expanding Pengrowth through strategic acquisitions and operations optimisation. He was a co-founder and Chief Executive at Canyon Oil & Gas Ltd. which was acquired by Aminex in 2014. He holds a B.Sc in Chemical Engineering with Petroleum Engineering from the University of Calgary. He was appointed a Director of Aminex in March 2014.

Philip Thompson, (56) (USA)

Executive Director, Chief Operating Officer ‡

Philip Thompson, a geophysicist, has spent more than half his 30-year oil and gas industry career directly working on numerous projects in Africa. He has previously worked for Exxon-Mobil, San Leon Energy, Oryx Energy and Vanco Energy. In 2002 Mr. Thompson founded and became CEO of San Leon Energy (San Leon). Between listing on AIM in 2007 and Mr. Thompson leaving the company in 2011, San Leon's market capitalisation grew to £275 million. Mr. Thompson co-founded Canyon Oil & Gas Ltd. in 2011, which was acquired by Aminex in 2014. He holds a B.Sc and M.Sc in Geophysics from Texas A&M and Southern Methodist University. He was appointed a Director of Aminex in March 2014.

Max Williams, (52) (UK)

Finance Director and Company Secretary ‡

Max Williams is a Chartered Accountant. After working in the accounting profession, he joined Aminex as Group Financial Controller in 1994, was subsequently appointed Chief Financial Officer in 2010 and Finance Director in March 2014. During that time, he has been involved with Aminex's operations in Russia, the USA, Tanzania, Kenya and Tunisia. Mr. Williams was appointed Company Secretary in 1999. He is a graduate of the University College of Wales, Aberystwyth, and holds a degree in Accounting and Law.

Andrew Hay, (64) (UK)

Non-Executive Director *#

Andrew Hay has spent his career in investment banking in London and New York. He is a managing director at Edmond de Rothschild Securities (UK) Ltd, the London arm of the Edmond de Rothschild Group. He is a graduate of Oxford University and in the past has held senior positions at both Schroders and ING Barings. Andrew Hay has been advising Aminex since 2002 and was appointed a Director in April 2007.

Keith Phair, (61) (UK)

Non-Executive Director *#

Keith Phair has spent the majority of his career with major international banks, with senior global product management positions in capital markets. He holds an MBA from The London Business School and has acted as a capital markets consultant to major companies and pension funds, also advising on strategic issues. He has been an active and engaged investor in various oil and gas exploration companies for many years. He was appointed a Director in October 2009.

Tom Mackay, (58) (UK)

Non-Executive Director *#

Tom Mackay is a Geologist/Petroleum Engineer with a successful career in petroleum operations, management and financing. With a BSc (Hons) in geology from Durham University, he began his career as a Petroleum Engineer with Shell and subsequently moved on to Clyde Petroleum PLC where he became Manager at Existing Ventures until it was acquired by Gulf Canada in 1997. Since then he has been an active petroleum consultant on acquisition and new venture projects with a wide range of clients, including Petrofac and Enquest. For a period he served as CEO of a private E&P company, Oil Quest and from 2002 to 2007 he held senior management positions at Stratic Energy Corporation. He is currently a Partner in Gemini Oil & Gas Advisors LLP which acts as technical and financial advisor to the Gemini Oil & Gas Funds, investing in global appraisal and development projects. He was appointed a Director of Aminex in September 2014.

* Member of Audit Committee

\# Member of Remuneration Committee

‡ Member of Risk Committee

Directors' Report

The Directors present their annual report and audited financial statements for Aminex PLC ("the Company") and its subsidiary undertakings ("the Group") prepared in US dollars for the year ended 31 December 2015.

Principal activities

The principal activities of the Group are the exploration for and the development and production of oil and gas reserves. The Group operates through subsidiary undertakings, details of which are set out in Note 14 to the financial statements. The Group's principal area of activity is East Africa.

Results and dividends

As set out in the Group Income Statement on page 30, the Group loss after tax amounted to US$3.78 million which compares with a loss after tax of US$7.01 million for 2014. No dividends were paid during the year (2014: US$nil).

Share capital

At 31 December 2015, the Company had two classes of shares which were divided into Ordinary Shares of €0.001 each and Deferred Shares of €0.059 each. The number of Ordinary Shares of €0.001 and Deferred Shares of €0.059 in issue were 1,976,205,480 and 818,658,421 respectively (2014: 1,888,205,480 Ordinary Shares of €0.001 each and 818,658,421 Deferred Shares of €0.059 each). The Company's authorised share capital was €62,000,000 (2014: €62,000,000) comprising 3,000,000,000 Ordinary Shares of €0.001 each and 1,000,000,000 Deferred Shares of €0.059 each (2014: 3,000,000,000 Ordinary Shares of €0.06 each and 1,000,000,000 Deferred Shares of €0.059 each). Details of the increase in issued share capital of 88,000,000 Ordinary Shares of €0.001 during the year are set out in Note 25 to the financial statements. The Ordinary Shares are in registered form.

Resolutions have been proposed to renew the Directors' authority to allot share capital of the Company as are set out more fully in the Notice of Annual General Meeting.

Additional information in respect of shares and directors as required by the European Communities (Takeover Bids (Directive 2004 25/EC)) Regulations 2006 are set out on pages 16 to 17.

Directors and their interests

Biographies of all Directors are set out on page 13. In accordance with the Articles of Association, Mr. W.A.P. Thompson and Mr. K.J. Phair retire from the Board and being eligible offer themselves for re-election.

With the exception of the transactions stated in Note 31 to the financial statements, there were no other significant contracts, other than Executive Directors' contracts of service, in which any Director had a material interest.

The Directors who held office at or have been appointed since 31 December 2015 had no beneficial interests in any of the shares of the Company and Group companies other than Ordinary Shares in Aminex PLC as follows:

Director		Number of Ordinary Shares	
	15 April 2016	31 December 2015	31 December 2014
J.C. Bhattacherjee	43,881,611	43,881,611	42,312,820
B.A. Hall	14,384,277	14,384,277	13,594,804
A.N.J. Hay	1,676,315	1,676,315	1,150,000
T. Mackay	526,315	526,315	-
K.J. Phair	8,017,639	8,017,639	7,675,534
W.A.P. Thompson	156,315,342	156,315,342	155,525,869
M.V. Williams	3,250,288	3,250,288	2,723,973

Details of the Directors' share options are set out in the Remuneration Report on pages 24 to 25.

Substantial shareholdings in the Company

As of the date of this report, the following was a holder of 3% or more of the Company's issued Ordinary Share capital:

	Number of shares	Per cent
W.A.P. Thompson	156,315,342	7.91
Majedie Asset Management Limited and Majedie Asset Management Investment Fund Company	138,410,738	7.00

The Directors have not been made aware of any other beneficial shareholdings of 3% or more of the issued Share Capital as at the date of this report.

Financial Review

A review of current year financial activities and the principal risks and uncertainties facing the Group are set out in the Financial Review on pages 4 to 7. Key performance indicators principally relate to production, net oil and gas reserves and the Group's exploration licences, as detailed within the Chairman's Statement, the Chief Executive's Review, the Financial Review and the Operations Report.

Operations Report

A review of exploration and production activities during 2015 and outlook for 2016 are set out in the Chairman's Statement on page 2, the Chief Executive's Review on page 3 and in the Operations Report on pages 8 to 11.

Payment of Suppliers

The Company's policy is to agree payment terms with individual suppliers and to abide by such terms.

Electoral Act, 1997

The Group did not make any political donations during the current or previous year.

Corporate Governance Statement

Statements by the Directors in relation to the Company's application of corporate governance principles, compliance with the principles of the UK Corporate Governance Code published in September 2014 and the Irish Corporate Governance Annex, the Group's system of internal controls and the adoption of the going concern basis of preparation of the financial statements are set out on pages 35 to 40. The report on Directors' remuneration is set out on pages 24 to 25. Principal risks and uncertainties are set out on pages 21 and 22 to comply with Companies Act requirements.

Post Balance Sheet Events

In January 2016, Aminex, through its wholly-owned subsidiary company Ndovu Resources Limited, entered into the Kiliwani North Gas Sales Agreement with an effective date of 31 December 2015. In April 2016, the Kiliwani North-1 well commenced production for the commissioning and testing of the new Songo Songo gas processing plant and it is anticipated that the commercial operations from the well will start by the end of June 2016.

In April 2016, Aminex signed an Asset Sale Agreement with Solo Oil plc for the disposal of a further interest of up to 3.825% in the Kiliwani North Development Licence for a cash consideration of US$2.17 million payable in three instalments.

Accounting records

The Directors believe that they have complied with the requirements of Section 281 to 285 of the Companies Act 2014 with regard to maintaining adequate accounting records by employing personnel with appropriate expertise and by providing adequate resources to the financial function. The accounting records of the Company are maintained at 7 Gower Street, London, WC1E 6HA, UK.

Auditor

In accordance with Section 383(2) of the Companies Act 2014, the auditor, KPMG, Chartered Accountants, will continue in office.

On behalf of the Board

J.C. Bhattacherjee	**M.V. Williams**
Director	Director

15 April 2016

Additional Information for Shareholders

Additional information in respect of shares and directors as required by the European Communities (Takeover Bids (Directive 2004 25/EC)) Regulations 2006 are set out below.

Amendment to the Articles of Association

Any amendment to the Articles of Association ('Articles') of the Company requires the passing of a special resolution in accordance with the provisions of the Companies Act. Two special resolutions will be proposed at the Annual General Meeting to be held on 18 May 2016 to adopt revised Articles to take account of the comprehensive consolidations, with amendments, of company law in Ireland to be effected by the Companies Act 2014 and to make some consequential and 'housekeeping' changes.

Rights attaching to shares

The rights attaching to the Ordinary and Deferred Shares are defined in the Company's Articles of Association. A shareholder whose name appears on the register of members can choose whether the shares are evidenced by share certificates (i.e. in certificated form) or held in electronic form (i.e. uncertificated form) in CREST (the electronic settlement system in Ireland and the UK).

At any general meeting, a resolution put to the vote shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman of the meeting, or by at least three shareholders present in person or by proxy, or by any shareholder or shareholders present in person or by proxy and representing not less than 10% of the total voting rights of all the shareholders having the right to vote at the meeting, or by a shareholder or shareholders holding shares in the Company conferring the right to vote at the meeting being shares on which an aggregate sum has been paid equal to not less than 10% of the total sum paid up on all the shares conferring that right to vote.

The shareholders may declare dividends by passing an ordinary resolution in general meeting but the amount of the dividend shall not exceed the amount recommended by the Directors. The Directors may authorise the payment of interim dividends. No dividend shall be paid unless the distributable profits of the Company justify the payment.

Notice of each dividend declared and/or other monies payable to members (including, without prejudice to the generality of the foregoing, on a return of capital) shall be given to each member in the manner provided for under Regulations 137 and 138. All dividends and/or other monies payable to members (including, without prejudice to the generality of the foregoing, on a return of capital) unclaimed for a period of 12 years after the declared date of payment thereof may by resolution of the Board be forfeited for the benefit of the Company.

If the Company is wound up, the liquidator may allocate, with the sanction of a special resolution passed in general meeting and any other sanction required by the Companies Act 2014, between the shareholders in specie or kind the whole or any part of the assets of the Company. The liquidator may value the assets and determine how to divide the assets between shareholders or different classes of shareholders. The liquidator may transfer the whole or any part of the assets into trust for the benefit of the shareholders.

Voting at general meetings

Subject to any rights or restrictions for the time being attached to any class of shares, shareholders may attend any general meeting and, on a show of hands, every shareholder present in person or by proxy shall have one vote and on a poll every shareholder present in person or by proxy shall have one vote for each share of which he/she is the holder.

Votes may be given either personally or by proxy. The form of proxy shall be signed by the appointer or his/her duly authorised attorney or if the appointer is a body corporate either under the seal or signed by an officer of the body corporate duly authorised.

The form of proxy must be delivered to the Company not less than 48 hours before the time appointed for holding the meeting or adjourned meeting as notified in the notice of general meeting at which the person named in the form of proxy proposes to vote.

No shareholder shall be entitled to vote at any general meeting unless all calls or other sums payable in respect of his/her shares have been paid.

Transfer of shares

The Directors may decline to register the transfer of a share which is not fully paid. The Directors may also refuse to register a transfer unless the instrument of transfer is accompanied by the certificate of the shares to which it relates and such other evidence as the Directors may reasonably require to show the right to transfer and the instrument of transfer is in respect of one class of share only.

The Directors have the power to implement any arrangements they think fit for evidencing the title to and transfer of shares in accordance with statutory obligations made from time to time. Transfers of uncertified shares must be carried out using CREST and the Directors may refuse to register a transfer of an uncertified share in accordance with the regulations governing the operation of CREST. Transfers of shares in certificated form must be executed by or on behalf of the transferor and the transferee.

Under the terms of the Aminex PLC Executive Share Option Scheme, option holders who obtain shares on the exercise of options must retain, subject to the Directors' discretion and to the offer for the whole or a specified portion of the share capital, beneficial ownership of those shares for a minimum period of three years.

Variation of rights

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the Company may be issued with such preferred, deferred or other special right or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may from time to time by ordinary resolution determine.

If at any time the share capital is divided into different classes of shares, the rights attached to any class may be varied or abrogated with the written consent of the holders of at least 75% of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class.

Appointment and replacement of Directors

There will be no less than two Directors. Directors may be appointed by the Company by ordinary resolution (provided not less than 7 days or more than 42 days before the day appointed for the meeting, notice is given to the Company of the intention to propose a person for election) or by the Board. A Director appointed by the Board shall hold office only until the following annual general meeting and shall be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting. At each annual general meeting of the Company, one-third of the Directors shall retire by rotation or if their number is not a multiple of three then the number nearest one-third shall retire from office. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day, those to retire shall (unless otherwise agreed among themselves) be determined by lot. A retiring Director shall be eligible for re-election.

The Company may, by ordinary resolution of which extended notice has been given in accordance with the Companies Act 2014, remove any Director before the expiration of his period of office.

Powers of the Directors

The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not required by the Companies Act 2014 or by the Articles to be exercised by the Company in general meeting. The Directors are, subject to the provisions of the Companies Act 2014, authorised to allot shares in accordance with an offer or agreement for the number of authorised shares not yet issued and also to issue shares for cash. Resolutions to renew these authorities are set out in the Notice of Annual General Meeting. Under the Aminex PLC Executive Share Option Scheme, the Directors are authorised, in the event of an offer for the whole or a specified portion of the share capital, to request option holders to exercise unexercised options.

The Directors are committed to maintaining high standards of corporate governance. The Corporate Governance Statement describes how the Company applied the principles of the UK Corporate Governance Code (the "Code") published in September 2014 as adopted by the Irish Stock Exchange ("ISE") and London Stock Exchange ("LSE") throughout the financial year ended 31 December 2015. The Directors note that the ISE introduced the Irish Corporate Governance Annex (the "Annex") to apply to companies listed on the ISE and which supplements the Code with additional corporate governance provisions. Except where otherwise stated, the Directors believe that the Group has complied with the provisions of the Code and the Annex throughout the year under review.

A copy of the Code can be obtained from the Financial Reporting Council's ("FRC") website: www.frc.org.uk. A copy of the Annex can be obtained from the ISE's website: www.ise.ie.

Corporate Governance

Compliance with the provisions of the UK Corporate Governance Code ("the Code") and the related Irish Corporate Governance Annex

The Directors consider that Aminex PLC has complied throughout the year with the provisions of the Code and the Irish Annex except for the following matters:

- The terms and conditions of appointment of Non-Executive Directors were not publicly available during the year.
- A performance evaluation of the Board, its Committees and its Directors was not undertaken during the year.
- As noted in the Directors' Remuneration Report, given that a significant proportion of the Group's operations involve long-term capital projects from which benefits may not be realised for some time, the Board has concluded that it is not appropriate at present to put in place a scheme to enable part of Executive Directors' remuneration to be performance related.
- The Company does not have at least two independent non-executive directors as defined by provision B1.2 of the Code. However, given the small size of the Board and the calibre and experience of the four Non-Executive Directors, the Board views these Non-Executive Directors as sufficiently independent of management and as being capable of exercising independent judgment.
- As stated in the Directors' Remuneration Report, three of the Company's Non-Executive Directors hold options over the Ordinary Shares of the Company. The Board considers that this is in the Group's best interests to attract and retain high calibre directors and that, with limited cash resources, this can be achieved by the granting of options.

The Board of Directors

The Company is controlled through its Board of Directors. The Board's main roles are to create value for shareholders, to provide entrepreneurial leadership to the Group, to approve the Group's strategic objectives and to ensure that the necessary financial and other resources are made available to enable the Group to meet its objectives.

There are matters which are specifically reserved for the Board which include setting and monitoring business strategy; evaluating exploration opportunities and risks; approving all capital expenditure on exploration and producing oil and gas assets; approving all investments and disposals; approving budgets and monitoring performance against budgets; reviewing the Group's health and safety policy and considering and appointing new Directors and the Company Secretary.

The Board consists of seven members and comprises a Non-Executive Chairman, three Executive Directors and three Non-Executive Directors. The Chairman and the three Non-Executive Directors, Mr. A.N.J. Hay, Mr. K.J. Phair and Mr T. Mackay, have a beneficial interest in the Company and participate in the Aminex PLC Executive Share Option Scheme. The Board considers that the granting of options to Non-Executive Directors is a reasonable method of attracting Directors of high calibre. The Board considers each of the current Non-Executive Directors to be independent of management and free from any business relationships that could materially interfere with the exercise of their independent judgment. Mr. Hay is also a director of Edmond de Rothschild Securities (UK) Ltd, which has provided advisory services to the Company on an ad hoc basis from time to time. The Board recognises this potential conflict of interest and procedures are in place to ensure that any services provided by Edmond de Rothschild Securities (UK) Ltd are on an arm's-length basis. Brief biographies of the Directors are set out on page 13.

There is a clear division of responsibilities between the roles of Chief Executive Officer and Non-Executive Chairman. The Senior Independent Director is Mr. Hay.

The Board plans to meet six times a year. All Directors are expected to attend these scheduled meetings but other meetings are held in between each scheduled meeting to ensure that Non-Executive Directors are kept informed of corporate developments. All Directors receive all reports and papers on a timely basis for Board and Committee meetings. All Directors have access to the advice and services of the Company Secretary and may obtain independent professional advice at the Group's expense.

Under the terms of the Company's Articles of Association, at least one third of the Board must seek re-election to the Board at the Annual General Meeting each year. All new Directors appointed since the previous Annual General Meeting are required to seek election at the next Annual General Meeting. The Directors required to seek re-election at the forthcoming Annual General Meeting are Mr. W.A.P. Thompson and Mr. K.J. Phair.

Directors have access to a regular supply of financial, operational and strategic information to assist them in the discharge of their duties. Such information is provided as part of the normal management reporting cycle undertaken by senior management.

The Company arranges appropriate insurance cover in respect of legal action against its Directors.

Board Committees

The Board has established an Audit Committee, a Remuneration Committee, a Risk Committee and a Nominations Committee, each of which has formal terms of reference approved by the Board.

Corporate Governance *continued*

Audit Committee

Composition of the Audit Committee

During the year, the Audit Committee comprised Mr. K.J. Phair, Mr. A.N.J. Hay and Mr. T. Mackay. All members of the Committee are deemed to be financially competent and suitably qualified. The terms of reference for the Audit Committee are available for inspection on the Company's website www.aminex-plc.com. The Audit Committee met twice during the year. Each committee meeting was attended by the Group Chairman, the Group Chief Executive Officer and the Group Finance Director. The external auditor also attended these meetings as required.

Activities of the Audit Committee

During the year, the Audit Committee discharged its responsibilities as follows:

Integrity of the financial statements

The Audit Committee met twice during the year to review the interim and annual financial statements prior to Board approval; to review the appropriateness of the Group's key accounting policies; to review the potential impact on the Group's financial statements of certain matters such as impairment of non-current asset values; to review and approve the audit and non-audit fees due to the Group's external auditor; to approve the external auditor's letter of engagement and to review the external auditor's report to the Audit Committee. In undertaking this review, the Audit Committee discussed with management and the external auditor the critical accounting policies and judgments that had been applied.

The Audit Committee determined that the key risks of misstatement of the Group's financial statements related to the ability of the Group to continue as a going concern, impairment of exploration and evaluation assets and impairment of production assets held under property, plant and equipment.

These issues were discussed with management during the year when the Committee considered the half-year financial statements in August 2015 and the financial statements for the year ended 31 December 2015 in March 2016. These issues and how they were addressed is set out in further detail below:

Going concern

The Audit Committee considered the Group's ability to continue as a going concern and noted that factors existed that indicate a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. The Audit Committee reviewed the cash flow projections prepared by management for a period of twelve months from the date of approval of the financial statements. The Audit Committee noted that the balance of the Argo Loan is repayable on or before 31 July 2016 and that the Group will not be in a position to repay the balance or meet its operational and capital expenditure planned for 2016 and 2017. The Audit Committee discussed the action being taken by the executive management and taking this into account concluded that it is satisfied, having regard to the above, that the Group is in a position to continue as a going concern.

Impairment of exploration and evaluation assets

The total carrying value of exploration and evaluation assets at 31 December 2015 is $79.9 million. During the year the Audit Committee assessed the carrying value of exploration and evaluation assets by applying the industry-specific indicators of impairment set out in IFRS 6 “Exploration for and Evaluation of Mineral Resources”. The Audit Committee considered the term left to expiry on each licence, taking into account the agreement of the TPDC to the deferral of the two well drilling commitment under the terms of the Nyuni Area PSA into the next work period, continuance of activity and planned expenditure and data indicating the likelihood that the carrying cost could be recovered from a successful development or sale.

The Audit Committee has considered the underlying rationale for the conclusion by management that no adjustment to the impairment provision for exploration and evaluation assets, other than the additional provisions for costs relating to relinquished blocks and obsolete stock amounting to US$353,000, is required for the period under review.

Impairment of property plant and equipment

The total carrying value of producing and development assets classified as property, plant and equipment assets at 31 December 2015 is $12.4 million. During the year the Audit Committee assessed the carrying value of the development asset at Kiliwani North in Tanzania. The Committee assesses the value in use based on a management estimate which itself is based on independent resource estimates for the Kiliwani North Development Licence and compares these valuations with the expected realisable value of the cash-generating unit. The Audit Committee reviewed and challenged the assumptions used in management's assessment, discussed these in detail with senior management and based on the above was satisfied the carrying value was not deemed to be impaired.

Misstatements

Management confirmed to the Audit Committee that they were not aware of any material misstatements or immaterial misstatements made intentionally to achieve a particular presentation.

Discussions with the auditor

The Audit Committee has received and discussed a report from the external auditor on the findings from the audit, including those relating to the risks noted above.

Conclusion

After reviewing the presentations and reports from management and taking into account views expressed by the external auditor, the Audit Committee is satisfied that the financial statements appropriately address the critical judgments and key estimates (both in respect of amounts reported and the disclosures). The Audit Committee is also satisfied that the significant assumptions used for determining the value of assets and liabilities have been appropriately scrutinised, challenged and are sufficiently robust.

Work by and independence of external auditor

The Audit Committee has developed a policy to monitor the level of audit and non-audit services provided by the Group's external auditor. This policy sets out that non-audit services are normally limited to assignments that are closely related to the annual audit or where the work is of such a nature that a detailed understanding of the Group is necessary. An analysis of the fees paid to the external auditor in respect of audit and non-audit work is included in Note 5 of the financial statements. In addition to processes and safeguards put in place to ensure segregation of audit and non-audit roles, as part of the assurance process in relation to the audit, the external auditor is required to confirm to the Audit Committee that they have both the appropriate independence and objectivity to allow them to continue to serve the members of the Group. The external audit engagement partner is replaced every five years and other senior audit staff are rotated every seven years. No matters of concern were identified by the Audit Committee.

The Audit Committee invites Executive Directors and representatives of the external auditor to the meetings as appropriate. Members of the Audit Committee have an opportunity to meet in private without the presence of either the Executive Directors or the external auditor. The Audit Committee also has an opportunity to discuss in private any matters with the external auditor without the presence of the Executive Directors.

Audit tendering and rotation

KPMG has been the Group's auditor for over 30 years. The Committee acknowledges the provisions relating to audit reforms and audit tendering contained in the UK Corporate Governance Code and the EU Directive passed by the European parliament effective from 16 June 2014. There is a two-year transition period which means that the legislation is expected to become applicable to the Group in June 2016.

The Audit Committee continues to monitor these legislative developments governing auditor rotation and tendering which would require the Group to meet the mandatory rotation of KPMG as auditor by no later than 2020.

Internal audit function

The Audit Committee reviews the necessity for the establishment of an internal audit function. At present, the Audit Committee does not consider that an internal audit function is required because of the small size of the Group and the direct involvement of senior management in setting and monitoring controls.

Remuneration Committee

During the year, the Remuneration Committee comprised Mr. A.N.J. Hay, Mr. K.J. Phair and Mr. T. Mackay. The Remuneration Committee met once during the year to consider the remuneration of the Group's Executive Directors and the granting of options under the Aminex PLC Executive Share Option Scheme. No options were granted in the year. Details of Directors' remuneration and options held is set out in the Directors' Remuneration Report on pages 24 to 25.

Risk Committee

A Risk Committee comprising the Chairman, Mr. B.A. Hall, two Executive Directors, Mr. W.A.P. Thompson and Mr. M.V. Williams, and a member of the management team, Mr. M.V. Bates, is charged with the review of the key risks inherent in the business and the system of control necessary to manage such risks and to present its findings to the Board. Exploration risk, the main corporate risk to which the Group is exposed, is monitored and reviewed regularly by the Board. The Board considers exploration risk to be acceptable for the Group taking into account the industry in which it operates.

Nominations Committee

During the year the Nominations Committee comprised all the Directors.

Directors' attendance at Board and Committee Meetings

The table below sets out the attendance record of each Director at scheduled Board and Committee meetings during 2015.

Number of meetings	Board (Main) 7 Meetings attended	Audit Committee 2 Meetings attended	Remuneration Committee 1 Meetings attended	Risk Committee 2 Meetings attended
J.C. Bhattacherjee	7	n/a	n/a	n/a
B.A. Hall	7	n/a	n/a	2
A.N.J. Hay	7	2	1	n/a
T. Mackay	7	2	1	n/a
K.J. Phair	7	2	1	n/a
W.A.P. Thompson	7	n/a	n/a	2
M.V. Williams	7	n/a	n/a	2

Key: n/a = not applicable (where a Director was not a member of the Committee)

During 2015, certain Directors who were not committee members attended meetings of the Audit and Remuneration Committees by invitation. These details have not been included in the table above.

Relations with shareholders

The Company communicates regularly with shareholders including the release of the interim and annual results and following significant developments. The Annual General Meeting is normally attended by all Directors. Shareholders, including private investors, are invited to ask questions on matters including the Group's operations and performance and to meet with the Directors after the formal proceedings have ended.

The Group maintains a website (www.aminex-plc.com) on which all announcements, financial statements and other corporate information are published. The Directors are available to meet institutional shareholders for ad hoc discussions. The Senior Independent Director is available to meet with shareholders if they have concerns which contact through the normal channels of the Chairman and Chief Executive Officer has failed to resolve or for which such contact is inappropriate.

Internal control

The Directors are responsible for the Group's system of internal controls, the setting of appropriate policies on those controls, the regular assurance that the system is functioning effectively and that it is effective in managing business risk.

The Audit Committee monitors the Group's internal control procedures, reviews the internal controls processes and risk management procedures and reports its conclusions and recommendations to the Board.

The Directors consider that the frequency of Board meetings and the information provided to the Board in relation to Group operations assists the identification, evaluation and management of significant risks relevant to its operations on a continuous basis.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve business objectives.

Preparation and issue of financial reports to shareholders and the markets, including the consolidated financial statements, is overseen by the Audit Committee. The Group's financial reporting process is controlled using documented accounting policies and company management accounts. The process is supported by a Group finance team based in the UK and finance personnel in Tanzania who have responsibility and accountability to provide information in keeping with agreed policies. Aminex's processes support the integrity and quality of data by arrangements for segregation of duties. Each reporting entity's financial information is subject to scrutiny at reporting entity and Group level by the Chief Executive Officer and Finance Director. The half-year and annual consolidated reports are also reviewed by the Audit Committee in advance of being presented to the Board for its review and approval.

Following the monitoring of the internal control procedures, the review of the internal control process and the risk management procedures, the Board considers that the system of internal control operated appropriately during the year and up to the date of signing the Annual Report.

Principal Risks and Uncertainties

The Group's strategic objectives for its principal activities, being the production and development of and the exploration for oil and gas reserves, are only achievable if certain risks are managed effectively. The Board has overall accountability for determining the type and level of risk it is prepared to take. The Board is assisted by the Risk Committee which seeks to identify risks for Board consideration and which monitors other risks, the responsibility for those risks and how they are managed. The following are considered to be the key risks may affect the Group's business, although there are other risks which are not currently known to the Directors or which they currently deem to be less material that may impact the Group's performance.

Strategic Risks

Development of assets to production – The Group may fail to expand through the exploration and development of its licences for which it acts as operator with joint venture partners. The failure of joint venture partners to pay their working interests may impact on Aminex's strategy.

Mitigation – Aminex manages its assets to enable the growth of cash generative business streams with the strategy of generating cash flow to meet its commitments with internal funds. The Board considers that the focus of Aminex's activities on development projects, with exploration potential, will provide value creation for shareholders rather than an exploration-led strategy. The Group identifies joint venture partners who are capable of contributing to operations but Aminex maintains a majority interest in each of its licences which offers greater upside potential to shareholders or the possibility of further farmout opportunities to assist with funding.

Global market conditions and impact of low oil price – Difficult global market conditions and the decrease in oil prices may from time to time impact the Group's operations and in particular the ability to raise equity or debt finance or to allow the Group to enter into transactions on its assets.

Mitigation – The Group reviews global conditions and manages its exposure to risk through minimising capital expenditure on high risk assets and developing fixed price gas projects. Revenues from producing assets will be used to minimise exposure to global capital markets with the intention of generating cash flow to meet capital and debt commitments. Aminex monitors costs closely and will seek to take advantage of the low cost environment for capital commitments where possible.

Operational Risks

Exploration risk – Exploration and development activities may be delayed or adversely affected by factors including in particular: climatic and oceanographic conditions; equipment failure; performance of suppliers and exposure to rapid cost increases; unknown geological conditions resulting in dry or uneconomic wells or risk of blowout; remoteness of location.

Mitigation – Aminex mitigates exploration risk by reducing the risk of drilling failure by conducting appropriate studies including the acquisition, processing and interpretation of seismic. For drilling operations, the group contracts with international and local service providers with substantial industry experience and safety producers according to Aminex's own high standards.

Production risks – Operational activities may be delayed or adversely affected by factors including: blowouts; unusual or unexpected geological conditions; performance of joint venture partners on non-operated and operated properties; seepages or leaks resulting in substantial environmental pollution; increased operational costs; uncertainty of oil and gas resource estimates; production, marketing and transportation conditions; actions of host governments or other regulatory authorities.

Mitigation – Aminex develops, implements and maintains procedures in order to limit the risk of operational failures on production assets. Through gas sales agreements, Aminex has an agreed mechanism to enable reservoirs to be produced optimally while seeking to meet the requirements of the purchaser and thereby maximising resources. The Group sells gas at the wellhead which minimises additional costs by avoiding transportation and marketing expenses.

Maintaining licence interests – The Group may be unable to meet or agree amendments to its work programme commitments which may give rise either to minimum work obligations needing to be paid or the implementation of default procedures against the Group as operator which may lead to a licence being rescinded. In the case of the Ruvuma PSA, the TPDC holds security over up to 15% of the Kiliwani North Development Licence in the event that part or all of the work commitments under the terms of the Ruvuma PSA are not fulfilled.

Mitigation – Aminex is committed to fulfilling its commitments and seeks deferrals of or amendments to production sharing terms through negotiation with the TPDC in order to ensure that commitments are met even if not in the original timeframe expected.

Compliance Risks

Political risks – Aminex may be subject to political, economic, regulatory, legal, and other uncertainties (including but not limited to terrorism, military repression, war or other unrest). As Aminex's principal activities are in a developing nation, there are risks of nationalisation or expropriation of property, changes in and interpretation of national laws and energy policies.

Mitigation – Aminex monitors international and national political risk in relation to its interests, liaising with governmental and other key stakeholders in its countries of operations. From time to time Aminex seeks to spread asset and regional risk in order to reduce exposure to one business or region.

Health and safety – The main health and safety risks for the Group occur during drilling operations and from production operations.

Mitigation – The Group develops, implements and maintains effective health and safety procedures, including environmental issues and security, to ensure robust safeguards for well control and drilling operations are in place.

Legal compliance – The Group could suffer penalties or damage to reputation through failure to comply with legislation or other regulations, in particular those over bribery and corruption, and these risks may be increased when operating in certain regions of the world.

Mitigation – Aminex manages risk of legal compliance failure through the implementation and monitoring of high standards to minimise the risk of corrupt or anti-competitive behaviour. All employees and consultants are required to confirm their understanding of the Group's anti-bribery policy.

Financial Risks

Currency risk – Although the reporting currency is the US dollar, which is the currency most commonly used in the pricing of petroleum commodities and for significant exploration and production costs, a significant proportion of the Group's other expenditure (in particular central administrative costs) is made in local currencies (as are the Company's equity fundings), and fluctuations in exchange rates may significantly impact the results of the Group and the results between periods, thus creating currency exposure.

Mitigation – The Group has a policy of minimising exposure to foreign currency rates by holding the majority of the Group's funds in US dollars.

Going concern basis

The financial statements of the Company and the Group are prepared on a going concern basis.

The Directors have given careful consideration to the Group's ability to continue as a going concern. During the year ended 31 December 2015, the Group reached agreement with Argo Capital Management (Cyprus) Limited, representing the provider of a corporate loan facility (the 'Argo Loan') (see Note 22), to extend the scheduled repayment date of this loan to the end of July 2016. Based on current cash flow projections, the Group will not be in a position to repay the balance of the loan, (which at the end of July 2016 is estimated to be approximately $9.4 million including interest and redemption premium), in full on the due date or meet its operational and capital expenditure planned for 2016 and 2017. In the event that the Company is unable to meet exploration work commitments under the terms of the Ruvuma Production Sharing Agreement, the Tanzania Petroleum Development Corporation has security over up to 15% of Kiliwani North, the enforcement of which may reduce future revenues available to the Group.

However, the Directors have taken into account factors since the balance sheet date. In January 2016, Ndovu Resources Limited, a wholly-owned subsidiary company of the Aminex Group, entered into a Gas Sales Agreement for the Kiliwani North gas field, and in conjunction with the recently completed gas pipeline and processing facilities on Songo Songo Island, Kiliwani North-1 has commenced production of gas for the testing and commissioning of the facilities starting early April 2016 with the start date for commercial operations being agreed with the Tanzania Petroleum Development Corporation by 30 June 2016. In April 2016 the Group signed an Asset Sale Agreement with Solo Oil plc for the disposal in three tranches of an interest up to 3.825% in the Kiliwani North Development Licence, for approximately $2.17 million. Aminex expects to apply net proceeds to pay down the Argo Loan and to meet working capital requirements. The Directors are in discussions regarding amendments to the terms of the Argo Loan, including a potential extension of the repayment period to enable the balance of the loan to be repaid from Kiliwani North revenues from the second half of this year. The Directors are also in discussions with third parties to seek a re-financing of the Argo Loan. Further, the Directors are reviewing other measures available to the Group, including the sale of assets, deferral of planned expenditure and alternative methods of raising capital to enable it to repay the Argo Loan. The Directors are in discussions with the Tanzania Petroleum Development Corporation regarding the timing of work programme commitments and possible extensions to licence periods to enable Aminex to meet its obligations while prioritising the development of potential near-term gas production from Ntorya.

These factors indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business. Nevertheless, after making enquiries and having considered the uncertainties described above and the options available to the Group, the Directors have a reasonable expectation that the Group either will be able to extend the repayment period of or re-finance the Argo Loan and will have sufficient funds available to it to meet other planned expenditures when they fall due for the foreseeable future or defer or amend work commitments. Based on the above, the Directors continue to adopt the going concern basis for the preparation of the financial statements.

The financial statements do not include any adjustments that would result if the Group was unable to continue as a going concern.

Viability Statement

In accordance with Provision C.2.2 of the 2014 UK Corporate Governance Code, the Board has assessed the viability of the Group over a period longer than the period of twelve months from the date of the approval of the financial statements as provided in the Going Concern statement. The Board has determined that a three-year period to December 2018 is reasonable for the Group at its current stage of development and has therefore assessed whether the Group will continue to operate and will be able to meet its liabilities as they fall due during that period. The assessment has taken into account the Group's current balance sheet, strategic plans and principal risks in the evaluation of the business.

The review of the Group's strategic plans covered the three-year period to December 2018 and conducted a sensitivity analysis of and considered the impact of certain principal risks on those plans. As an exploration and production business, the Group may enter into binding agreements with national governments which may give rise to work commitments which are required to be met in order to protect the Group's interests and which would need to be financed from internal revenues, asset management or external sources of capital. While each of the principal risks, including work commitments from time to time, may have an impact on the Group, the Board assumed the availability and effectiveness of mitigating factors and actions which are either currently in the process of being undertaken or could be entered into and which the Board believes could reasonably be concluded to support the Group's long-term viability.

The Directors also undertook a robust review of the Group's principal risks as set out above. In carrying out the review, the Board considered the inherent risk associated with the oil and gas exploration industry and concluded that by its nature the Group undertook risks inherent in the activities required for the exploration, development and production of hydrocarbon resources, in particular drilling exploration wells. In considering the Group's principal risks, the Board has also sought to mitigate those risks by seeking a strategy which will help to minimise the impact of high-risk exploration through the development of its own production opportunities, starting with gas production from Kiliwani North in 2016.

In evaluating the risks and mitigating actions, the Board took into account the regular review and conclusions of the Group's Audit and Risk Committees.

As a result of the assessment, the Board has a reasonable expectation that the Group will continue to operate and will be able to meet its liabilities as they fall due during the three-year period to December 2018.

On behalf of the Board,

J.C. Bhattacherjee

Director

15 April 2016

Directors' Remuneration Report

In preparing this Report, the Remuneration Committee ("the Committee") has followed the provisions of the UK Corporate Governance Code published in September 2014, unless otherwise stated.

It is the policy of the Board to compensate Directors with a combination of salary, fees and other benefits together with a flexible share option package with the intention of aligning their interests with those of the Company's shareholders. The Committee can draw on independent external advice, where it deems necessary, and consults with the Chairman with regard to the remuneration of certain senior employees.

When determining the total remuneration of the Executive Directors, the Committee takes into account the remuneration practices adopted in the general market.

The Board has considered the requirements of the UK Corporate Governance Code regarding the recommendation that a proportion of remuneration be performance-related. Given that a significant proportion of the Group's operations involve long-term capital projects from which benefits may not be realised for some time, the Board has concluded that it is not appropriate at present to put in place such a scheme.

Remuneration of Directors

The Non-Executive Directors' fees were as follows:

	Fees	
	2015 US$'000	2014 US$'000
B.A. Hall	**76**	82
A.N.J. Hay	**31**	33
D.S. Hooker	**-**	26
T. Mackay	**31**	11
K.J. Phair	**31**	33
F.D. Tughan	**-**	26
Total	**169**	211

The remuneration of the Executive Directors was as follows:

	Basic Salary		Benefits in kind		Sub total		Pension		Total	
	2015 US$'000	2014 US$'000	**2015 US$'000**	2014 US$'000	**2015 US$'000**	2014 US$'000	**2015 US$'000**	2014 US$'000	**2015 US$'000**	2014 US$'000
J.C. Bhattacherjee	**237**	198	**4**	-	**241**	198	**61**	49	**302**	247
B.A. Hall	**-**	202	**-**	-	**-**	202	**-**	148	**-**	350
A.G. Prado	**-**	3	**-**	1	**-**	4	**-**	-	**-**	4
M.C.P. Rego	**-**	36	**-**	-	**-**	36	**-**	7	**-**	43
W.A.P. Thompson	**275**	229	**2**	-	**277**	229	**-**	-	**277**	229
M.V. Williams	**202**	156	**7**	6	**209**	162	**45**	32	**254**	194
Total	**714**	824	**13**	7	**727**	831	**106**	236	**833**	1,067

Mr. B.A. Hall assumed the role of Executive Chairman with effect from January 2013 until March 2014 when he reverted to his role as Non-Executive Chairman. For both 2014 and 2015 he received a Chairman's fee of £50,000/US$76,000 (2014: £50,000/US$82,000). In addition, in the prior year, under the terms agreed with the Remuneration Committee on his resumption of an executive role in 2013, Mr. Hall was entitled to accrue remuneration on a daily basis together with reimbursement of expenses wholly and properly incurred in carrying out his tasks. Mr. Hall's remuneration was primarily conditional on the Company being returned to financial stability through the raising of equity funding and the refinancing of the Argo Loan facility, which was subject to the approval of the Placing and Open Offer at an Extraordinary General Meeting held on 24 February 2014 and the subsequent agreement of the Remuneration Committee. Mr Hall's remuneration for the full period for which he acted as Executive Chairman amounted to £212,400 (represented by the total remuneration of US$350,000 in the table of remuneration for Executive Directors above), duly approved by the Remuneration Committee.

Salaries are reviewed annually with effect from 1 January. Benefits in kind comprise life insurance and health insurance. Contributions are made to the private pension plans of certain Executive Directors. As at 31 December 2015, there were three Executive Directors (2014: three) and four Non-Executive Directors (2014: four). There was an average number of three Executive Directors and four Non-Executive Directors holding office during the year.

Share options

Directors participate in the Aminex PLC Executive Share Option Scheme and are granted options over the Company's Ordinary Shares at prevailing market prices at the time of the grant. Options are exercisable not later than ten years after the date of grant. The Scheme was established in 1980 and subsequently extended with shareholders' approval at the Annual General Meetings held in 1996, 1999, 2004, 2009 and 2014.

The Scheme does not comply in all respects with the current Best Practice Provision of the Irish Stock Exchange. As stated elsewhere in this report, certain of the Company's Non-Executive Directors hold options over the Ordinary Shares of the Company. The Board considers that it is in the Group's best interests to attract and retain high calibre directors and that, with limited cash resources, this can be achieved effectively by the granting of options.

The Directors who held office at 31 December 2015 had the following beneficial interests in options over the Company's Ordinary Shares:

Name	Options held at 1 January 2015 Number	Options granted/ (lapsed) during the year Number	Options held at 31 December 2015 Number	Exercise price Sterling	Period of exercise From	To
B.A. Hall	500,000	-	500,000	Stg29.75p	Jan-06	Jan-16
	1,500,000	-	1,500,000	Stg21p	Jul-07	Jul-17
	300,000	-	300,000	Stg22p	May-08	May-18
	2,500,000	-	2,500,000	Stg8.5p	Jan-10	Jan-20
A.N.J. Hay	200,000	-	200,000	Stg21p	Jul-07	Jul-17
	100,000	-	100,000	Stg22p	May-08	May-18
	200,000	-	200,000	Stg8.5p	Jan-10	Jan-20
K.J. Phair	200,000	-	200,000	Stg8.5p	Jan-10	Jan-20
M.V. Williams	200,000	-	200,000	Stg29.75p	Jan-09	Jan-16
	500,000	-	500,000	Stg21p	Jul-10	Jul-17
	100,000	-	100,000	Stg22p	May-11	May-18
	1,000,000	-	1,000,000	Stg8.5p	Jan-13	Jan-20
	7,300,000	**-**	**7,300,000**			

Mr. Bhattacherjee, Mr. Thompson and Mr. Mackay have no beneficial interest in any options.

No options were exercised and no options lapsed during the year. No options were granted during the year at below market value. No options have been granted to Directors since the year end. A total of 700,000 options held by Directors have lapsed since the year end.

The market price of the shares during the year ranged between Stg1.3p/€0.017 and Stg2.575p/€0.031 and at 31 December 2015 was Stg1.5p/€0.017.

Service contracts

Each Executive Director has a service contract: none contains provisions which could result in the Director receiving compensation on termination in excess of one year's salary and benefits in kind. The Committee considers the notice period appropriate taking into account the size of the Company and the business environment in which the Group operates.

Non-Executive Directors

Fees paid to Non-Executive Directors are determined by the Board. Each Non-Executive Director has a letter of appointment for a period of three years, although either party may terminate the agreement with notice of less than one year.

Statement of Directors' Responsibilities in Respect of the Annual Report and the Financial Statements

The directors are responsible for preparing the Annual Report and the Group and Company Financial Statements, in accordance with applicable law and regulations.

Company law requires the directors to prepare Group and Company Financial Statements each year. Under that law, the directors are required to prepare the Group Financial Statements in accordance with IFRS as adopted by the European Union and have elected to prepare the Company Financial Statements in accordance with IFRS as adopted by the European Union as applied in accordance with the Companies Acts 2014.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Group and Company and of the Group and Company's profit or loss for that year. In preparing each of the Group and Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state that the financial statements comply with IFRSs as adopted by the European Union, and as regards the Company, as applied in accordance with the Companies Act 2014; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business

The Directors are also required by the Transparency (Directive 2004/109/EC) Regulations 2007 and the Transparency Rules of the Central Bank of Ireland to include a management report containing a fair review of the business and a description of the principal risks and uncertainties facing the Group.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company, and which enable them to ensure that the Financial Statements of the Company comply with the provisions of the Companies Act 2014. The Directors are also responsible for taking all reasonable steps to ensure such records are kept by the subsidiary companies which enable them to ensure that the financial statements of the Group comply with the provisions of the Companies Act 2014. They are also responsible for safeguarding the assets of the Company and the Group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included in the Group's and Company's website www.aminex-plc.com. Legislation in the Republic of Ireland concerning the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement as required by the Transparency Directive and the UK Corporate Governance Codes

Each of the directors, whose names and functions are listed on page 13 of this Annual Report, confirm that, to the best of each person's knowledge and belief:

- The Group Financial Statements, prepared in accordance with IFRS as adopted by the European Union, and the Company financial Statements prepared in accordance with the IFRS as adopted by the European Union as applied in accordance with the provisions of the Companies Act 2014, give a true and fair view of the assets, liabilities, financial position of the Group and Company at 31 December 2015 and of the profit or loss of the Group for the year then ended;
- The Directors' report contained in the Annual Report includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that they face; and
- The annual report and financial statements, taken as a whole, provides the information necessary to assess the Group's performance, business model and strategy and is fair, balanced and understandable and provides the information necessary for the shareholders to assess the Company's position and performance, business model and strategy.

On behalf of the Board

J.C. Bhattacherjee	**M.V. Williams**
Director	Director

Independent Auditor's Report to the Members of Aminex PLC

Opinions and conclusions arising from our audit

1 Our opinion on the financial statements is unmodified

We have audited the financial statements of Aminex PLC for the year ended 31 December 2015 set out on pages 30 to 61. The financial reporting framework that has been applied is Irish Law and International Financial Reporting Standards ('IFRS') as adopted by the European Union, as regards the Company financial statements, as applied in accordance with the provision of the Companies Act 2014. Our audit was conducted in accordance with International Standards on Auditing (ISAs) (UK and Ireland).

In our opinion:

- the group financial statements give a true and fair view of the state of the assets, liabilities and financial position of the group as at 31 December 2015 and of its loss for the year then ended;
- the parent company balance sheet gives a true and fair view of the assets, liabilities and financial position of the parent company as at 31 December 2015;
- the Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- the Company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union as applied in accordance with the provisions of the Companies Act 2014; and
- the Group financial statements and company financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014 and, as regards the Group financial statements, Article 4 of the IAS Regulation.

Our opinion of the financial statements which is unmodified is accompanied by an emphasis of matter: Going Concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in the basis of preparation paragraph in the statement of accounting policies concerning the group's ability to continue as a going concern and have undertaken other steps as set out in our commentary on our assessment of risks of material misstatement. The group incurred a net loss of $3.8 million during the year ended 31 December 2015 and, at that date, the group's current liabilities exceeded its current assets by $8.9 million. These conditions, along with the other matters explained in that paragraph, including information relating to its debt repayment obligations and capital commitments, indicate the existence of material uncertainties which may cast significant doubt about the group's ability to continue as a going concern. The financial statements do not include adjustments that would result if the group was unable to continue as a going concern.

2 Our assessment of risks of material misstatement

The risks of material misstatement detailed in this section of this report are those risks that we have deemed, in our professional judgment, to have had the greatest effect on: the overall audit strategy; the allocation of resources in our audit; and directing the efforts of the engagement team. Our audit procedures relating to these risks were designed in the context of our audit of the financial statements as a whole. Our opinion on the financial statements is not modified with respect to any of these risks, and we do not express an opinion on these individual risks.

In arriving at our audit opinion above on the group financial statements the risks of material misstatement that had the greatest effect on our group audit were as follows:

Going concern

Refer to page 22 to 23 (Audit Committee Report) and page 34 (accounting policies – basis of preparation).

The risk

Going concern has been identified as a significant risk affecting the group. Whilst the group continues an active program of exploration and production activities, and was successful in raising additional funds of approximately $2.5 million net of transaction costs during the year, its activities are not generating sufficient operating cash flows to fund its working capital requirements and forthcoming loan repayment in July 2016. The cash flow projections on which the directors have based their going concern assessment identifies that the group will need to raise further funds to complete certain exploration activities scheduled to take place in 2016 and 2017 together with the commencement of production revenues from its Kiliwani North interest in Tanzania. In addition, the group will require the continued support of its lender in the event that funds are not available to make the loan repayment due in July 2016.

Our response

Our audit procedures included, among others, critical assessment of the cash flow projections prepared by group management for a period of 24 months from 1 January 2016 to 31 December 2017. Certain of the key inputs, specifically the timing and amount of certain exploration expenditure and the timing and estimated value of gas production from the Kiliwani North interest in Tanzania, require significant estimation and judgement in their selection, and have a significant impact on the cash flow projections for the period. We agreed key inputs in the cash flow projections to internally and externally derived sources where available. Our procedures also included inspection of correspondence from the Tanzania Petroleum Development Corporation consenting to the postponement of certain capital works required under the original terms of the Ruvuma and Nyuni Area Production Sharing Agreements ('PSAs'), corroboration of the progress of the Board's discussions with the group's lender, reading of management's analysis of the options available to the group to repay the loan and meet the group's planned expenditures and discussion with the Board of their adoption of the going concern basis for the preparation of the financial statements.

We considered the adequacy of the group's disclosures within the basis of preparation note on page 34 in respect of going concern, and whether the disclosures properly reflected the risks that the group faces in respect of its ability to continue as a going concern.

Valuation of exploration and evaluation assets (US$79.9 million) and property, plant and equipment ($12.4 million)
Refer to page 19 (Audit Committee Report), page 34 (accounting policies) and notes 12 and 13 of the financial statements

The risk
There is a risk that the group's exploration and evaluation assets and property, plant and equipment will not be recovered due to the inherent uncertainties which exist with oil and gas production and exploration activities. The valuation of these assets requires significant judgement and the application of estimation techniques in determining the existence of oil and gas reserves, the expected remaining useful life of the oil and gas producing assets, the future capital expenditure required to recover oil and gas reserves and the future oil and gas prices. Any changes to the above assumptions could have a significant effect on the valuation of these assets.

Our response
Our audit procedures included, among others, detailed testing of the directors' impairment assessment for each exploration and producing asset performed at the year end. We obtained the discounted cash flow models for the group's producing asset and performed procedures over the accuracy of the calculation of net present value derived by the model. We agreed key inputs in the model to internally and externally derived sources. Certain of the key inputs, specifically mineral resource, discount rate, gas prices, capital and operating costs and inflation require significant estimation and judgement in their selection, and can have a significant impact on the derived net present value. For these key inputs we critically assessed the reasonableness of the directors' assumptions by reference to external data and forecasts.

We considered the exploration activity undertaken in the year, the results of seismic interpretation carried out, and the future plans for these exploration assets having regard to the requirements of IFRS 6 'Exploration for and Evaluation of Mineral Resources'. As noted above, we also inspected correspondence from the Tanzania Petroleum Development Corporation consenting to the postponement of certain capital works required under the original terms of the Ruvuma and Nyuni Area PSAs. We also considered the adequacy of the group's disclosures (see notes 12 and 13) in respect of impairment testing, and whether disclosures about the outcome of the impairment assessment properly reflected the judgements inherent in the valuations

3 Our application materiality and an overview of the scope of the audit
The materiality for the group financial statements as a whole was set at US$495,000. This has been calculated with reference to a benchmark of group total assets (of which it presents approximately 0.5%), which we consider to be one of the principal considerations for members of the company in assessing the financial performance of the group.

We report to the audit committee all corrected and uncorrected misstatements we identified through our audit with a value in excess of US$25,000 (2014: US$26,000), in addition to other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

The group finance function based in London centrally maintains the accounting records of each of the group's subsidiaries.

The audit work conducted by the group audit team covered 100% of group revenue; 100% of group profit before taxation and 100% of group total assets.

4 We have nothing to report on the disclosure of principal risks
Based on the knowledge we acquired during our audit, we have nothing material to add or draw attention to in relation to:

- the directors' statement on page 21, concerning the principal risks, their management, and, based on that, the directors' assessment and expectations of the Group's continuing in operation over the three years to 2018; or
- the disclosures in note 1 of the financial statements concerning the use of the going concern basis of accounting.

5 We have nothing to report in respect of the matters on which we are required to report by exception
SAs (UK and Ireland) require that we report to you if, based on the knowledge we acquired during our audit, we have identified information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

In particular, we are required to report to you if:
- we have identified any inconsistencies between the knowledge we acquired during our audit and the directors' statement that they consider the annual report is fair, balanced and understandable and provides information necessary for shareholders to assess the entity's performance, business model and strategy; or
- the Report of the Audit Committee does not appropriately disclose those matters that we communicated to the audit committee.

The Listing Rules of the Irish Stock Exchange and UK Listing Authority require us to review:
- the directors' statement, set out on page 22, in relation to going concern;
- the part of the Corporate Governance Statement on pages 18 to 23 relating to the company's compliance with the provisions of the UK Corporate Governance Code and the Irish Corporate Governance Annex specified for our review; and
- certain elements of disclosures in the report to shareholders by the Board of directors' remuneration.

Independent Auditor's Report to the Members of Aminex PLC *continued*

In addition, the Companies Act requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made.

6 Our conclusions on other matters on which we are required to report by the Companies Act 2014 are set out below
We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

The parent company balance sheet is in agreement with the accounting records and, in our opinion, adequate accounting records have been kept by the company.

In our opinion the information given in the directors' report is consistent with the financial statements and the description in the Corporate Governance Statement of the main features of the internal control and risk management systems in relation to the process for preparing the group financial statements is consistent with the group financial statements.

In addition we report, in relation to information given in the Corporate Governance Statement on pages 18 to 23, that:

- based on our knowledge and understanding of the Company and its environment obtained in the course of our audit, no material misstatements in the information identified above have come to our attention;
- based on work undertaken in the course of our audit, in our opinion:

  - the description of the main features of the internal control and risk management systems in relation to the process for preparing the Group financial statements, and information relating to voting rights and other matters required by the European Communities Takeover Bids (Directive 2004/25/EC) Regulations 2006 and specified by the Companies Act 2014 for our consideration, are consistent with the financial statements and have been prepared in accordance with the Companies Act 2014; and

  - the Corporate Governance Statement contains the information required by the Companies Act 2014.

Basis of our report, responsibilities and restrictions on use

As explained more fully in the Directors' Responsibilities Statement set out on page 26, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the group and parent company financial statements in accordance with applicable law and International Standards on Auditing (ISAs) (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

An audit undertaken in accordance with ISAs (UK and Ireland) involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Whilst an audit conducted in accordance with ISAs (UK and Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

Our report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Eamonn Russell
for and on behalf of

KPMG
Chartered Accountants, Statutory Audit Firm
1 Stokes Place
St. Stephen's Green
Dublin 2
15 April 2016

Group Income Statement

for the year ended 31 December 2015

	Notes	2015 US$'000	2015 US$'000	2014 US$'000	2014 US$'000
Continuing operations					
Revenue	2		**350**		444
Cost of sales			**(341)**		(412)
Gross profit			**9**		32
Administrative expenses		**(1,615)**		(2,795)	
Depreciation of other assets	13	**(15)**		(9)	
			(1,630)		(2,804)
Loss from operating activities before other items			**(1,621)**		(2,772)
Gain on disposal of development asset	6		**1,772**		-
Reduction in fair value of other receivables	7		**(968)**		-
Impairment provision against exploration and evaluation assets	12		**(353)**		-
Impairment provision against assets held for sale	17		**(850)**		(622)
Impairment loss on available for sale assets	16		**(68)**		(243)
Loss on disposal of available for sale assets	16		**(7)**		-
Loss from operating activities			**(2,095)**		(3,637)
Finance income	8		**3**		11
Finance costs	9		**(1,686)**		(2,239)
Loss before tax	5		**(3,778)**		(5,865)
Income tax expense	10		**-**		-
Loss from continuing operations			**(3,778)**		(5,865)
Discontinued operations					
Loss from discontinued operations	7		**-**		(1,143)
Loss for the financial year attributable to equity holders of the Company			**(3,778)**		(7,008)
Basic and diluted loss per Ordinary Share (in US cents)	11		**(0.20)**		(0.41)
Basic and diluted loss per Ordinary Share (in US cents) – continuing operations	11		**(0.20)**		(0.34)

Group Statement of Other Comprehensive Income

for the year ended 31 December 2015

	2015 US$'000	2014 US$'000
Loss for the financial year	**(3,778)**	(7,008)
Other comprehensive income:		
Items that are or maybe reclassified to profit or loss:		
Currency translation differences	**(293)**	(19)
Total comprehensive income for the financial year attributable to the equity holders of the Company	**(4,071)**	(7,027)

On behalf of the Board

J.C. Bhattacherjee
Director

M.V. Williams
Director

15 April 2016

Group and Company Balance Sheets

at 31 December 2015

	Notes	Group 2015 US$'000	Group 2014 US$'000	Company 2015 US$'000	Company 2014 US$'000
ASSETS					
Exploration and evaluation assets	12	**79,864**	78,734	**-**	-
Property, plant and equipment	13	**12,416**	13,510	**-**	-
Investments in subsidiary undertakings	14	**-**	-	**5,207**	6,603
Amounts due from subsidiary undertakings	15	**-**	-	**93,960**	95,012
Available for sale assets	16	**22**	107	**22**	107
Trade and other receivables	18	**1,950**	2,800	**1,950**	2,800
Total non-current assets		**94,252**	95,151	**101,139**	104,522
Assets held for sale	17	**-**	850	**-**	-
Trade and other receivables	18	**606**	1,217	**52**	313
Amounts due from subsidiary undertakings	15	**-**	-	**660**	1,363
Cash and cash equivalents	19	**2,128**	1,765	**429**	617
Total current assets		**2,734**	3,832	**1,141**	2,293
Total assets		**96,986**	98,983	**102,280**	106,815
LIABILITIES					
Current liabilities					
Loans and borrowings	22	**(8,559)**	(10,218)	**(8,559)**	(10,218)
Trade and other payables	20	**(3,103)**	(1,863)	**(53)**	(51)
Total current liabilities		**(11,662)**	(12,081)	**(8,612)**	(10,269)
Non-current liabilities					
Decommissioning provision	21	**(448)**	(425)	**-**	-
Total non-current liabilities		**(448)**	(425)	**-**	-
Total liabilities		**(12,110)**	(12,506)	**(8,612)**	(10,269)
NET ASSETS		**84,876**	86,477	**93,668**	96,546
Equity					
Issued capital	25	**67,192**	67,094	**67,192**	67,094
Share premium		**96,036**	93,505	**96,036**	93,505
Capital conversion reserve fund		**234**	234	**234**	234
Share option reserve		**3,683**	3,891	**3,683**	3,891
Share warrant reserve		**3,054**	3,031	**3,054**	3,031
Foreign currency translation reserve		**(1,459)**	(1,166)	**-**	-
Retained earnings		**(83,864)**	(80,112)	**(76,531)**	(71,209)
TOTAL EQUITY		**84,876**	86,477	**93,668**	96,546

On behalf of the Board

J.C. Bhattacherjee
Director

M.V. Williams
Director

15 April 2016

Group Statement of Changes in Equity

for the year ended 31 December 2015

	Attributable to equity shareholders of the Company							
	Share capital US$'000	Share premium US$'000	Capital conversion reserve fund US$'000	Share option reserve US$'000	Fair value warrant reserve US$'000	Foreign currency translation reserve US$'000	Retained earnings US$'000	Total US$'000
At 1 January 2014	65,629	79,431	234	3,891	2,535	(1,147)	(73,104)	77,469
Transactions with shareholders recognised directly in equity								
Shares issued	1,465	14,074	-	-	(211)	-	-	15,328
Share warrants granted	-	-	-	-	707	-	-	707
Comprehensive income:								
Currency translation differences	-	-	-	-	-	(19)	-	(19)
Loss for the financial year	-	-	-	-	-	-	(7,008)	(7,008)
At 1 January 2015	67,094	93,505	234	3,891	3,031	(1,166)	(80,112)	86,477
Transactions with shareholders recognised directly in equity								
Shares issued	98	2,531	-	-	-	-	(182)	2,447
Share option reserve adjustment	-	-	-	(208)	-	-	208	-
Share warrants granted	-	-	-	-	23	-	-	23
Comprehensive income:								
Currency translation differences	-	-	-	-	-	(293)	-	(293)
Loss for the financial year	-	-	-	-	-	-	(3,778)	(3,778)
At 31 December 2015	**67,192**	**96,036**	**234**	**3,683**	**3,054**	**(1,459)**	**(83,864)**	**84,876**

Company Statement of Changes in Equity

for the year ended 31 December 2015

	Attributable to equity shareholders of the Company						
	Share capital US$'000	Share premium US$'000	Capital conversion reserve fund US$'000	Share option reserve US$'000	Fair value warrant reserve US$'000	Retained earnings US$'000	Total US$'000
At 1 January 2014	65,629	79,431	234	3,891	2,535	(62,593)	89,127
Transactions with shareholders recognised directly in equity							
Share issued	1,465	14,074	-	-	(211)	-	15,328
Share warrants granted	-	-	-	-	707	-	707
Comprehensive income:							
Loss for the financial year	-	-	-	-	-	(8,616)	(8,616)
At 1 January 2015	67,094	93,505	234	3,891	3,031	(71,209)	96,546
Transactions with shareholders recognised directly in equity							
Shares issued	98	2,531	-	-	-	(182)	2,447
Share option reserve adjustment	-	-	-	(208)	-	208	-
Share warrants granted	-	-	-	-	23	-	23
Comprehensive income:							
Loss for the financial year	-	-	-	-	-	(5,348)	(5,348)
At 31 December 2015	**67,192**	**96,036**	**234**	**3,683**	**3,054**	**(76,531)**	**93,668**

Group and Company Statements of Cashflows

for the year ended 31 December 2015

	Notes	Group 2015 US$'000	Group 2014 US$'000	Company 2015 US$'000	Company 2014 US$'000
Operating activities					
Loss for the financial year		**(3,778)**	(7,008)	**(5,348)**	(8,616)
Depletion, depreciation and decommissioning		**15**	92	**-**	-
Impairment provision against assets held for sale		**850**	872	**-**	-
Impairment provision against exploration and evaluation assets		**353**	-	**-**	-
Provision against doubtful debts		**-**	-	**-**	15
Finance income		**(3)**	(11)	**(3)**	(11)
Finance costs		**1,686**	2,295	**1,643**	2,200
Gain on disposal of development asset		**(1,772)**	-	**-**	-
Loss on disposal of available for sale assets		**7**	-	**7**	-
Reduction in value of trade receivables		**968**	-	**968**	-
Loss on disposal of subsidiary undertaking		**-**	368	**-**	(1,769)
Impairment of available for sale assets		**68**	243	**85**	243
Impairment provision against intercompany loans		**-**	-	**928**	6,945
Impairment provision against investment in subsidiary undertakings		**-**	-	**1,397**	463
Decrease in trade and other receivables		**493**	1,507	**136**	67
Increase/(decrease) in trade and other payables		**177**	(625)	**3**	404
Net cash absorbed by operations		**(936)**	(2,267)	**(184)**	(59)
Interest paid		**(1,563)**	(1,179)	**(1,563)**	(1,179)
Net cash outflows from operating activities		**(2,499)**	(3,446)	**(1,747)**	(1,238)
Investing activities					
Proceeds from sale of development asset		**3,325**	-	**-**	-
Proceeds from disposal of available for sale assets		**10**	-	**-**	-
Acquisition of property, plant and equipment		**(204)**	(234)	**-**	-
Expenditure on exploration and evaluation assets		**(1,001)**	(7,053)	**-**	-
Decrease/(increase) in amounts due from subsidiary undertakings		**-**	-	**827**	(10,468)
Loss on disposal of subsidiary undertaking		**-**	-	**-**	(66)
Cost of disposal of subsidiary undertaking		**-**	(368)	**-**	(368)
Interest received		**3**	11	**3**	11
Net cash from/(used in) investing activities		**2,133**	(7,644)	**830**	(10,891)
Financing activities					
Proceeds from issue of share capital		**2,629**	14,907	**2,629**	14,907
Payment of transaction expenses		**(182)**	(2,205)	**(182)**	(2,205)
Loans repaid		**(1,718)**	(13)	**(1,718)**	-
Net cash inflows from financing activities		**729**	12,689	**729**	12,702
Net increase/(decrease) in cash and cash equivalents		**363**	1,599	**(188)**	573
Cash and cash equivalents at 1 January		**1,765**	166	**617**	44
Cash and cash equivalents at 31 December	19	**2,128**	1,765	**429**	617

1 Statement of Accounting Policies

Aminex PLC (the "Company") is a company domiciled and incorporated in Ireland. The Group financial statements for the year ended 31 December 2015 consolidate the individual financial statements of the Company and its subsidiaries (together referred to as "the Group").

Basis of preparation

The Group and Company financial statements (together the "Financial Statements") have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

Going concern

The Directors have given careful consideration to the Group's ability to continue as a going concern. During the year ended 31 December 2015, the Group reached agreement with Argo Capital Management (Cyprus) Limited, representing the provider of a corporate loan facility (the 'Argo Loan') (see Note 22), to extend the scheduled repayment date of this loan to the end of July 2016. Based on current cash flow projections, the Group will not be in a position to repay the balance of the loan, (which at the end of July 2016 is estimated to be approximately $9.4 million including interest and redemption premium), in full on the due date or meet its operational and capital expenditure planned for 2016 and 2017. In the event that the Company is unable to meet exploration work commitments under the terms of the Ruvuma Production Sharing Agreement, the Tanzania Petroleum Development Corporation has security over up to 15% of Kiliwani North, the enforcement of which may reduce future revenues available to the Group.

However, the Directors have taken into account factors since the balance sheet date. In January 2016, Ndovu Resources Limited, a wholly-owned subsidiary company of the Aminex Group, entered into a Gas Sales Agreement for the Kiliwani North gas field, and in conjunction with the recently completed gas pipeline and processing facilities on Songo Songo Island, Kiliwani North-1 has commenced production of gas for the testing and commissioning of the facilities starting early April 2016 with the start date for commercial operations being agreed with the Tanzania Petroleum Development Corporation by 30 June 2016. In April 2016 the Group signed an Asset Sale Agreement with Solo Oil plc for the disposal in three tranches of an interest of up to 3.825% in the Kiliwani North Development Licence, for approximately $2.17 million. Aminex expects to apply net proceeds to pay down the Argo Loan and to meet working capital requirements. The Directors are in discussions regarding amendments to the terms of the Argo Loan, including a potential extension of the repayment period to enable the balance of the loan to be repaid from Kiliwani North revenues from the second half of this year. The Directors are also in discussions with third parties to seek a re-financing of the Argo Loan. Further, the Directors are reviewing other measures available to the Group, including the sale of assets, deferral of planned expenditure and alternative methods of raising capital to enable it to repay the Argo Loan. The Directors are in discussions with the Tanzania Petroleum Development Corporation regarding the timing of work programme commitments and possible extensions to licence periods to enable Aminex to meet its obligations while prioritising the development of potential near-term gas production from Ntorya.

These factors indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business. Nevertheless, after making enquiries and having considered the uncertainties described above and the options available to the Group, the Directors have a reasonable expectation that the Group either will be able to extend the repayment period of or re-finance the Argo Loan and will have sufficient funds available to it to meet other planned expenditures when they fall due for the foreseeable future or defer or amend work commitments. Based on the above, the Directors continue to adopt the going concern basis for the preparation of the financial statements.

The financial statements do not include any adjustments that would result if the Group was unable to continue as a going concern.

Statement of compliance

The Group Financial Statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards and their interpretations as adopted by the EU ("EU IFRSs"). The individual financial statements of the Company ("Company Financial Statements") have been prepared and approved by the Directors in accordance with EU IFRSs and as applied in accordance with the Companies Acts 2014 which permits a company that publishes its company and group financial statements together to take advantage of the exemption in Section 304 of the Companies Act 2014 from presenting to its members its company income statement and related notes that form part of the approved Company Financial Statements.

1 Statement of Accounting Policies (continued)

i) New accounting standards and interpretations adopted

Below is a list of standards and interpretations that were required to be applied in the year ended 31 December 2015. There was no material impact to the financial statements in the current year from these standards set out below:

Annual improvements to IFRSs 2011-2013 Cycle-effective 1 January 2015.

As part of its annual improvements process, the IASB has published non-urgent but necessary amendments to IFRS. The cycle covers a total of four standards, with consequential amendments to other standards. The amendments apply prospectively from 1 January 2015 and the topics covered in these revisions are set out below:

- IFRS 1 First time adoption of IFRS: meaning of 'effective IFRSs'
- IFRS 3 Business Combinations: scope exceptions for joint ventures
- IFRS 13 Fair Value Measurement: scope of paragraph 52 (portfolio exception)
- IAS 40 Investment Property: clarifying the interrelationship between IFRS 3 and IAS 40 when clarifying property as investment property or owner-occupied property

ii) New accounting standards and interpretations not adopted

Standards endorsed by the EU that are not yet required to be applied but can be early adopted are set out below. None of these standards have been applied in the current period. There would not have been a material impact on the financial statements if these standards had been applied in the current accounting period. These will be applied as required on a retrospective basis.

Annual improvements to IFRSs 2010-2012 Cycle and Annual Improvements to IFRSs 2011-2014 Cycle – effective 1 January 2016 (see below)

- Amendments to IAS 19 Defined Benefit Plans: Employee Contributions – effective 1 February 2015
- Annual Improvements to IFRSs 2010-2012 Cycle – effective 1 February 2015*
- Amendments to IFRS 11: Accounting for acquisitions of interests in Joint Operations – effective 1 January 2016
- Amendments to IAS 16 and IAS 38: Clarification of acceptable methods of depreciation and amortisation – effective 1 January 2016
- Amendments to IAS 16: Property, Plant and Equipment and IAS 41 Bearer Plants – effective 1 January 2016
- Amendments to IAS 27: Equity method in Separate Financial Statements – effective 1 January 2016
- Amendments to IAS 1: Disclosure Initiative – effective 1 January 2016
- Annual Improvements to IFRSs 2012-2014 Cycle – effective 1 January 2016

* Annual Improvements to IFRSs 2010-2012 Cycle includes the following topics:

- IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations: changes in methods of disposal
- IFRS 7 Financial Instruments: Disclosures (with consequential amendments to IFRS 1): provides additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset for the purposes of determining the disclosures required
- IAS 19 Employee Benefits: clarifies that the high quality corporate bonds used in estimating the discount rate for post-employment benefits should be denominated in the same currency as the benefits to be paid
- IAS 34 Interim Financial Reporting: clarifies the meaning of 'elsewhere in the interim report' and requires a cross-reference

Basis of consolidation

The Group Financial Statements consolidate the financial statements of Aminex PLC and its subsidiaries. Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Control exists when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Financial statements of subsidiaries are prepared for the same reporting year as the parent company.

The statutory individual financial statements of subsidiary companies have been prepared under the accounting policies applicable in their country of incorporation but adjustments have been made to the results and financial position of such companies to bring their accounting policies into line with those of the Group for consolidation purposes.

All inter-company balances and transactions, including unrealised profits arising from inter-group transactions, have been eliminated in full. Unrealised losses are eliminated in the same manner as unrealised gains except to the extent that there is evidence of impairment.

Jointly controlled operations

Jointly controlled operations are those activities over which the Group exercises joint control with other participants, established by contractual agreement. The Group recognises, in respect of its interests in jointly controlled operations, the assets that it controls, the liabilities that it incurs, the expenses that it incurs and the share of the income that it earns from the sale of goods or services by the joint operation.

1 Statement of Accounting Policies (continued)

Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the income statement. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date control is lost. Subsequently, it is accounted for as an equity-accounted investee or as an available for sale financial asset depending on the level of influence retained.

Revenue recognition

Revenue comprises the provision of technical oilfield and administrative services and equipment. Revenue from oil and gas sales in the prior year represents the Group's share of oil and gas production sold in that year. Revenue from the provision of oilfield equipment is recognised net of value added tax when title passes on delivery. Revenue from the provision of the services is recognised net of value added tax as the services are performed. Revenue is only recognised where it is considered probable that the revenue will be collected and no other contingencies related to the revenue earning process exist.

Employee benefits

(a) Pensions and other post-employment benefits

The Group contributes towards the cost of certain individual employee defined contribution pension plans. Annual contributions are based upon a percentage of gross annual salary managed on an individual basis. Pension contributions are recognised as an expense in the income statement and are accounted for on an accruals basis.

(b) Share-based payment

The Group operates a share option scheme. For equity-settled share-based payment transactions (i.e. the issuance of share options), the Group measures the services received by reference to the value of the option or other financial instrument at fair value at the measurement date (which is the grant date) using a recognised valuation methodology for the pricing of financial instruments (i.e. the binomial model). Given the share options granted do not vest until the completion of a specified period of service, the fair value assessed at the grant date is recognised in the income statement over the vesting period as the services are rendered by employees with a corresponding increase in equity. For options granted to Directors, there is generally no vesting period and the fair value is recognised in the income statement at the date of the grant. Where share options granted do not vest until performance-related targets, which include targets outside management's control, have been achieved, the fair value assessed at the grant date is recognised in the income statement over a vesting period estimated by management.

The share options issued by the Company are not subject to market-based vesting conditions as defined in IFRS 2. Non-market vesting conditions are not taken into account when estimating the fair value of share options as at the grant date; such conditions are taken into account through adjusting the number of equity instruments included in the measurement of the amount charged to the income statement over the vesting period so that, ultimately, the amount recognised equates to the number of equity instruments that actually vest. The expense in the income statement in relation to share options represents the product of the total number of options anticipated to vest and the fair value of these options at the date of grant. This amount is allocated to accounting periods on a straight-line basis over the vesting period. Given that the performance conditions underlying the Company's share options are service-related and non-market in nature, the cumulative charge to the income statement is reversed only where an employee in receipt of share options leaves the Group prior to completion of the service period and forfeits the options granted. The proceeds received by the Company on the exercise of share entitlements are credited to share capital and share premium. Where share options are awarded by the Company to employees of subsidiary companies, the value of the share based payment is credited to the Company's share option reserve and charged through the intercompany account to the income statement of the relevant subsidiary company. When share options which have not been exercised reach the end of the original contractual life, the value of the share options is transferred from the share option reserve to retained earnings. The Group does not operate any cash-settled share-based payment schemes or share-based payment transactions with cash alternatives as defined in IFRS 2.

Share capital

Ordinary shares are classified as equity. Proceeds received from the issue of ordinary shares above the nominal value is classified as Share Premium. Costs directly attributable to new shares are shown in equity as a deduction from retained earnings from June 2015 in accordance with the provisions of the Companies Act 2014, prior to that date costs were deducted from Share Premium.

Warrants reserve

Warrants granted are fair valued using an appropriate option pricing model, taking into account the terms and conditions upon which the warrants are granted.

The fair value of the warrants granted is credited to a warrants reserve. Where the warrants granted relate to equity, the fair value is charged against Share Premium. Where warrants granted relate to debt finance, the fair value is charged against the balance of the loan and forms part of the effective interest rate charged on the debt and is recognised over the expected life of the loan. The warrants reserve is non-distributable and will be transferred to the Share Premium account or retained earnings upon the exercise of warrants. Any balance of warrants reserve in relation to unexercised warrants at the expiry of the warrants period will be transferred to retained earnings.

1 Statement of Accounting Policies (continued)

Finance costs

Finance costs comprise interest payable on borrowings calculated using the effective interest rate method, the unwind of the discount on the decommissioning provision and foreign exchange losses.

Finance income

Finance income comprises interest income, which is recognised in the income statement as it accrues using the effective interest rate method, and foreign exchange gains.

Leases

Finance leases, which transfer substantially all the risks and benefits of ownership of the leased asset to the Group, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between the finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the income statement as part of finance costs.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases wherein the lessor retains substantially all the risks and benefits of ownership of the assets are classified as operating leases. Operating lease payments are recognised as an expense in the income statement on a straight line basis over the lease term.

Tax

The tax expense in the income statement represents the sum of the current tax expense and deferred tax expense.

Tax currently payable is based on taxable profit for the year and any adjustments to tax payable in respect of previous years. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The liability for current tax is calculated using rates that have been enacted or substantively enacted at the balance sheet date.

Tax is recognised in the income statement except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Deferred tax is provided, using the liability method, on all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes, except those arising from non-deductible goodwill or on initial recognition of an asset or liability in a transaction that is not a business combination and that affects neither accounting nor taxable profit. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is expected to be realised or the liability to be settled based on laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognised for all deductible differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit would be available to allow all or part of the deferred tax asset to be utilised.

Earnings per ordinary share

Basic earnings per share is computed by dividing the net profit for the financial period attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the financial period.

Diluted earnings per share is computed by dividing the profit for the financial period attributable to ordinary shareholders by the weighted average number of ordinary shares in issue after adjusting for the effects of all potential dilutive ordinary shares that were outstanding during the financial period.

Foreign currency translation

The presentation currency of the Group and the functional currency of Aminex PLC is the US dollar (US$). Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the rate of exchange at the balance sheet date. All translation differences are taken to the income statement with the exception of differences on foreign currency borrowings that are designated as a hedge against a net investment in a foreign operation. These are recognised in other comprehensive income to the extent they are effective together with the exchange difference on the net investment in the foreign operation.
Results and cash flows of non-dollar subsidiary undertakings are translated into dollars at average exchange rates for the year and the related assets and liabilities (including goodwill and fair value adjustments) are translated at the rates of exchange ruling at the balance sheet date. Adjustments arising on translation of the results of non-dollar subsidiary undertakings at average rates, and on the restatement of the opening net assets at closing rates, are dealt with in a separate translation reserve within equity, net of differences on related currency borrowings. Proceeds from the issue of share capital are recognised at the prevailing exchange rate on the date that the Board of Directors ratifies such issuance; any foreign exchange movement arising between the date of issue and the date of receipt of funds is charged or credited to the income statement.

1 Statement of Accounting Policies (continued)

The principal exchange rates used for the translation of results, cash flows and balance sheets into US dollars were as follows:

	Average		Year-end	
US$1 equals	**2015**	2014	**2015**	2014
Pound sterling	**0.6542**	0.6069	**0.6748**	0.6407
Australian dollar	**1.3313**	1.1095	**1.3674**	1.2185

On loss of control of a foreign operation, accumulated currency translation differences are recognised in the income statement as part of the overall gain or loss on disposal. The cumulative currency translation differences arising prior to the transition date to IFRSs of 1 January 2004 have been set to zero for the purposes of ascertaining the gain or loss on disposal of a foreign operation subsequent to 1 January 2004.

Exploration and evaluation assets

Expenditure incurred prior to obtaining the legal rights to explore an area is written off to the income statement. Expenditures incurred on the acquisition of a licence interest are initially capitalised on a licence by licence basis. Exploration and evaluation expenditure incurred in the process of determining exploration targets on each licence is also capitalised. These expenditures are held undepleted within the exploration licence asset until such time as the exploration phase on the licence area is complete or commercial reserves have been discovered.

Exploration and evaluation drilling costs are capitalised on a well by well basis within each licence until the success or otherwise of the well has been established. Unless further evaluation expenditures in the area of the well have been planned and agreed or unless the drilling results indicate that hydrocarbon reserves exist and there is a reasonable prospect that these reserves are commercial, drilling costs are written off on completion of a well.

Property, plant and equipment – *developed and producing oil and gas assets (stated at cost)*

Following appraisal of successful exploration wells and the establishment of commercial reserves, the related capitalised exploration and evaluation expenditures are transferred into a single field cost centre within developed and producing properties after testing for impairment. Where results of exploration drilling indicate the presence of hydrocarbons which are ultimately not considered commercially viable, the entire carrying amount of related assets are written off to the income statement.

Subsequent expenditure is capitalised only where it either enhances the economic benefits of the developed and producing properties or replaces part of the existing developed and producing properties. The carrying amounts of the part replaced are expensed to the income statement. Interest on borrowings for development projects is capitalised by field up to the time that the asset commences to produce commercial reserves.

Disposal of exploration and evaluation assets and developed and producing oil and gas assets

The net proceeds from any disposal of an exploration asset are initially credited against the previously capitalised costs. Where non-cash consideration is received, for instance where the Group enters an asset swap agreement, the fair value of the asset disposed of represents the consideration. Any surplus proceeds are credited to the income statement. The net proceeds from any disposal of developed and producing properties are compared with the previously capitalised cost on a field by field basis. A gain or loss on disposal of the developed and producing properties is recognised in the income statement to the extent that the net proceeds exceed or are less than the carrying amounts of the assets disposed of.

Depletion

The Group depletes capitalised costs together with anticipated future development costs calculated at price levels ruling at the balance sheet date on developed and producing properties on a unit of production basis, based on proved and probable reserves on a field by field basis. In certain circumstances, fields within a single development may be combined for depletion purposes.

Amortisation is calculated by reference to the proportion that production for the period bears to the total of the estimated remaining commercial reserves as at the beginning of the period. Changes in reserves quantities and cost estimates are recognised prospectively.

Impairment

Exploration and evaluation assets are reviewed at each reporting date for indicators of impairment and tested for impairment where such indicators exist such as: whether the licence term has expired or is near expiry and is not expected to be renewed; whether significant expenditures on further exploration and evaluation assets are budgeted or planned: whether the entity has decided to discontinue exploration and evaluation activities due to lack of exploration success; and whether the entity has sufficient data indicating that the book cost is unlikely to be recovered in full from a successful development or from a sale. If the test indicates that the carrying value might not be recoverable the asset is written down to its recoverable amount. Any such impairment arising is recognised in the income statement for the year. In cases where no developed and producing properties exist, the impairment of exploration costs is recognised immediately in the income statement.

Impairment reviews on developed and producing properties are carried out on each cash-generating unit identified in accordance with IAS 36 “Impairment of Assets”. The Group’s cash-generating units are those assets which generate largely independent cash inflows and are normally, but not always, single development areas or fields.

Where there has been a charge for impairment in an earlier period that charge will be reversed in a later period where there has been a change in circumstances to the extent that the discounted future net cash flows are higher than the net book value at the time. In reversing impairment losses, the carrying amount of the asset will be increased to the lower of its original carrying value or the carrying value that would have been determined (net of depletion) had no impairment loss been recognised in prior periods.

1 Statement of Accounting Policies (continued)

Decommissioning costs

Provision is made at the start of the life of the producing asset for the decommissioning of oil and gas wells and other oilfield facilities at the end of the life of the asset. The cost of decommissioning is determined through discounting the amounts expected to be payable to their present value at the date the provision is recorded and is reassessed at each balance sheet date. This amount is included within the developed and producing assets by field and the liability is included in provisions. Such cost is depleted over the life of the field on a unit of production basis and charged to the income statement. The unwind of the discount is reflected as a finance cost in the income statement over the remaining life of the well. Changes in estimates are recognised prospectively, with corresponding adjustments to the provision and the associated asset.

Other property, plant and equipment

Other property, plant and equipment is stated at cost less accumulated depreciation and impairment losses.

Depreciation is calculated to write off the original cost of other property, plant and equipment less its estimated residual value over their expected useful lives on a straight line basis.

The estimated useful lives applied in determining the charge to depreciation are as follows:

Leasehold property	5 years
Plant and equipment	3-5 years
Motor vehicles	5 years

The useful lives and residual values are reassessed annually.

On disposal of other property, plant and equipment, the cost and related accumulated depreciation and impairments are removed from the financial statements and the net amount less any proceeds is taken to the income statement.

The carrying amounts of other property, plant and equipment are reviewed at each balance sheet date to determine whether there is any indication of impairment. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

Subsequent costs are included in an asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the replaced item can be measured reliably. All other repair and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Business combinations

The fair value of the consideration in a business combination are measured as the aggregate of the fair value at the date of exchange of assets given, liabilities incurred or assumed and equity instruments issued in exchange for control. Deferred consideration arising on business combinations is determined through discounting the amounts payable to their fair value at the date of exchange. The discount element is reflected as an interest charge in the income statement over the life of the deferred payment. In the case of a business combination the acquired assets and liabilities are measured at their provisional fair values at the date of acquisition. Adjustments to the provisional fair values of assets and liabilities are made within twelve months of the acquisition date and reflected as a restatement of the acquisition balance sheet.

Goodwill

Goodwill written off to reserves under Irish GAAP prior to 1998 was not reinstated on transition to IFRS and will not be included in determining any subsequent profit or loss on disposal.

Goodwill on acquisitions is initially measured as the fair value of consideration transferred; plus the recognised amount of any non-controlling interests in the acquiree; plus if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

As at the acquisition date, any goodwill acquired is allocated to each of the cash-generating units expected to benefit from the combination's synergies. Impairment is determined by assessing the recoverable amount of the cash-generating unit to which the goodwill relates. Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured on the basis of the relative values of the operation disposed of and the proportion of the cash-generating unit retained.

Financial assets - financial Investments

Investments in equity securities are classified as available for sale and are measured at fair value with changes therein, other than impairment losses, recognised in other comprehensive income. The fair value of investments is their quoted market price at the balance sheet date. When fair values for investments cannot be measured reliably, investments are held at cost. Investments are assessed for potential impairment at each balance sheet date. If any such evidence exists, the impairment loss is recognised in the income statement.

Investments in subsidiary undertakings are stated at cost less provision for impairment in the Company's balance sheet.

Gains and losses arising on disposal of financial assets are credited or charged to the result from operating activities in the income statement.

Cash and cash equivalents

Cash and short term deposits in the balance sheet comprise cash at bank and in hand and short term deposits with an original maturity of three months or less. Bank overdrafts that are repayable on demand and form part of the Group's cash management are included as a component of cash and cash equivalents for the purposes of the statement of cash flows.

1 Statement of Accounting Policies (continued)

Trade and other receivables
Trade receivables, which generally have 30 to 90 day terms, are recognised and carried at original invoice amount less an allowance for any potential shortfall in receipt. An estimate of any shortfall in receipt is made when there is objective evidence that a loss has been incurred. Bad debts are written off when identified. Trade and other receivables which have terms greater than 90 days are initially recognised and carried at the transaction price when the Company or Group becomes party to contractual obligations. Non-current trade receivables are subsequently measured at fair value using the net present value method and any changes in fair value are charged or credited to the income statement.

Provisions
A provision is recognised in the balance sheet when i) the Company or Group has a present legal or constructive obligation as a result of a past event ii) it is probable that an outflow of economic benefits would be required to settle the obligation and iii) a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Inventories
Inventories held represent oilfield equipment and are measured at the lower of cost or net realisable value. Cost includes expenditure in acquiring inventories and other costs of bringing them to their present location and condition.

Segment reporting
An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components.

2 Segmental Information
The Group considers that its operating segments consist of (i) Producing Oil and Gas Properties, (ii) Exploration Activities and (iii) Oilfield Goods and Services. These segments are those that are reviewed regularly by the Chief Executive Officer (Chief Operating Decision Maker) to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. However, the Group further analyses these by region for information purposes. Segment results include items directly attributable to the segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly head office expenses, cash balances and certain other items.

Segmental revenue – continuing operations

	2015 US$'000	2014 US$'000
Region of destination		
Provision of oilfield services		
Africa	**350**	444
Segment profit/(loss) for the financial year		
Africa – exploration activities	**1,192**	(253)
Europe – oilfield goods and services	**-**	(53)
Europe – group costs (1)	**(4,970)**	(5,559)
Discontinued operations	**-**	(1,143)
Total Group loss for the financial year	**(3,778)**	(7,008)
Segment assets		
Africa – oil and gas development properties	**12,405**	13,488
Africa – exploration activities	**81,918**	80,043
Europe – oilfield goods and services	**-**	56
Europe – group assets (2)	**2,663**	4,546
Europe – assets held for sale (3)	**-**	850
Total assets	**96,986**	98,983
Segment liabilities		
Africa – exploration assets	**(3,118)**	(1,961)
Europe – group liabilities (4)	**(8,992)**	(10,545)
Total liabilities	**(12,110)**	(12,506)

Total non-current assets and liabilities by geographical region are set out in Notes 12 and 13 to the financial statements.

(1) Group costs primarily comprise impairment provisions, interest expense on financial liabilities and salary and related costs.
(2) Group assets primarily comprise cash and working capital.
(3) Group assets held for sale consist of non-core assets in Moldova.
(4) Group liabilities primarily comprise loans and borrowings and trade payables and related costs.

2 Segmental Information (continued)

	2015 US$'000	2014 US$'000
Capital expenditure		
Africa – exploration assets	**1,483**	3,684
Africa – producing assets	**269**	196
Europe – Group assets	**4**	28
Europe – producing assets	**-**	1,092
US – producing oil and gas properties (discontinued)	**-**	11
Total capital expenditure	**1,756**	5,011

	2015 US$'000	2014 US$'000
Non-cash items: continuing operations		
Europe: depreciation – Group assets	**15**	9
Reduction in fair value of trade receivables	**968**	-
Interest expense on financial liabilities measured at amortised cost	**1,643**	2,198
Impairment provision against assets held for sale	**850**	622
Impairment provision against exploration and evaluation assets	**353**	-
Impairment provision against available for sale assets	**68**	243

3 Employment

Employment costs charged against the Group operating loss are analysed as follows:

	2015 US$'000	2014 US$'000
Salaries and wages	**1,432**	1,588
Social security costs	**139**	184
Other pension costs	**133**	276
	1,704	2,048
Employment costs capitalised (Note 12)	**(490)**	(477)
Employment costs charged against the Group operating loss	**1,214**	1,571

The Group's average number of employees, including Executive Directors, during the year was:

	2015 US$'000	2014 US$'000
Europe	**9**	10
Tanzania	**6**	6
	15	16

The Company incurs no other employment costs and has no employees.
Directors' emoluments (which are included in administrative expenses) and interests are shown in the Directors' Remuneration Report on pages 24 to 25.

4 Share based payments

Under the terms of the Aminex PLC Executive Share Option Scheme approved by Ordinary Resolution of the shareholders, certain Directors and employees are entitled to subscribe for Ordinary Shares in the Company at the market value on the date of the granting of the options, subject to a maximum aggregate of 10% of the issued Ordinary Share capital. Options are granted at the greater of the nominal value or price equal to the market value at the date of grant and will expire at a date no later than 10 years after their grant date. Options granted to employees generally vest if employees remain in service for 3 years from the date of grant. Directors' options vest immediately.

No options were granted in either the current or the prior year and no expense was recognised in the income statement in either year.

4 Share based payments (continued)

	Number of options	Average exercise price
Outstanding at 1 January 2014	26,615,000	Stg15.3p
Expired	(5,500,000)	Stg17.46p
Outstanding at 1 January 2015	21,115,000	Stg14.75p
Expired	(1,800,000)	Stg8.5p
Outstanding at 31 December 2015	19,315,000	Stg15.33p
Exercisable at 31 December 2015	19,315,000	Stg15.33p
Exercisable at 31 December 2014	21,115,000	Stg14.75p

On 31 December 2015, there were options over 19,315,000 (2014: 21,115,000) Ordinary Shares outstanding which are exercisable at prices ranging from Stg8.5 pence to Stg29.75 pence per share and which expire at various dates up to December 2020. The weighted average remaining contractual life of the options outstanding is 2.77 years (2014: 3.45 years). The weighted average share price for the year ended 31 December 2015 was Stg1.94 pence/€0.0268 (2014: Stg1.31 pence/€0.0137).

5 Loss before tax

The loss before tax from continuing operations has been arrived at after charging the following items:

	2015 US$'000	2014 US$'000
Depreciation of other property, plant and equipment	**15**	9
Auditor's remuneration – audit (i)	**92**	81
Auditor's remuneration – tax advisory services	**12**	11
Auditor's remuneration – non-audit services	**-**	116
Reduction in value of trade receivables	**968**	-
Impairment provision against assets held for sale	**850**	622
Impairment provision against exploration and evaluation assets	**353**	-
Impairment of available for sale equity instruments	**68**	243
Operating lease payments – land and buildings	**200**	209

(i) Audit comprises audit work performed by KPMG Ireland on the consolidated financial statements. In 2015, US$7,000 (2014: US$7,000) of audit fees related to the audit of the Company.

6 Part disposal of property, plant and equipment

On 25 February 2015, the Company completed the disposal of 6.5% of its interest in the Kiliwani North Development Licence to Solo Oil plc for a consideration of US$3.5 million giving rise to a profit on disposal of US$1.77 million as follows:

	2015 US$'000	2014 US$'000
Consideration received	3,500	-
Disposal of property, plant and equipment	(1,352)	-
Finance costs - reversal of decommissioning provision	20	-
Costs of disposal	(66)	-
Capital gains tax arising on disposal	(330)	-
Gain on disposal	**1,772**	-

In April 2016, the Company signed an agreement with Solo Oil plc for the sale in three tranches of an interest up to 3.825% in the Kiliwani North Development Licence for approximately US$2.17 million.

7 Discontinued operations

During the prior year, the Company disposed of its wholly-owned subsidiary Aminex USA, Inc., for which shareholder approval was received on 22 August 2014. The total consideration for the disposal amounted to US$5 million and comprised (i) 24,850,012 shares in Northcote Energy Limited, ('Northcote') an AIM listed oil and gas company, with a fair market value of US$350,000 on the date of completion (22 August 2014), (ii) cash consideration of US$150,000 and (iii) a monthly production payment until a total of US$4,500,000 has been recovered. The share and cash consideration has been received and production payments are expected to commence based on production from March 2016. The Directors have reviewed the timing of anticipated production payments and are satisfied that the net present value of US$1.97 million, using a discount factor of 15%, included in non-current and current assets represents the fair value of future expected production payments resulting in a reduction of US$968,000 in fair value at 31 December 2015. The shares held in Northcote at 31 December 2015 are classified as available for sale assets on the balance sheet (see Note 16).

	2015 US$'000	2014 US$'000
(a) Results of discontinued operation		
Revenue	-	165
Cost of sales	-	(384)
Depletion, depreciation and decommissioning of oil and gas interests	-	(83)
Gross loss	-	(302)
Administrative expenses	-	(167)
Finance costs - decommissioning provision interest charge (see Note 21)	-	(56)
Results from operating activities	-	(525)
Income tax	-	-
Result from operating activities, net of tax	-	(525)
Cost of disposal of discontinued operation	-	(368)
Impairment provision against discontinued operation	-	(250)
Loss for the period attributable to equity holders of the Company	-	(1,143)
Basic and diluted loss per share (cents) - discontinued operation	-	(0.07)
(b) Cash flows from/(used in) discontinued operations		
Net cash from operating activities	-	6
Net cash used in investing activities	-	(11)
Net cash outflow for the period	-	(5)

	2015 US$'000	2014 US$'000
(c) Effect of discontinued operations on the financial position of the Group		
Property, plant and equipment	-	(5,418)
Trade and other receivables	-	(62)
Cash and cash equivalents	-	(15)
Trade and other payables	-	46
Decommissioning provision	-	2,010
Net assets and liabilities	-	(3,439)
Consideration received	-	350
Consideration to be received	-	3,089
Total consideration	-	3,439

8 Finance income

	2015 US$'000	2014 US$'000
Deposit interest income	**3**	11

9 Finance costs

	2015 US$'000	2014 US$'000
Interest expense on financial liabilities measured at amortised cost (see Note 22)	**1,643**	2,198
Other finance costs – decommissioning provision interest charge (see Note 21)	**43**	39
Other finance charges	**-**	2
	1,686	2,239

Included in finance costs for the period is an interest charge of US$1.64 million in respect of the US$8 million corporate loan facility. The charge comprised the remaining charge due on the loan prior to modifications to the loan on 25 June 2015. The modifications related to the extension of the loan repayment period to 31 January 2016 and the grant of additional warrants in accordance with an anti-dilution clause on completion of a share placing. In compliance with IFRS 2, the modifications of the loan terms have given rise to an additional finance charge, including a warrant charge of US$23,000 for the new warrants, and charged on an effective interest rate basis from the date of modification to the repayment date of 31 January 2016. In December 2015, Aminex agreed a further extension to the loan repayment period to 31 July 2016 and additional interest will be charged on an effective interest rate basis in 2016 to the new repayment date of 31 July 2016.

10 Income tax expense

The components of the income tax expense for the years ended 31 December 2015 and 2014 were as follows:

	2015 US$'000	2014 US$'000
Current tax expense:		
Current year	**-**	-
Deferred tax expense:		
Origination and reversal of temporary differences	**-**	-
Total income tax expense for the Group	**-**	-

A reconciliation of the expected tax benefit computed by applying the standard Irish tax rate to the loss before tax to the actual benefit is as follows:

	2015 US$'000	2014 US$'000
Loss before tax	**(3,778)**	(7,008)
Irish standard tax rate	**12.5%**	12.5%
Taxes at the Irish standard rate	**(472)**	(876)
Effect of different tax rates in foreign jurisdiction	**(27)**	(561)
Expenses not deductible for tax purposes	**(582)**	185
Losses forward	**1,081**	1,252
	-	-

The following deferred tax assets have not been recognised in the balance sheet as it is currently considered uncertain that the assets will be realised in the future.

	2015 US$'000	2014 US$'000
Net operating losses	**7,936**	7,203

10 Income tax expense (continued)

The gross amount of unused tax loss carry forwards with their expiry dates is as follows:

	Ireland 2015 US$'000	UK 2015 US$'000	ROW 2015 US$'000	Total 2015 US$'000
One year	-	-	-	-
Two years	-	-	-	-
Three years	-	-	-	-
Four years	-	-	-	-
Five years	-	-	-	-
More than five years	8,715	18,369	2,374	29,458
Total	**8,715**	**18,369**	**2,374**	**29,458**

	Ireland 2014 US$'000	UK 2014 US$'000	ROW 2014 US$'000	Total 2014 US$'000
One year	-	-	-	-
Two years	-	-	-	-
Three years	-	-	-	-
Four years	-	-	-	-
Five years	-	-	-	-
More than five years	7,122	16,403	2,238	25,763
Total	**7,122**	**16,403**	**2,238**	**25,763**

At 31 December 2015, certain of the Irish, UK and Rest of World subsidiary undertakings had net operating losses available to be carried forward for income tax purposes of approximately US$8.7 million, US$18.4 million and US$2.4 million respectively (2014: Ireland US$7.1 million, UK $16.4 million, Rest of World US$2.2 million). These losses can be carried forward indefinitely but may only be offset against taxable profits earned from the same trade or trades.

11 Loss per Ordinary Share

The basic loss per Ordinary Share is calculated using a numerator of the loss for the financial year and a denominator of the weighted average number of Ordinary Shares in issue for the financial year. The diluted loss per Ordinary Share is calculated using a numerator of the loss for the financial year and a denominator of the weighted average number of Ordinary Shares outstanding and adjusting for the effect of all potentially dilutive shares, including share options and share warrants, assuming that they had been converted.

The calculations for the basic loss per share for the years ended 31 December 2015 and 2014 are as follows:

	2015	2014
Loss for the financial year (US$'000)	**(3,778)**	(7,008)
Weighted average number of Ordinary Shares ('000)	**1,934,014**	1,704,114
Basic and diluted loss per Ordinary Share (US cents)	**(0.20)**	(0.41)
Continuing operations (US cents)	**(0.20)**	(0.34)

There is no difference between the basic loss per Ordinary Share and the diluted loss per Ordinary Share for the years ended 31 December 2015 and 2014 as all Ordinary Shares outstanding are anti-dilutive. There were 19,315,000 (2014: 21,115,000) share options issued which are anti-dilutive as at 31 December 2015 and 92,576,455 (2014: 88,176,455) warrants in issue at 31 December 2015 (see Note 26).

12 Exploration and evaluation assets

Group

	Tanzania and Total US$'000
Cost	
At 1 January 2014	79,778
Additions	3,207
Employment costs capitalised	477
At 1 January 2015	83,462
Additions	993
Employment costs capitalised	490
At 31 December 2015	**84,945**
Provisions for impairment	
At 1 January and 31 December	4,728
Increase in provision	353
At 31 December 2015	**5,081**
Net book value	
At 31 December 2015	**79,864**
At 31 December 2014	78,734

The Group does not hold any property, plant and equipment within exploration and evaluation assets.

The Directors have considered the licence, exploration and appraisal costs incurred in respect of its exploration and evaluation assets. These assets are carried at historical cost except for provisions against the Nyuni-1 well, the cost of seismic acquired over relinquished blocks and obsolete stock. These assets have been assessed for impairment and in particular with regard to remaining licence terms, likelihood of renewal, likelihood of further expenditures and ongoing acquired data for each area, as more fully described in the Operations Report. During the year the Tanzanian authorities agreed to the deferral of a two-well commitment on the Nyuni Area PSA, which was due to be completed by the end of October 2015, into the four-year first extension period which expires in October 2019. The Directors have taken into account ongoing negotiations with the Tanzanian authorities over the amendment to existing well commitments under the Ruvuma PSA due for completion by the end of 2016. The Directors are satisfied that there are no further indicators of impairment but recognise that future realisation of these oil and gas assets is dependent on further successful exploration and appraisal activities and the subsequent economic production of hydrocarbon reserves.

Prior to August 2015, Aminex had a 10% beneficial interest in the South Malak-2 well on the West Esh el Mallaha-2 concession in Egypt through its 12.5% shareholding in Aminex Petroleum Egypt Limited. Aminex's interest in this PSC was free-carried by a partner through to first commercial production and the Company therefore had no day-to-day control over the timing of drilling operations. In August 2015, Aminex entered into an agreement to sell its carried interest in the West Esh el Mallaha-2 licence, on which the South Malak-2 gas discovery was made earlier in the year. In order to optimise the Company's commercial interest in the discovery, over which it had no operational control, Aminex agreed to sell its shareholding in Aminex Petroleum Egypt Limited, together with its indirect carried interest, to a fellow shareholder in return for a 1% gross overriding royalty on all sales revenues from the discovery well in excess of US$2.5 million. The carrying value of this asset at 31 December 2015 and 31 December 2014 was US$nil.

13 Property, plant and equipment

Group	Development gas property - Tanzania US$'000	Developed and producing oil and gas - USA US$'000	Other assets US$'000	Total US$'000
Cost				
At 1 January 2014	13,292	21,072	465	34,829
Additions in the year	196	11	28	235
Acquisition of subsidiary	-	-	1,092	1,092
Reclassified as held for sale	-	-	(1,104)	(1,104)
Disposed of during the year	-	(21,083)	(4)	(21,087)
Exchange rate adjustment	-	-	(9)	(9)
At 1 January 2015	13,488	-	468	13,956
Additions in the year	269	-	4	273
Disposed of during the year	(1,352)	-	-	(1,352)
Exchange rate adjustment	-	-	(22)	(22)
At 31 December 2015	**12,405**	**-**	**450**	**12,855**
Depreciation and impairment				
At 1 January 2014	-	15,331	459	15,790
Charge for the year	-	83	9	92
Reclassified as asset held for sale	-	-	(254)	(254)
Impairment provision	-	(15,415)	254	(15,161)
Eliminated on disposal	-	1	(3)	(2)
Exchange rate adjustment	-	-	(19)	(19)
At 1 January 2015	-	-	446	446
Charge for the year	-	-	15	15
Exchange rate adjustment	-	-	(22)	(22)
At 31 December 2015	**-**	**-**	**439**	**439**
Net book value				
At 31 December 2015	**12,405**	**-**	**11**	**12,416**
At 31 December 2014	13,488	-	22	13,510

On acquisition in 2014, the Moldova asset was treated as an addition to property, plant and equipment but subsequently reclassified to assets held for sale. At 31 December 2015, the asset was reclassified to property, plant and equipment at a carrying value of US$nil (see Note 17).

As at 31 December 2015, "Other assets" comprises leasehold property US$5,000 (2014: US$16,000), plant and equipment US$5,000 (2014: US$5,000), and fixtures and fittings US$1,000 (2014: US$1,000).

Property, plant and equipment shown above include assets held under finance leases as follows:

	2015 US$'000	2014 US$'000
Net book value	**-**	-
Depreciation charge for the year	**-**	1

Following the award of the Kiliwani North Development Licence by the Tanzanian Government in April 2011, the carrying cost relating to the development licence was reclassified as a development asset under property, plant and equipment, in line with accounting standards and the Group's accounting policies. Depletion will be charged once the field commences commercial production. The Directors have reviewed the carrying value of the asset at 31 December 2015 based on estimated discounted future cashflows and are satisfied that no impairment has occurred.

During the year, the Company disposed of 6.5% of its interest in the Kiliwani North Development Licence (see Note 6). Since the year end a further disposal of up to 3.825% has been agreed (see Note 32).

During the prior year, the Company disposed of its wholly-owned subsidiary Aminex USA, Inc., including its portfolio of assets which largely consisted of producing oil and gas properties at Shoats Creek and Alta Loma (see Note 7).

14 Investment in subsidiaries and other investments

	2015	2014
	US$'000	US$'000
Company		
At 1 January	**6,603**	6,971
Acquisition of subsidiary undertakings	**-**	1,396
Disposal of subsidiary undertakings	**-**	(1,764)
Impairment of subsidiary undertakings	**(1,396)**	-
At 31 December	**5,207**	6,603

In the prior year the Company acquired the entire share capital of Canyon Oil and Gas Ltd, with a value of US$1.3 million plus associated costs of acquisition. Upon acquisition of Canyon, the Company became the beneficial owner of the partnership agreement between Canyon and Valiexchimp SRL, the operator of the Victorovca and the Valeni licences in the Republic of Moldova. At 31 December 2015, the Directors reviewed the carrying value of the Victorovca and Valeni licences for indicators of impairment, and the asset was considered to be impaired. The Directors consider that it is no longer probable that a sale will complete within twelve months and accordingly the Company's investment in Canyon Oil and Gas Ltd has been fully provided against (see Note 23).

Subsidiary undertakings

As at 31 December 2015 the Company had the following principal subsidiary undertakings, in which the Company held ordinary shares:

	Proportion held by Company	Proportion held by Subsidiary	Country of Incorporation
Oil and Gas Exploration, Development and Production			
Aminex Petroleum Services Limited (1)	100%	-	UK
Tanzoil NL (2)	100%	-	Australia
Ndovu Resources Limited (3)	-	100%	Tanzania
Canyon Oil and Gas Limited (4)	100%	-	British Virgin Islands
Oilfield services			
Amossco Limited (1)	-	100%	UK
Amossco ODS Limited (1)	-	100%	UK
Halyard Offshore Limited (1)	-	100%	UK

Registered offices

1. 7 Gower Street, London WC1E 6HA, UK.
2. 3rd Floor, MPH Building, 23 Barrack Street, Perth, WA 6000, Australia.
3. Plot 431 Mahando Street, Msasani Peninsular, Dar es Salaam, Tanzania.
4. Akara Building, 24 De Castro Street, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands.

15 Amounts due from subsidiary undertakings

Company	US$'000
Cost	
At 1 January 2014	133,494
Advances to subsidiary undertakings	10,594
At 1 January 2015	144,088
Advances written off against provision	(17,030)
Repayments from subsidiary undertakings	(827)
At 31 December 2015	**126,231**
Provisions for impairment	
At 1 January 2014	40,768
Increase in provision	6,945
At 1 January 2015	47,713
Advances written off against provision	(17,030)
Increase in provision	928
At 31 December 2015	**31,611**
Net book value	
At 31 December 2015	**94,620**
At 31 December 2014	96,375

	2015 US$'000	2014 US$'000
Included in non-current assets	**93,960**	95,012
Included in current assets	**660**	1,363
At 31 December	**94,620**	96,375

Included in current assets are loans provided to subsidiary undertakings which are interest free and repayable on demand.

The balance of US$93,960,000 (2014: US$95,012,000) represents loans provided to subsidiary undertakings which are also technically repayable on demand. The Directors do not expect to call for repayment of these loans in the foreseeable future. At the reporting date, following a review of the recoverability of each loan to subsidiaries, a provision of US$928,000 was made against these loans, which were considered to be unlikely to be repaid in full. After taking into account the provisions shown above, the Directors believe the carrying value of these loans to be fully recoverable.

16 Available for sale assets

	Group and Company	
	2015 US$'000	2014 US$'000
At 1 January	**107**	-
Additions in year	**-**	350
Disposed of in year	**(17)**	-
Impairment loss charged to income statement	**(68)**	(243)
At 31 December	**22**	107

In the prior year, as part of the disposal proceeds for the Company's wholly-owned subsidiary Aminex USA, Inc., the Company was granted 24,850,012 shares with a fair market value of US$350,000 in Northcote Energy Limited, an AIM listed oil and gas company (see Note 7). The fair value of this investment has decreased significantly and this decrease in value is considered by the Directors to constitute an impairment of the assets at 31 December 2015. Accordingly, an impairment of US$68,000 has been expensed in the income statement. During the year, the Company disposed of 4,000,000 shares in Northcote for a net consideration of US$10,000 resulting in a loss on disposal of US$7,000.

17 Assets held for sale

In the prior year, the Company acquired the entire share capital of Canyon Oil and Gas Limited ('Canyon') for a consideration of 80,000,000 Ordinary Shares with a value of US$1.33 million. Upon acquisition of Canyon, the Company became the beneficial owner of the partnership agreement between Canyon and Valiexchimp SRL, the operator of the Victorovca and Valeni licences in the Republic of Moldova. The Directors do not consider the assets in Moldova to be core to the business of the Group and have no plans to drill any new wells under the agreement. At 31 December 2014 a sale of the asset within twelve months was considered probable. No sale took place during 2015 and at 31 December 2015, the Directors reviewed the carrying value of the Victorovca and Valeni licences for indicators of impairment, and the asset was considered to be impaired and the carrying value written down from US$850,000 to US$nil to reflect current market conditions. The Directors consider that it is no longer probable that a sale will complete within twelve months and accordingly the asset has been reclassified as property, plant and equipment.

18 Trade and other receivables

	Group		Company	
	2015 US$'000	2014 US$'000	**2015 US$'000**	2014 US$'000
Current				
Trade receivables	**32**	13	**-**	-
Amounts due from partners in jointly controlled operations	**152**	-	**-**	-
VAT recoverable	**19**	58	**-**	-
Withholding tax recoverable	**175**	175	**-**	-
Other receivables	**92**	826	**30**	288
Prepayments and accrued income	**136**	145	**22**	25
	606	1,217	**52**	313

All amounts fall due within one year.

	Group and Company	
	2015 US$'000	2014 US$'000
Non-current		
Other receivables	**1,950**	2,800

Non-current trade and other receivables that fall due after one year relate to part of the consideration arising from disposal of Aminex USA, Inc. (see Note 7) and comprise a production payment per barrel until a total of US$4.5 million has been recovered. The first production payments are to commence based on production in 2016. The Directors have reviewed the timing of anticipated production payments and are satisfied that the net present value of US$1,971,000 (2014: US$2,938,000), using a discount factor of 15% (2014: 10%), represents the fair value of future expected production payments. An amount of US$21,000 is considered receivable within one year and US$1.95 million is receivable after one year.

19 Cash and cash equivalents

	Group		Company	
	2015 US$'000	2014 US$'000	**2015 US$'000**	2014 US$'000
Cash at bank and in hand	**2,128**	1,765	**429**	617

Included in cash and cash equivalents is an amount of US$304,000 (2014: US$10,000) held on behalf of partners in jointly controlled operations.

20 Trade and other payables

	Group		Company	
	2015 US$'000	2014 US$'000	**2015 US$'000**	2014 US$'000
Trade payables	**579**	273	**8**	6
Amounts due to partners in jointly controlled operations	**-**	95	**-**	-
Overseas employment-related taxes	**41**	52	**-**	-
Other payables	**222**	18	**-**	-
Accruals	**2,261**	1,425	**45**	45
	3,103	1,863	**53**	51

21 Provisions – decommissioning

Group	**US$'000**
At 1 January 2014	2,340
Discount unwound in the year - continuing operations	39
Discount unwound in the year - discontinued operations (see Note 7)	56
Release from decommissioning provision on disposal of property, plant and equipment	(2,010)
At 1 January 2015	425
Discount unwound in the year - continuing operations (see Note 9)	43
Reversal of decommissioning provision (see Note 6)	(20)
At 31 December 2015	**448**

	2015 US$'000	2014 US$'000
Non-current	**448**	425
Total decommissioning provision	**448**	425

Decommissioning costs are expected to be incurred over the remaining lives of the fields, which are estimated to be between 2021 and 2028. The provision for decommissioning is reviewed annually and at 31 December 2014 and 2015 relates to wells in Tanzania. The provision has been calculated assuming industry established oilfield decommissioning techniques and technology at current prices and is discounted at 10% per annum, reflecting the associated risk profile.

22 Loans and borrowings

	Group		Company	
	2015 US$'000	2014 US$'000	**2015 US$'000**	2014 US$'000
Secured loan (including accrued finance costs)	**8,559**	10,218	**8,559**	10,218
Comprising:				
Current liabilities	**8,559**	10,218	**8,559**	10,218

In June 2015, the Company agreed with the lender, a fund managed by Argo Capital Management (Cyprus) Ltd, for an extension of the repayment period from 31 July 2015 to 31 January 2016. In December 2015, the Company agreed a further extension of the loan to 31 July 2016. The loan facility, originally agreed in January 2013, initially carried a 12.5% coupon for the period which increased to 15% from 1 July 2013 and a repayment premium which is 20% of the loan. The loan is secured by fixed charges over certain of the Group's subsidiary companies and a floating charge over the Group's assets.

The Group made repayments of interest and capital amounting to US$3.28 million during the period with the balance due at 31 December 2015 amounting to US$8.56 million.

Finance costs have been calculated using the effective interest rate method, based on management's best estimate of expected cash flows arising from the interest, redemption premium and principal repayments in addition to the charge associated with the warrants. An amount of US$1.64 million (2014: US$2.20 million) has been charged to the Group Income Statement in respect of this (see Note 9).

23 Acquisition of a subsidiary

During the prior year the Group acquired 100% of the shares in Canyon Oil and Gas Limited ('Canyon') (see Note 17 for further details). In the period from acquisition to 31 December 2014, Canyon contributed a loss of US$51,000. Prior to acquisition Canyon had accumulated retained losses of US$350,000. Consideration comprised 80 million Ordinary Shares in Aminex PLC and was valued at US$1.33 million based on the price at which the shares were issued as part of the placing on 24 February 2014. Costs of US$138,000 were incurred in respect of legal and professional fees.

The identifiable assets acquired and liabilities assumed were as follows:

	US$'000
Property, plant and equipment	1,092
Cash	93
Loans and borrowings	(222)
Total identifiable assets	**963**

The Directors considered the carrying value of the net assets acquired at the acquisition date and determined this equated to fair value. Goodwill arising on the acquisition, amounting to US$368,000, was included in the impairment charge of US$622,000 in the prior year. At 31 December 2014 a sale of the asset within twelve months was considered probable. No sale took place during 2015 and at 31 December 2015, the Directors reviewed the carrying value of the Victorovca and Valeni licences for indicators of impairment, and the asset was considered to be impaired and the carrying value written down from US$850,000 to US$nil to reflect current market conditions.

24 Financial instruments and risk management

Group

Financial Risk Management

The Group's financial instruments comprise available for sale financial assets, non-current trade and other receivables, non-current investments, working capital and cash and liquid resources. The main purpose of these financial instruments is to raise finance for the Group's operations.

The Group may from time to time enter into derivative transactions to minimise its exposure to interest rate fluctuations, foreign currency exchange rates and movements in oil and gas prices. There were no derivatives held at 31 December 2015 or 31 December 2014.

The Group does not undertake any trading activity in financial instruments. Policies for managing these risks are summarised as follows:

a) Liquidity/interest rate risk

The Group finances its operations through a mixture of shareholders' funds, loans and borrowings and working capital. Board approval is required for all new borrowing facilities. During 2013 the Company secured a loan facility of US$8 million, which was applied to addressing the Group's working capital. Under the terms of the loan facility, the Company was initially obliged to repay the loan before 31 July 2015. In June 2015, the terms of the loan facility were renegotiated with the repayment date extended to 31 January 2016, then in December 2015 the repayment date was extended to 31 July 2016.

b) Commodity risk

The requirement for hedging instruments is kept under ongoing review. During the year, the Group did not enter into any hedging transactions.

c) Foreign currency risk

The Group reports in US dollars, which is the currency of a large proportion of its trading income. The risk is managed wherever possible by matching foreign currency income and expenditures.

Fair value

The accounting classification for each class of the Group's financial assets and financial liabilities, together with their associated fair values, is set out below. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Loans and receivables 2015 US$'000	Liabilities at amortised cost 2015 US$'000	Total carrying amount 2015 US$'000	Fair value 2015 US$'000
Financial assets measured at fair value (level 3):				
Non-current trade and other receivables	1,950	-	1,950	1,950
Other financial assets and financial liabilities				
Available for sale assets	22	-	22	-
Current trade and other receivables	606	-	606	-
Cash and cash equivalents	2,128	-	2,128	-
Loans and borrowings	-	(8,559)	(8,559)	-
Trade payables	-	(579)	(579)	-
Other payables	-	(263)	(263)	-
Accruals	-	(2,261)	(2,261)	-

	Loans and receivables 2014 US$'000	Liabilities at amortised cost 2014 US$'000	Total carrying amount 2014 US$'000	Fair value 2014 US$'000
Financial assets measured at fair value (level 3):				
Non-current trade and other receivables	2,800	-	2,800	2,800
Other financial assets and financial liabilities				
Available for sale assets	107	-	107	-
Assets held for sale	850	-	850	-
Current trade and other receivables	1,217	-	1,217	-
Cash and cash equivalents	1,765	-	1,765	-
Loans and borrowings	-	(10,218)	(10,218)	-
Trade payables	-	(273)	(273)	-
Other payables	-	(165)	(165)	-
Accruals	-	(1,425)	(1,425)	-

24 Financial instruments and risk management (continued)

Sensitivity analysis

An increase/decrease in the discount rate of 1% decreases/increases the fair value of production payments receivable classified as non-current trade and other receivables. The resulting impact on the loss for the period is an increase/decrease of US$102,000/US$96,000 respectively.

A delay in production of one year decreases the fair value of production payments receivable and increases the loss for the period by US$32,000.

Estimation of fair values

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted prices (unadjusted) in active markets for identical assets;

Level 2: other techniques for which all inputs have a significant effect on the recorded fair value are observable either directly or indirectly; or

Level 3: techniques which use inputs that are not based on observable market data.

In the Group and Company balance sheets trade and other receivables includes amounts comprising a production payment to a maximum of US$4,500,000 receivable as part consideration for the disposal of Aminex USA, Inc. in the prior year. These receivables have been calculated using a net present value technique.

Set out below are the major methods and assumptions used in estimating the fair values of the financial assets and liabilities set out in the table above.

Available for sale assets

Where the market value of other investments is available, the fair values are determined using the bid market price without deduction of any transaction costs. Where the market value of other investments is not available, the fair values are determined based on the expected future cash flows at current interest rates and exchange rates.

Amounts due from/(to) partners in joint operations

The amounts receivable from/payable to partners in jointly controlled operations are expected to be settled within less than six months and so the carrying value is deemed to reflect fair value.

Trade and other receivables/payables and accruals

For the receivables and payables with a remaining maturity of less than six months or demand balances, the contractual amount payable less impairment provisions, where necessary, is deemed to reflect fair value. For long term receivables greater than one year the contractual amount has been discounted to reflect fair value.

Cash and cash equivalents including short-term deposits

For short-term deposits and cash and cash equivalents, all of which have a remaining maturity of less than three months, the nominal value is deemed to reflect the fair value.

Loans and borrowings

Loans and borrowings relate to third party loan facilities. For loans and borrowings with a remaining maturity of less than one year, the contractual amount payable is deemed to reflect the fair value. For long term payables greater than one year the contractual amount has been discounted to reflect fair value.

Risk exposures

The Group's operations expose it to various financial risks that include credit risk, liquidity risk and market risk. The Group has a risk management programme in place which seeks to limit the impact of these risks on the financial performance of the Group and it is the policy to manage these risks in a non-speculative manner.

This note presents information about the Group's exposure to each of the above risks, and the Group's objectives, policies and processes for measuring and managing the risk.

Credit risk

Credit risk to customers and to jointly operated activities arises on the outstanding receivables and outstanding cash calls due, as well as cash and cash equivalents, deposits with banks and outstanding production payments.

The carrying value of the Group's various financial assets, as presented within the fair value table set out on page 52, represents the Group's maximum credit risk exposure.

Trade and other receivables

The Group's exposure to credit risk is influenced by the individual characteristics of each customer. For trade receivables, credit checks are performed on new customers and appropriate payment terms are agreed with customers. There is no concentration of credit risk by dependence on individual customers. Trade receivables are monitored by review of the aged debtor reports by company.

24 Financial instruments and risk management (continued)

The maximum exposure to credit risk for trade and other receivables at the balance sheet date by geographic region was as follows:

	2015	2014
	US$'000	US$'000
US – current receivables	**21**	138
US – non-current receivables	**1,950**	2,800
Africa	**11**	13
	1,981	2,951

At 31 December 2015 there was a bad debt provision against trade receivables of US$15,000 (2014: US$15,000).

Amounts due from partners in joint operations

The Group assesses the creditworthiness of potential parties before entering into agreements with them and continues to monitor their creditworthiness. The aggregate of the amount due from partners in jointly controlled operations is considered to be current and receivable with no provisions required.

Other receivables

Included in other receivables is VAT recoverable from the national governments in UK and Tanzania. The Group considers the balance will be fully recovered in 2016.

Cash and short-term deposits

Cash and short-term deposits are invested mainly through the Group's bankers and short-term deposits are treasury deposits of less than one month.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure as far as possible that it has sufficient liquidity to meet its liabilities as they fall due. The Group manages liquidity risk by monitoring rolling forecasts of expected cash flows against actual cash flows. In 2013 the Company secured a loan facility of US$8 million, which was applied to addressing the Group's working capital. During the year the terms of the loan facility were renegotiated on two occasions and the repayment date extended to 31 July 2016. Additionally, the Group raised US$2.45 million net of expenses, through the issue of new Ordinary Shares. During the prior year the Company disposed of its wholly owned subsidiary Aminex USA Inc. for a total consideration with an estimated net present value of US$2.45 million (see Note 7).

In February 2015, Aminex completed the sale of 6.5% of the Kiliwani North Development Licence to Solo Oil plc ('Solo') for US$3.5 million (see Note 6). In April 2016, Aminex signed an agreement with Solo Oil plc for the sale in three tranches of an interest of up to 3.825% in the Kiliwani North Development Licence for approximately US$2.17 million.

The following are the contractual maturities of the financial liabilities including estimated interest payments and excluding the impact of netting agreements:

	Carrying amount 2015 US$'000	Contractual cashflows 2015 US$'000	6 months 2015 US$'000	6-12 months 2015 US$'000	1-2 years 2015 US$'000	2-5 years 2015 US$'000	More than 5 years 2015 US$'000
Loan facility	8,559	9,359	686	8,673	-	-	-
Trade payables	579	579	579	-	-	-	-
Other payables	263	263	263	-	-	-	-
Accruals	2,261	2,261	2,261	-	-	-	-
	11,662	**12,462**	**3,789**	**8,673**	**-**	**-**	**-**

	Carrying amount 2014 US$'000	Contractual cashflows 2014 US$'000	6 months 2014 US$'000	6-12 months 2014 US$'000	1-2 years 2014 US$'000	2-5 years 2014 US$'000	More than 5 years 2014 US$'000
Finance lease liabilities	10,218	10,218	-	10,218	-	-	-
Trade payables	273	273	273	-	-	-	-
Other payables	165	165	165	-	-	-	-
Accruals	1,425	1,425	1,425	-	-	-	-
	12,081	12,081	1,863	10,218	-	-	-

The Group's borrowings at 31 December 2015 and 2014 relate to a US$8 million loan facility with a fund managed by Argo Management (Cyprus) Ltd (see Note 22).

24 Financial instruments and risk management (continued)

Market risk

Market risk is the risk that changes in the market prices and indices will affect the Group's income or the value of its holdings of financial instruments. The Group has four principal types of market risk being commodity prices, equity price risk, foreign currency exchange rates and interest rates.

Commodity price risk. The requirement for hedging instruments is kept under ongoing review. During the year, the Group did not enter into any commodity hedging transactions. General oil and gas commodity strategies are commented on in the Financial Review and the Operations Report.

Equity price risk. Equity price risk arises in respect of assets which are available for sale as equity securities. Any equity securities are usually held for strategic reasons by the Group. The primary goal of the Group's investment strategy is to maximise investment returns in order to meet the specific objectives of the Group.

Foreign currency risk. The Group reports in US dollars, which is the currency of a large proportion of its trading income. The risk is managed wherever possible by matching foreign currency income and expenditures.

Interest rate risk. The Group's exposure to interest rate risk arises from cash and cash equivalents and borrowings. The Group has a loan facility for US$8 million with an interest rate of 15%.

The Group's exposure to transactional foreign currency risk, for amounts included in trade and other receivables, cash and cash equivalents and trade and other payables (as shown on the balance sheet), is as follows:

	2015 Sterling US$'000	2015 Euro US$'000	2015 US dollars US$'000	2014 Sterling US$'000	2014 Euro US$'000	2014 US dollars US$'000
Cash and cash equivalents	**501**	**13**	**35**	602	2	60
Trade payables	**-**	**(6)**	**-**	-	(7)	-
	501	**7**	**35**	602	5	60

Sensitivity analysis

A 15% strengthening or weakening in the value of sterling or the euro against the US dollar, based on the outstanding financial assets and liabilities at 31 December 2015 (2014: 15%), would have the following impact on the income statement. This analysis assumes that all other variables, in particular interest rates, remain constant.

	15% increase 2015 US$'000	15% decrease 2015 US$'000	15% increase 2014 US$'000	15% decrease 2014 US$'000
Cash and cash equivalents	**75**	**(75)**	99	(99)
Trade payables	**(1)**	**1**	(1)	1
	74	**(74)**	98	(98)
Tax impact	**-**	**-**	-	-
After tax	**74**	**(74)**	98	(98)

The Group finances its operations through a mixture of shareholders' funds, loans and borrowings and working capital. Board approval is required for all new borrowing facilities. The Group has a loan facility with a fund managed by Argo Capital Management (Cyprus) Limited at year end. There are no bank borrowings or overdraft facilities at year end. The Group's liquid resources were held in current accounts at the year end.

The interest rate profile of the Group's interest bearing financial instruments at 31 December 2015 was as follows:

	Fixed rate 2015 US$'000	Floating rate 2015 US$'000	Total 2015 US$'000	Fixed rate 2014 US$'000	Floating rate 2014 US$'000	Total 2014 US$'000
Cash and cash equivalents	-	2,128	2,128	-	1,765	1,765
Loan facility	(8,559)	-	(8,559)	(10,218)	-	(10,218)
	(8,559)	**2,128**	**(6,431)**	**(10,218)**	**1,765**	**(8,453)**

24 Financial instruments and risk management (continued)

Cash flow sensitivity analysis

An increase or decrease of 500 basis points in interest rates at the reporting date would have had the following effect on the income statement. This analysis assumes all other variables, in particular foreign currency, remain constant.

	500 bps increase profit 2015 US$'000	500 bps decrease profit 2015 US$'000	500 bps increase profit 2014 US$'000	500 bps decrease profit 2014 US$'000
Cash and cash equivalents	**106**	**-**	88	-
Tax impact	**-**	**-**	-	-
After tax	**106**	**-**	88	-

The Group only has a fixed rate loan facility at 31 December 2015. As there are no variable rate loans, there is no potential impact to profit from a change in interest rates.

Company

The Company's approach to the management of financial risk is as set out under the Group disclosures above.

The accounting classification for each class of the Company's financial assets and financial liabilities, together with their fair values, is as follows:

	Loans and receivables 2015 US$'000	Liabilities at amortised cost 2015 US$'000	Total carrying amount 2015 US$'000	Fair value 2015 US$'000
Financial assets measured at fair value (level 3):				
Non-current trade and other receivables	1,950	-	1,950	1,950
Other financial assets and financial liabilities				
Available for sale assets	22	-	22	-
Current trade and other receivables	52	-	52	-
Amounts due from subsidiary undertakings	94,620	-	94,620	-
Cash and cash equivalents	429	-	429	-
Loans and borrowings	-	(8,559)	(8,559)	-
Trade payables	-	(8)	(8)	-
Accruals	-	(45)	(45)	-

	Loans and receivables 2014 US$'000	Liabilities at amortised cost 2014 US$'000	Total carrying amount 2014 US$'000	Fair value 2014 US$'000
Financial assets measured at fair value (level 3):				
Non-current trade and other receivables	2,800	-	2,800	2,800
Other financial assets and financial liabilities				
Available for sale assets	107	-	107	-
Current trade and other receivables	313	-	313	-
Amounts due from subsidiary undertakings	96,375	-	96,375	-
Cash and cash equivalents	617	-	617	-
Loans and borrowings	-	(10,218)	(10,218)	-
Trade payables	-	(6)	(6)	-
Accruals	-	(45)	(45)	-

Estimation of fair values

Amounts due from subsidiary companies

The amounts due from subsidiary companies are technically repayable on demand and so the carrying value is deemed to reflect fair value.

The estimation of other fair values are the same, where appropriate, as for the Group as set out in above.

Risk exposures

The Company's operations expose it to the risks as set out in (a) above.

This note presents information about the Company's exposure to credit risk, liquidity risk and market risk, the Company's objectives, policies and processes for measuring and managing risk. Unless stated, the policy and process for measuring risk in the Company is the same as outlined for the Group above.

24 Financial instruments and risk management (continued)

Credit risk

The carrying value of financial assets, net of impairment provisions, represents the Company's maximum exposure at the balance sheet date.

At the balance sheet date, the Directors have reviewed the carrying value of the amounts due from subsidiary companies for indicators of impairment and these were found and their carrying value written down by US$0.9 million (2014: US$6.9 million). The Directors are satisfied that no further impairment is considered to have occurred. The recoverability of the amounts due from subsidiary companies is linked to the impairment of exploration and production assets. If the value of any of the Group's exploration or production assets became impaired, then provision is made by the Company against relevant amounts due from subsidiary companies.

Liquidity risk

The liquidity risk for the Company is similar to that for the Group as set out in (a) above. Contractual cash flows on trade payables, borrowings and accruals amounting to US$53,000 (2014: US$51,000) fall due within six months of the balance sheet date. Borrowings of US$8.6 million are repayable within 7 to 12 months of the balance sheet date (2014: US$10.2 million). The Directors have given careful consideration to the Company's and the Group's ability to continue as a going concern.

Market risk

The market risk for the Company is similar to that for the Group as set out in (a) above.
The Company's exposure to transactional foreign currency risk is as follows:

	2015 Sterling US$'000	2015 Euro US$'000	2014 Sterling US$'000	2014 Euro US$'000
Trade payables	**-**	**6**	50	68

Sensitivity analysis

A 15% strengthening or weakening in the value of sterling or the euro against the US dollar (2014: 15%), based on the outstanding financial assets and liabilities at 31 December 2015, would have no material impact on the income statement in the current or prior years. This analysis assumes that all other variables, in particular interest rates, remain constant.

The interest rate risk of the Company is similar to that of the Group as shown in (a) above. The interest rate profile of the Company's interest bearing financial instruments at 31 December 2015 was as follows:

	Fixed rate 2015 US$'000	Floating rate 2015 US$'000	Total 2015 US$'000	Fixed rate 2014 US$'000	Floating rate 2014 US$'000	Total 2014 US$'000
Cash and cash equivalents	**-**	**429**	**429**	-	617	617
Secured loan	**(8,559)**	**-**	**(8,559)**	(10,218)	-	(10,218)
	(8,559)	**429**	**(8,130)**	(10,218)	617	(9,601)

Cash flow sensitivity analysis

An increase or decrease of 500 basis points in interest rates at the reporting date would have had the following effect on the income statement. This analysis assumes all other variables, in particular foreign currency, remain constant.

	500 bps increase 2015 US$'000	500 bps decrease 2015 US$'000	500 bps increase 2014 US$'000	500 bps decrease 2014 US$'000
Cash and cash equivalents	**21**	**-**	31	-
Tax impact	**-**	**-**	-	-
After tax	**21**	**-**	31	-

25 Issued capital

Authorised	Number	Value €
Ordinary Shares of €0.001 each:	3,000,000,000	3,000,000
Deferred shares of €0.059 each:	1,000,000,000	59,000,000
At 1 January and at 31 December 2015	**4,000,000,000**	**62,000,000**

On 25 June 2015, the Group issued 88,000,000 Ordinary Shares for cash, increasing share capital by US$0.10 million. The premium arising amounted to US$2.53 million.

Allotted, called up and fully paid	Number	€	US$
Ordinary Shares of €0.001 each:	1,888,205,480	18,888,205	2,557,921
Deferred shares of €0.059 each:	818,658,421	43,300,847	64,535,665
At 31 December 2014	2,706,863,901	50,189,052	67,093,586
Issued during 2015	88,000,000	88,000	98,481
At 31 December 2015	**2,794,863,901**	**50,277,052**	**67,192,067**

26 Share warrant reserve

During the year the Company increased its issued share capital, and the lender was granted an additional 4,400,000 warrants in line with the terms of the financing agreement. The fair value of warrants granted was US$23,000. During the prior year, the Company granted 30,287,500 warrants to its stockbroker, Shore Capital Stockbrokers Limited, as consideration for services provided in the placing dated 24 February 2014 at a price of £0.01. The fair value of warrants granted in accordance with the provision was US$211,000. These warrants were exercised on 23 September 2014.

The fair values of warrants granted in each year were calculated using the following inputs into the Black Scholes model:

Date of grant	25 June 2015	24 February 2014
Contractual life	2.01 years	3 years
Exercise price	£0.01	£0.01
Number of warrants granted or deemed granted (vesting period variable)	4,400,000	30,287,500
Expected volatility	60%	60%
Vesting conditions – weighted average vesting period	Immediately	Immediately
Fair value per option	£0.0033	£0.0042
Expected dividend yield	nil	nil
Risk-free rate	0%	0.33%

27 Loss for the financial year

The loss for the financial year arises as follows:

	2015 **US$'000**	2014 US$'000
In Aminex PLC - loss	**(5,348)**	(8,616)
In subsidiary companies - profit	**1,570**	1,608
	(3,778)	(7,008)

The individual financial statements of the Company ("Company Financial Statements") have been prepared and approved by the Directors in accordance with EU IFRSs and as applied in accordance with the Companies Act, 2014, which permit a company that publishes its company and group financial statements together, to take advantage of the exemption in Section 304 of the Companies Act 2014 from presenting to its members its Company income statement and related notes that form part of the approved company financial statements. Of the consolidated loss after taxation, a loss of US$5,348,000 (2014: loss US$8,616,000) is dealt with in the Company income statement of Aminex PLC.

28 Commitments, guarantees and contingent liabilities

Commitments exploration activity

In accordance with the relevant Production Sharing Agreements, Aminex has a commitment to contribute its share of the following outstanding work programmes:

(a) On the Nyuni Area PSA, Tanzania: to acquire 800 kilometres of 2D seismic, 200 kilometres of which shall be acquired in the transition zone and to drill two wells by the end of the initial work period ended October 2015. 147 km of the transition commitment was acquired in 2012. In February 2015 the Tanzanian authorities agreed to the deferral of the two well drilling commitment into the four-year First Extension Period which will expire in October 2019. Aminex has requested the deferral of the seismic acquisition commitment into the First Extension Period. It has applied for the extension of the licence into the First Extension Period, which included a proposal for blocks to be relinquished in accordance with the Tanzania Petroleum Act 2015. These matters are awaiting formal approval by the Tanzanian authorities.

(b) On the Ruvuma PSA, Tanzania: the PSA has entered the second and final extension period. In January 2014, a Variation Addendum to the PSA was signed so that the commitment to drill two exploration wells in the previous period could be incorporated into the current work period. Four exploration wells are required to be drilled by December 2016. In addition to the exploration wells, an appraisal well is planned to be drilled as part of the appraisal work programme for the Ntorya Prospect. Aminex has identified two drilling locations at Ntorya and the first well is planned to be spudded later in 2016.

Commitments under operating leases are as follows:

	Land and buildings		Other	
Group	**2015 US$'000**	2014 US$'000	**2015 US$'000**	2014 US$'000
Operating leases which expire:				
Within one year	**64**	179	**-**	-
In two to five years	**-**	64	**-**	-
	64	243	**-**	-

The Company does not have any other operating lease commitments.

Guarantees

(a) Kiliwani North Development Licence. Under the terms of the Variation Addendum to the Ruvuma PSA, Ndovu Resources Limited has provided security to the Tanzania Petroleum Development Corporation for up to 15% of the Kiliwani North Development Licence to guarantee the amended four-well drilling commitment under the Ruvuma PSA. For each well drilled the security interest will be reduced by 3% for the first well and 4% thereafter.

(b) Loan facility. In January 2013, Aminex was granted a loan facility for the principal amount of US$8 million by a fund managed by Argo Capital Management (Cyprus) Limited. The loan was fully drawn down during the year ended 31 December 2013. The loan is secured by fixed charges over certain of the Group's subsidiary companies and a floating charge over the Group's assets.

(c) The Company occasionally guarantees certain liabilities and commitments of subsidiary companies. These are considered to be insurance arrangements and are accounted for as such i.e. they are treated as a contingent liability until such time as it becomes probable that the Company will be required to make payment under the guarantee in which case a liability is recognised.

29 Pension arrangements

The Group contributes towards the cost of certain individual employee defined contribution pension plans. Annual contributions are based upon a percentage of gross annual salary. Pension contributions, which are charged to the Group income statement as incurred, amounted to US$133,000 for 2015 (2014: US$276,000).

30 Analysis of net (debt)/funds

Group	At 1 January 2015 US$'000	Cash flow US$'000	**At 31 December 2015 US$'000**
Cash at bank	1,765	363	**2,128**
Secured loan	(10,218)	1,659	**(8,559)**
Total	(8,453)	2,022	**(6,431)**

	At 1 January 2014 US$'000	Cash flow US$'000	At 31 December 2014 US$'000
Cash at bank	166	1,599	1,765
Finance leases	(32)	32	-
Secured loan	(9,693)	(525)	(10,218)
Total	(9,559)	1,106	(8,453)

At 31 December 2015 the Group had net debt of US$6,431,000 (2014: US$8,453,000). The net debt at 31 December 2015 was wholly comprised of cash at bank and the secured loan. In the prior year net debt included a finance lease of US$32,000 relating to Aminex USA, Inc. disposed of during the prior year.

31 Related party transactions

The Company entered into the following transactions with its subsidiary companies:

	2015 US$'000	2014 US$'000
Transactions during the year		
Interest receivable from subsidiary undertakings	-	-
Balances at 31 December		
Amounts owed by subsidiary undertakings	**94,620**	96,375

Details of loans advanced to subsidiary undertakings during the year are set out in Note 15.

Remuneration of key management personnel

The remuneration of the Directors, who are the key management personnel of the Group, is set out below. Information about the remuneration of each Director is shown in the Remuneration Report on pages 24 to 25.

	2015 US$'000	2014 US$'000
Short-term employee benefits	**727**	831
Pension contributions	**106**	236
	833	1,067

During the course of the year, the Group entered into the following related party transactions: for fees amounting to US$31,000 (2014: $11,000) which were paid to Upstream Solutions Limited, a company connected with Mr. T. Mackay. In the prior year the Group entered into the following related party transactions (i) consultancy fees were paid to Blixtra Limited, a company connected with Mr. J.C. Bhattacherjee amounting to US$54,000 (ii) fees were paid to Storm Petroleum Limited, a company connected with former director, Mr. D.S. Hooker, amounting to US$26,000, (iii) corporate advisory fees of US$205,000 were paid to Edmond de Rothschild Securities (UK) Limited, of which Mr. A.N.J. Hay is a director, (iv) consultancy fees were paid to Mr. W.A.P. Thompson amounting to US$74,000 prior to his appointment as a director.

32 Post balance sheet events

In January 2016, Aminex, through its wholly-owned subsidiary company Ndovu Resources Limited, entered into the Kiliwani North Gas Sales Agreement with an effective date of 31 December 2015. In April 2016, the Kiliwani North-1 well commenced production for the commissioning and testing of the new Songo Songo gas processing plant and it is anticipated that the commercial operations from the well will start by the end of June 2016.

In April 2016, the Company signed an agreement with Solo Oil plc for the sale of a further interest up to 3.825% in the Kiliwani North Development Licence for a cash consideration of US$2.17 million payable in three instalments.

33 Critical accounting policies, use of estimates and judgment

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The Directors believe that the Group's critical judgments, which are those that require management's most subjective and complex judgments, are those described below. These critical accounting judgments and other uncertainties affecting application of the Group's accounting policies and the sensitivity of reported results to changes in conditions and assumptions, are factors to be considered in reviewing the Financial Statements.

The Directors consider the critical judgments in applying accounting policies to be related to the ability of the Group to continue as a going concern, valuation of exploration and evaluation assets and the depletion and decommissioning costs of property, plant and equipment. The Directors are required to estimate the expected remaining useful life of the oil and gas producing assets, the future capital expenditure required to recover oil and gas reserves and the future prices of oil and gas in assessing these balances. Future revisions to these estimates and their underlying assumptions could arise from results of drilling activity, movements in oil and gas prices and cost inflation in the industry. Further details are set out in Notes 12 and 13 to these financial statements. The Directors are required to consider the Group's ability to continue as a going concern. Further details are set out in the basis of preparation within the accounting policies set out in Note 1.

34 Approval of financial statements

These financial statements were approved by the Board of Directors on 15 April 2016.

Registrars and Advisers

Registrars	Computershare Investor Services (Ireland) Limited Heron House, Corrig Road Sandyford Industrial Estate, Dublin 18	
	Telephone number for Irish shareholders:	01 247 5697
	Telephone number for UK shareholders:	00353 1 247 5697
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Telephone sharedealing	Computershare provides a telephone sharedealing service for Irish and UK registered shareholders. For more information please call:	
	Telephone number for Irish shareholders:	01 447 5435
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Auditor	KPMG, Chartered Accountants	Dublin
Bankers	Bank of Ireland	Dublin
Solicitors	Ashurst	London
	Byrne Wallace	Dublin
Stockbrokers	Davy Stockbrokers Limited	Dublin
	Shore Capital Stockbrokers Limited	London

Glossary of terms used

PSA or PSC:	Production Sharing Agreement or Contract
MCF:	Thousands of cubic feet of natural gas
BCF:	Billions of cubic feet of natural gas
TCF:	Trillions of cubic feet of natural gas
BBLS:	Barrels of oil
BOE	Barrels of oil equivalent
MBBL	Thousands of barrels of oil
MBOE	Thousands of barrels of oil equivalent
BOPD:	Barrels of oil per day
BOED:	Barrels of oil equivalent per day
MM(s)cfd	Millions of (standard) cubic feet per day of natural gas
Pmean:	The average (mean) probability of occurrence
P90:	90% probability of occurrence
P50:	50% probability of occurrence
P10:	10% probability of occurrence
Contingent Resources:	Discovered sub-commercial resources
Prospective Resources:	Undiscovered resources mapped with seismic
JOA:	Joint Operating Agreement

Principal operating companies

Registered Office:
Aminex PLC
6 Northbrook Road
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Ireland

Group Support & Services:
Aminex Petroleum Services Ltd.
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Fax: +44 (0)20 7636 9667
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Tanzanian Operations:
Ndovu Resources Limited
PO Box 105589, Mahondo Road
Msasani Peninsular
Dar es Salam, Tanzania

Senior Personnel

Thierry Murcia Country Manager, Tanzania
Thierry Murcia has spent his career in commercial management and administration, primarily in Western Australia. Prior to joining Aminex and relocating to Tanzania, he worked for BP in various commercial and administrative capacities. Prior to BP he was an executive with Caltex Australia. Thierry Murcia holds an MBA from The University of Western Australia. He is currently resident in Dar es Salaam where he has day-to-day responsibilities for all Aminex's activities in Tanzania. Thierry Murcia is the Honorary Consul for Australia in Tanzania.

Ambassador I. Chialo Resident Director, Ndovu Resources Limited, Dar es Salaam
Ambassador Chialo retired from a distinguished career in the Tanzanian Diplomatic Service where he was latterly Tanzania's Ambassador to Japan and surrounding nations in the region. He is Resident Director of the group's Tanzanian operating subsidiary Ndovu Resources Ltd. and the former Chairman of the Oil & Gas Association of Tanzania ('OGAT'), an organisation which represents the rapidly-expanding interests of oil companies with government.

Prosper Victus General Manager, Ndovu Resources Limited, Dar es Salaam
Prosper Victus was an Assistant Commissioner for Energy responsible for Petroleum and Gas in the Ministry of Energy and Minerals between 1992 and 2013. His primary functions included the regulation of the petroleum sub-sector with particular emphasis on the promotion of investment, licencing and to advise on policy instruments for regulation of the industry. As Head of the Petroleum Section of the Energy Department, he participated in negotiating Production Sharing Agreements with International Oil Companies. Among his other professional appointments, he has served as chairman of the East African Petroleum Conference, the National Fertilizer and Agricultural Chemicals Committee under the Prime Minister's Office, the National Engineering Company Ltd. and BP (T) Ltd. He has also served as a director on the Boards of the Tanzania Petroleum Development Corporation and the National Environmental Management Council. Prosper Victus is a registered engineer and holds a degree from the University of Dar es Salaam and a Masters from the University of Melbourne, Australia.