annual report & accounts 2014

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Chairman's Statement

Dear Shareholder,

Herewith are Aminex PLC's ("Aminex") results for the year ended 31 December 2014. The Group made a loss for the financial year of $7.01 million (2013: $17.28 million).

Early in 2014 Aminex completed an equity raising of approximately $15 million before expenses which strengthened its balance sheet and enabled it to advance its projects in Tanzania. In conjunction with equity raising, Aminex agreed the delay in the repayment of its $8 million corporate debt until 31 July 2015 as detailed in the Financial Review section on pages 4 to 8. In the latter part of the year it agreed a sale of part of its interest in the Kiliwani North gas field and this has been completed since the year end. The proceeds are being used to retire a portion of its corporate debt which will de-gear the balance sheet. Also during the year, the Company achieved its previously stated objective of selling its remaining US properties and in doing so eliminating its exposure to the oil price which has fallen materially since then.

Further 2D seismic was acquired on the Ruvuma PSA during the year which has high graded the prospectivity of the area. Partners are being sought to accelerate development activity on the Ruvuma acreage in order to provide gas into the country's new pipeline infrastructure which is due to be completed and commissioned in the first half of 2015. In the Nyuni Area, a technical review has led Aminex and partners to favour exploration in the deep water part of the licence where drilling success rates are in excess of 90%.

In 2015 Aminex will become an African producer of natural gas for the first time when Kiliwani North comes on stream after delays which have been outside the Company's control. Kiliwani North will be connected to the main infrastructure via a sales line from the Kiliwani North wellhead at no further cost to the joint venture partners other than the supply and installation of a metering unit. The Kiliwani North Gas Sales Agreement is expected to be completed once it has passed the regulatory process and prior to any gas being delivered.

The last quarter of 2014 was a difficult time for our industry as crude prices fell beyond most people's expectations. Apart from the effects of negative sentiment in the markets, however, Aminex has not been badly affected by this new oil price environment which is highly unlikely to change the prices which it expects to obtain for its Tanzanian gas. Nevertheless, the Company has prudently undertaken a round of cost cutting measures.

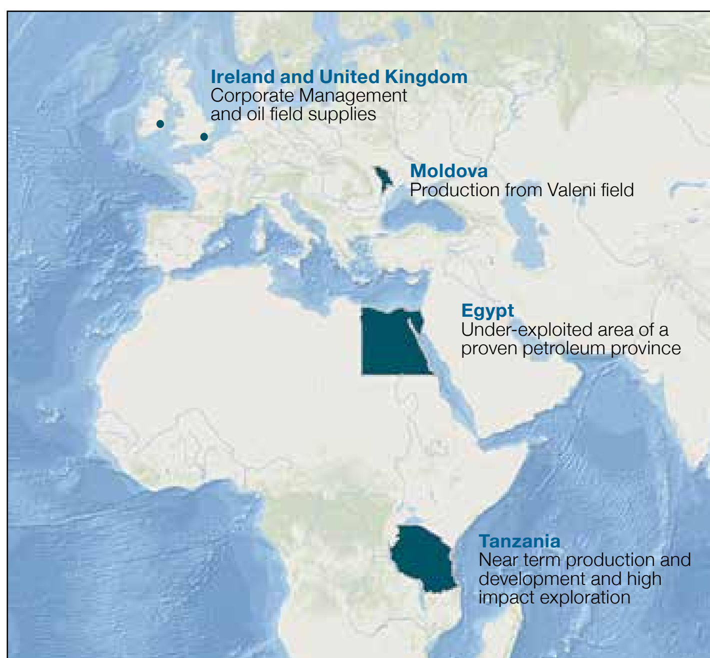
During the year, the composition of the Board has changed with the appointment of Jay Bhattacherjee, Philip Thompson and Max Williams in March 2014 as Executive Directors. Around that time Mike Rego left the Company to take up an overseas appointment. In the second half of the year, David Hooker and Derek Tughan retired as Non-Executive Directors after long and valuable service to the Company. On behalf of the Board I would like to thank all the departing directors most warmly for their contributions. We were pleased to welcome Tom Mackay to the Board as a Non-Executive Director last September. Tom is a highly experienced oil industry professional, both technically and commercially, and we will be asking shareholders to approve his appointment at the forthcoming Annual General Meeting. As a consequence of director retirements, Andrew Hay has been appointed Senior Non-Executive Director and Keith Phair has been appointed Chairman of the Audit Committee.

I would like to thank shareholders for staying with us in turbulent times and for supporting our new management team as we move into a new phase of becoming an African gas producer. We look forward to seeing as many of you as possible at the Annual General Meeting in Dublin on 20 May 2015.

Yours sincerely,

Brian Hall
Chairman

Aminex at a glance



Chief Executive's Review

Highlights

During the year:

- $15 million equity raised (before expenses)
- New seismic in the Ruvuma Basin which high graded drill targets
- Regional gas pipeline completed with sales line to Kiliwani North being connected
- Part sale of Kiliwani North reduces corporate debt
- US assets divested
- Nyuni Area deep water potential reassessed
- Provisional agreement to sell Moldova interest
- Technical team strengthened
- Ongoing restructuring and cost monitoring

Looking ahead:

- 2015 will be the year when Aminex begins to reap rewards after a decade of exploration and development in Tanzania
- In a difficult market favourable opportunities may present themselves and the Company is actively engaged in looking for production and development led opportunities

Aminex will shortly 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 being developed by the Tanzania Petroleum Development Corporation ('TPDC') was under construction throughout 2014 and is expected to be ready to receive commissioning gas in the first half of 2015. There is still work to do but the lion's share is complete and finalisation is in sight. The pipeline provides a commercialisation route for Kiliwani North gas and opens up the future commercialisation of the Company's Ntorya discovery and any other discoveries made in the Company's onshore Ruvuma Basin acreage.

Kiliwani North is expected to produce initially at a rate of 20 MMcfd through a new processing plant currently being constructed by the TPDC on Songo-Songo Island. The Company will sell gas directly at wellhead which will entail minimal operating costs and no liability to finance sales lines or for ongoing pipeline transportation tariffs. A Gas Sales Agreement has been negotiated and is passing through government approval stages. The agreement is part of a larger commercial transaction with neighbouring producers who will use the same facilities. The Company is aware of shareholder frustration surrounding the delays in finalising the agreement and appreciates the patience shown.

During 2014 the Company completed a new seismic acquisition programme in the vicinity of its Ntorya-1 discovery well on the Ruvuma PSA acreage. The programme was designed to identify the channel fairway associated with the Tertiary and Cretaceous reservoirs where the Ntorya-1 well tested gas at 20 MMcfd with 139 barrels of associated condensate. The seismic programme was completed on time and within budget. Based on management interpretations a resource increase from 1.3 TCF to 2.3 TCF was determined. 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 first to focus efforts 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 gas discovered can be commercialised through the new pipeline.

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

United States

In 2014 the Company completed its US disposal programme through selling Aminex USA, Inc., the main assets of which were the Shoats Creek field, Louisiana, and Alta Loma field, Texas, to Northcote Energy Ltd. and Springer Oil & Gas LLC. The Company is now focused on developing its production-led business in Africa.

Egypt

At the West Esh el Mallaha-2 ('WEEM-2') concession in Egypt, the Company holds a free-carried 10% interest. The South Malak-2 well was drilled in 2014 and was declared a discovery well in February 2015 by the Ministry of Petroleum in Egypt. Further progress on the concession is subject to the submission of a field development plan. In view of Aminex's carried position and the funding partner's cumulative costs which will need to be recovered, on receipt of the proposed field development plan Aminex will review the economic benefits which would accrue to the Company and act accordingly.

Moldova

In line with its Africa-focused strategy the Company has reached a provisional agreement to dispose of its interests in Moldova. Company has a Partnership Agreement with a local Operator and no further capital expenditures are planned in the country.

Evaluation of new opportunities

Throughout the period, the Company's management and technical team has been evaluating and analysing new business opportunities with the aim of creating a larger and stronger base for its activities in Africa, balancing risk against opportunity.

Looking Forward

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. This is a very promising time for the Company, with a line of sight to first commercial production from Kiliwani North and ongoing appraisal of the Ntorya discovery.

Jay Bhattacherjee
Chief Executive

Financial Review

Financing and future operations

After successfully completing a $15 million fundraising in February 2014, Aminex achieved its targets to acquire, process and interpret additional 2D seismic over the Ruvuma acreage in Tanzania, dispose of its US assets and, with the successful completion of a partial disposal in the Kiliwani North Development Licence ('KNDL') for $3.5 million in February 2015, materially reduce its indebtedness.

The $15 million fundraising, before expenses, comprised a placing, an open offer to existing shareholders and the support of certain creditors agreeing to convert amounts owed to new Ordinary Shares in Aminex. This was supplemented later in the year with the conversion of other debts to equity and the exercise of warrants. The Company also negotiated, through the continued support of the lender, an extension to the repayment date for the $8 million corporate loan to no later than 31 July 2015. The partial disposal of 6.5% of the Kiliwani North Development Licence for a consideration of $3.5 million in February 2015 has enabled the Company to reduce the corporate loan materially since the year-end.

◆ Ntorya-1 Drilling

The new 2D seismic acquired over Ruvuma enabled management to increase its estimates of resources over the Ntorya and Likonde prospects to 2.3 TCF and to identify at least four drillable locations to assist with the development of the Ntorya appraisal area. While discussions continue with a small number of potential farmees for the Ruvuma PSA, Aminex and its joint venture partner will also consider drilling the Ntorya-2 well based on the new interpreted seismic without a farm-out. Other appraisal, development and exploration targets are currently under review.

Production from the KNDL remains scheduled to commence in the first half of 2015. The gas infrastructure being constructed by the Tanzanian government is complete for all practical purposes and the commissioning phase should start during the first half of 2015. The KNDL joint venture anticipates minimal further capital outlay, limited to the acquisition and installation of a gas metering unit. All other facilities are being constructed and funded by the Tanzania Petroleum Development Corporation ('TPDC'). There have been delays in the finalisation of the Gas Sales Agreement ('GSA') due to regulatory procedures in Tanzania. The GSA will be signed prior to any commercial production. The agreement for a disposal of 6.5% of the KNDL since the year end gives the purchaser an option to acquire a further 6.5% for $3.5 million within thirty days of the GSA being signed. Although Aminex's interest in the KNDL would be reduced to 52%, the exercise of this option would enable further substantial corporate debt repayment prior to the final repayment date of 31 July 2015.

The Directors are seeking to concentrate the Company's resources on achieving high value for shareholders. The Company has been reducing costs and commitments by implementing a strategy of disposing of non-core assets. On 22 August 2014, Aminex received the approval of shareholders

◆ Ruvuma processing plant

for the disposal of the Group's subsidiary company, Aminex USA, Inc. The consideration comprised cash of $150,000 and shares with a value of $350,000 in Northcote Energy Limited, an AIM-listed company, without any lock up restrictions, together with monthly production payments of $10 per barrel based on production from 1 January 2015 up to a maximum of $4.5 million. The Directors are also looking to dispose of other non-core assets.

Although the Company has reduced its cost base to reflect current market conditions, it has strengthened its technical team and will develop the team further as circumstances allow.

During 2015, Aminex will continue to seek alternative financing options to enable the further reduction and full repayment of the corporate loan or if necessary a refinancing solution. The Company looks forward to the first commercial revenues from Kiliwani North and is currently planning the drilling of Ntorya-2 in the Ruvuma Basin. Following the formal agreement for deferral of a two well commitment into the next work period on the Nyuni Area PSA, the Company and its partners plan to acquire 3D seismic over the outboard sector of that PSA where potential deep water leads have been identified.

Revenue Producing Operations

The US oil and gas properties have been accounted for during the period as discontinued operations to reflect their disposal, following shareholder approval at an Extraordinary General Meeting held on 22 August 2014. The results for the comparative period have been restated accordingly.

Revenues for continuing operations arise from oilfield services, comprising the provision of technical and administrative services to joint venture operations and sales of equipment to third parties. For the current period revenues were $444,000 (2013: $724,000 restated). Cost of sales was $412,000 (2013: $516,000 restated). The gross profit for the period was $32,000 (2013: $208,000 restated).

Group administrative expenses, net of costs capitalised against projects, were $2.80 million (2013: $2.59 million restated). The increase was due to one-off payroll costs, part of which related to the senior management remuneration conditional on the successful completion of the fundraising in February 2014, and consultancy fees. These were off-set by management's continuing review of services received and the implementation of cost savings throughout the Group which has led to a reduction in the monthly overhead, while available resources are focused on technical and operational capability. The Group's resulting net loss from operating activities was $3.64 million (2013: $2.50 million restated).

Finance costs reflects an interest charge of $2.24 million (2013: $4.42 million restated), which mainly consists of the charge for the corporate loan, the basis of the charge having been adjusted at the end of February 2014 for the extension of the repayment date to 31 July 2015 and for a re-calculation of the exercise price of warrants granted to the lender. The charge also includes the unwinding of the discount on the decommissioning provision and bank interest.

◆ Processing plant

The results for the US operations are disclosed as discontinued operations. The loss on discontinued operations for the current period was $1.14 million after transaction costs (2013: $10.35 million restated).

The Group's net loss for the period amounted to $7.01 million (2013: $17.28 million).

Balance sheet

The Group's investment in exploration and evaluation assets increased from $75.1 million at 31 December 2013 to $78.7 million at 31 December 2014 as a result of 2D seismic acquisition, processing and interpretation on the Ruvuma PSA and general ongoing licence costs. After review, the Directors have concluded that there is no impairment to these assets, which include the cost of the Ntorya-1 gas discovery. Following the disposal of the US assets, the carrying value of property, plant and equipment has decreased from $19.0 million at 31 December 2013 to $13.5 million at 31 December 2014, which represents the carrying value of the Kiliwani North field and the net book value of the Group's plant and equipment. Non-current assets also include the fair value of the production payments up to a maximum of $4.5 million due from future production on the US assets sold during the year and the fair value of an investment in an AIM-listed company, Northcote Energy Limited, which was received as part-consideration on the sale of the US assets. Current assets include assets held for sale of US$0.85 million comprising the fair value of the Moldova assets. The Directors consider that the Moldova assets are non-core and they are expected to be sold within the short-term. After review, the Directors concluded that the carrying value of the Moldova assets remains impaired but consider the provision of $0.62 million made at the half-year to be adequate. Other current assets comprise trade and other receivables of $1.22 million and cash and cash equivalents of $1.77 million.

Under current liabilities, loans and borrowings relating to the corporate loan (see commentary under Going Concern Review) have increased from $9.7 million at 31 December 2013 to $10.2 million at 31 December 2014: the increase reflects an additional loan charge for the year of $2.2 million, an additional transfer of $0.5 million to the share warrant reserve and interest paid of $1.2 million. Trade payables amount to $1.9 million (2013: $7.2 million). The decommissioning provision, current and non-current, has decreased to $0.4 million (2013: $2.3 million) after the disposal of decommissioning liabilities on US properties on the sale of Aminex USA, Inc. and now relates only to liabilities in Tanzania. Total equity has increased by $9.0 million between 31 December 2013 and 31 December 2014 to $86.5 million. The movement comprises the net increase in issued capital and share premium of $15.5 million arising mainly from the fundraising in February and an increase in the share warrant reserve of $0.5 million. The foreign currency translation reserve remains in line with the previous year and the loss of $7.0 million for the year under review has increased the retained loss to $80.1 million.

Cash Flows

The net increase in cash and cash equivalents for the year ended 31 December 2014 was $1.60 million compared with a net decrease of $0.33 million for the comparative period. The Company raised net proceeds of $12.7 million received on the issue of new equity through a placing and open offer in February 2014 and on the exercise of certain warrants in September 2014. Net cash outflows from operating activities amounted to $3.45 million (2013: net inflows $0.8 million) after interest payments of $1.2 million (2013: $0.2 million). Expenditure on exploration and evaluation assets in 2014 amounted to $7.1 million, relating mainly to new 2D seismic acquired on the Ruvuma PSA acreage, together with the related cost of processing and interpretation, as well as continuing licence costs and the settlement of liabilities carried forward from 2013. Expenditure on property, plant and equipment of $0.2 million mainly related to licence costs and settlement of 2013 liabilities on the KNDL.

◆ Kiliwani North tie-in

Ruvuma processing plant

After transaction costs of $0.4 million for the disposal of the US properties and offsetting interest received and loan repayments, the cash balance at 31 December 2014 totalled $1.8 million (31 December 2013: $0.2 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 2014, the Group reached agreement with Argo Capital Management (Cyprus) Limited, representing the provider of an $8 million loan facility (the 'Argo Loan') (see Note 21), to extend the scheduled repayment date of this loan to the end of July 2015. Based on current cash flow projections, the Group will not be in a position to repay the balance of the loan, (estimated to be approximately $7.8 million including interest and redemption premium and after actual and expected capital repayments since 31 December 2014), in full on the due date or meet its operational and capital expenditure planned for 2015 and 2016.

However the Directors have taken into account that in February 2015 the Group completed the partial sale of its interest in the Kiliwani North Development Licence, selling 6.5% for $3.5 million, of which Aminex applied net proceeds of $3.3 million to pay down the Argo Loan. Under the terms of the Asset Sale Agreement, the purchaser has an option to acquire a further 6.5% for consideration of $3.5 million: the option period is for thirty days following the signing of a Gas Sales Agreement for Kiliwani North gas by Aminex's subsidiary company, Ndovu Resources Limited. While the additional sale of 6.5% in the Kiliwani North Development Licence remains at the purchaser's option, the Directors have a reasonable expectation of the option being taken up and the consideration received prior to the Argo Loan repayment date of 31 July 2015 and therefore being able to pay down an amount of approximately $3.3 million from net proceeds of the second sale. The Directors are in discussions regarding the amendment of the terms of the Argo Loan, including the potential extension of the repayment period to enable the balance of the loan to be repaid from revenues from Kiliwani North expected to start being received in the second half of 2015. The Directors are also in discussions with third parties to seek a re-financing of the Argo Loan. The Directors are also 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.

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. 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.

Principal Risks and Uncertainties

This review has been compiled solely to comply with the requirements of the Irish Companies Acts and should not be relied upon for any other purpose.

Aminex's Group activities are carried out in many parts of the world, in particular East Africa and North Africa. The Company carries out periodic reviews to identify risk factors which might affect its business and financial performance. Although the summary set out below is not exhaustive as it is not possible to identify every risk that could affect the business, the Company considers the following to be the principal risks and uncertainties:

Exploration risk – Exploration and development activities may be delayed or adversely affected by factors outside the Company's control, in particular: climatic and oceanographic conditions; performance of joint venture partners; performance of suppliers and exposure to rapid cost increases; availability, delays or failures in installing and commissioning plant and equipment; unknown geological conditions resulting in dry or uneconomic wells; remoteness of location; actions of host governments or other regulatory authorities (relating to, inter alia, the grant, maintenance, changes or renewal of any required authorisations, environmental regulations – in particular in relation to plugging and abandonment of wells, or changes in law).

Production risks – Operational activities may be delayed or adversely affected by factors outside the Company's control, in particular: 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 drilling and operational costs; uncertainty of oil and gas resource estimates; production, marketing and transportation conditions; actions of host governments or other regulatory authorities.

Commodity prices – the demand for, and price of, oil and gas is dependent on global and local supply and demand, weather conditions, availability of alternative fuels, actions of governments or cartels and general global economic and political developments.

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, other expenditures (in particular for our central administrative costs) are made in local currencies (as is the Company's recent equity funding), thus creating currency exposure.

Political risks – as a consequence of its activities in different parts of the world, Aminex may be subject to political, economic and other uncertainties, including but not limited to terrorism, military repression, war or other unrest, nationalisation or expropriation of property, changes in national laws and energy policies and exposure to less developed legal systems.

Finance risks – arising from uncertain factors detailed in the basis of preparation relating to the Company as a going concern.

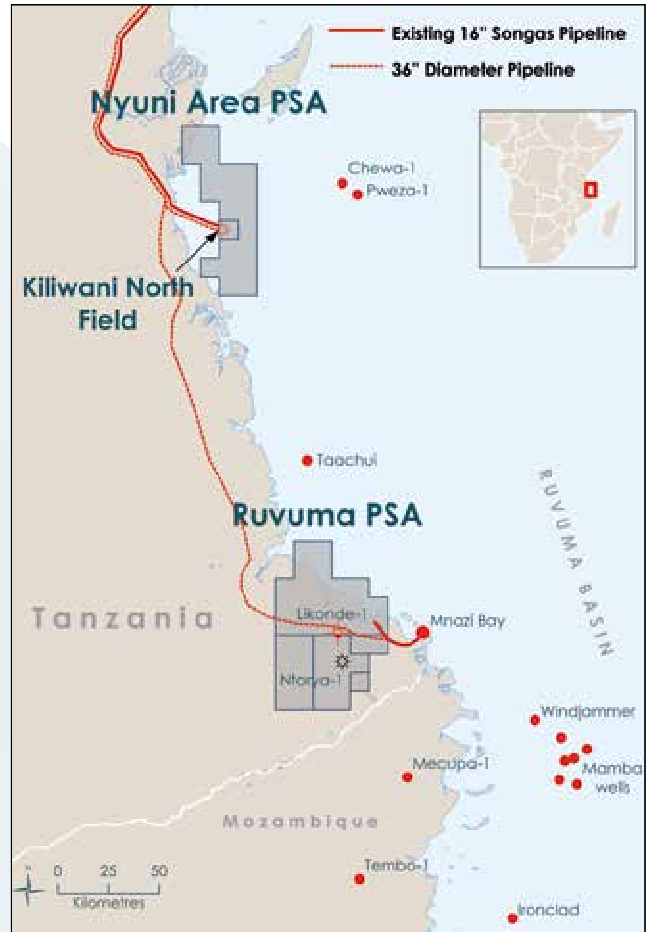
Financial risk management policies and objectives are set out in Note 23 to these financial statements.

Max Williams
Finance Director

◆ New Songo-Songo processing plant

Operations Report

◆ Ntorya-1 well test



TANZANIA

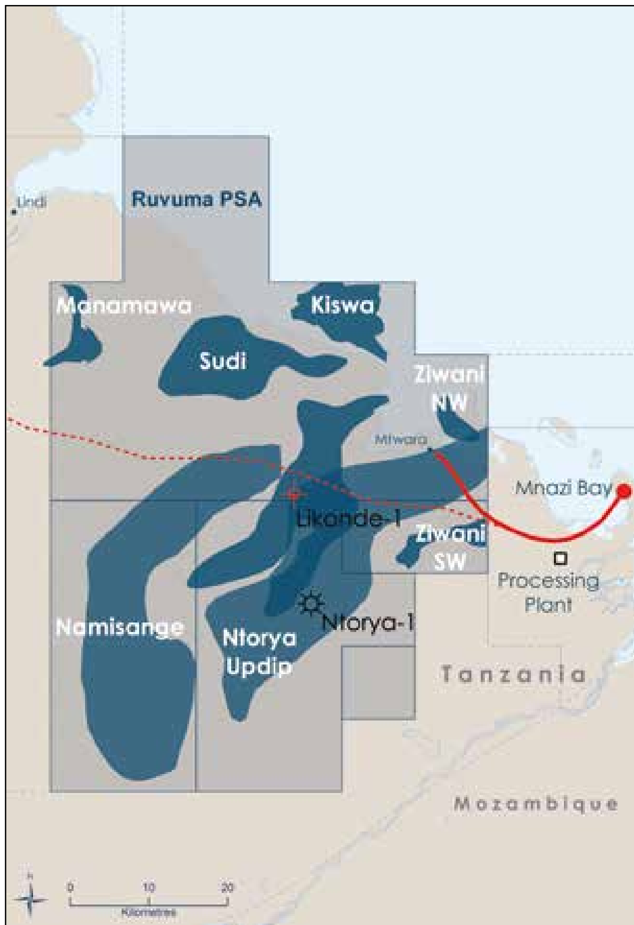
Kiliwani North Development Licence – Near-term production

	At 31 December 2014	At date of report
Aminex (operator)	65%	58.5%
RAK Gas Commission	25%	25%
Bounty Oil	10%	10%
Solo Oil plc	-	6.5%

Aminex expects first production from the Kiliwani North field during the current half year. This will start with the supply of gas to pressure-test the new sales pipeline and gas plant. Revenue gas will commence flowing shortly thereafter. The construction of the major new regional gas pipeline system in Tanzania, from the south-east corner of the Ruvuma Basin, close to the border with Mozambique, to Dar es Salaam, is complete and commissioning is expected during the first half of 2015. The new facilities are within easy reach of Aminex's Kiliwani North and Ntorya discoveries in Tanzania, making gas production on and close to shore in Tanzania commercially viable.

◆ Ntorya-1

Negotiations on a Gas Sales Agreement ('GSA') remain subject to continuing delays as the draft agreement passes through various Tanzanian governmental reviews but Aminex expects the GSA to be completed and signed in the near future, with satisfactory payment protection terms in place and prior to first production from the Kiliwani North field. The Tanzanian government's newly installed 540 km 36" diameter pipeline will provide ample delivery capability for Kiliwani North gas and a new treatment plant on Songo-Songo Island is located less than 2km from Kiliwani North. TPDC's contractors have constructed a sales line from the Kiliwani North wellhead to the nearby processing plant at their cost and Kiliwani North gas will be sold at wellhead through a metering unit which the Company is installing at minimal cost to the joint venture. The price that the Company will receive will be net at wellhead and not subject to any pipeline tariff or processing cost. Kiliwani North-1 has been production-tested at 40 MMscfd but production is expected to commence at 20 MMscfd (approximately 3,500 BOED) from the field in order to manage depletion most effectively. The Company believes that this level of production can be maintained for 36 months and then declined in a manner best suited to maximising the life of the reservoir. After a partial disposal of Kiliwani North to Solo Oil plc, completed in February 2015, Aminex's wholly-owned subsidiary Ndovu Resources Limited ('Ndovu') has a 58.5% working interest and is the operator of the field.



Ruvuma PSA – Onshore Appraisal and Exploration

Aminex	75% (operator)
Solo Oil plc	25%

An appraisal licence (or "Location") has been 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 to select drill locations over the key Likonde and Namisange prospects. The Ntorya-1 well, drilled in 2012, discovered a gross 25-metre sandstone interval and, based on the new 2014 seismic, Aminex estimates 1.9 TCF Pmean gas in-place gas resource for the Cenomanian sandstone reservoir. The Ntorya-1 well flowed over 20 million cubic feet per day on a 1" choke (equivalent to over 3,000 BOPD) and produced 139 barrels of 53° API associated condensate, believed by the Company to be the largest volume of liquid hydrocarbons tested to date in the Ruvuma Basin, onshore or offshore. The Ntorya-2 appraisal well, planned to be drilled in 2015, will target the primary Cenomanian and the secondary Tertiary reservoir intervals. It will test a total of 2.3 TCF Pmean estimated gas in-place.

Prior to Ntorya-1, the Company and its partners drilled Likonde-1 in 2010 which identified a 250-metre reservoir section with strong indications of migrated liquid hydrocarbons and which encountered source gas at depth. The new seismic data has identified two new drill locations updip of Likonde-1 and an additional well location over the Namisange prospect aimed at unlocking the potential of that part of the PSA area.

Drilling is scheduled to begin in the second half of 2015 to appraise the Ntorya discovery subject to available finance. The new regional gas pipeline will provide ample delivery capability for gas from the expected development of Ntorya and probably for any subsequent discoveries which the Company may make in the Ruvuma basin. The main pipeline will pass within 12 km of the Ntorya-1 discovery well.

Exploration drilling is planned over key prospects prior to the termination of the PSA in December 2016 when the remainder of the exploration acreage, outside designated appraisal, development or production licences, is due to be relinquished.

Nyuni Area PSA – Onshore, Shelf and Deepwater Exploration

Aminex	70% (operator)
RAK Gas Commission	25%
Bounty Oil	5%

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 ready to produce.

With its partners, the Company's focus has now moved from the shelf to the deep water, highly prospective outboard sector of the PSA where 3D seismic is planned,

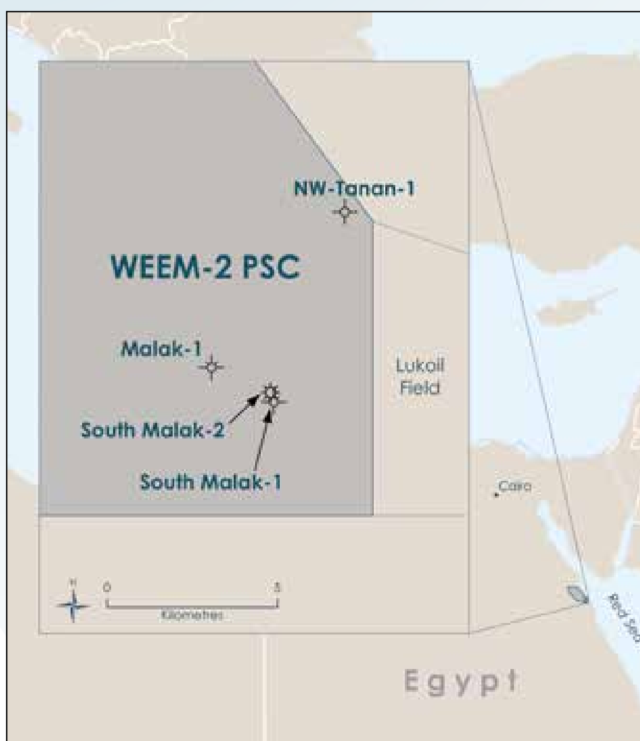
for which a variation of the work commitment and an extension to the current work period has recently been approved by the TPDC. Aminex has identified the key Pande West lead on 2D seismic in the deep water, eastern part of the PSA acreage and expects to find more prospects on the basis of a new 3D seismic programme. The drilling success rate from 3D seismic in the deeper water east of the continental shelf is very high due to the quality of the petroleum system in this basin. Aminex is currently reviewing appropriate seismic vessel options operating in the close vicinity, so as to minimise mobilisation/demobilisation costs, to acquire 3D seismic data over this area. Lower oil prices are currently impacting seismic costs, which should provide further cost savings on the acquisition programme. As the Company's initial focus is primarily on the Ruvuma PSA acreage and development of the Ntorya discovery, the Company is unlikely to be in a position to drill an expensive deep water well in the Nyuni Area in the foreseeable future without introducing a larger company as farm-in partner.

EGYPT – Onshore Exploration

Gulf of Suez – West Esh el Mellaha-2 PSC ('WEEM-2')

Aminex Petroleum Egypt Ltd	80%
Triumph Energy Group	20%

Aminex has a 10% beneficial interest in this PSC through its 12.5% shareholding in Aminex Petroleum Egypt Limited. Aminex's interest in this PSC is free-carried by a partner through to first commercial production and the Company therefore has no day-to-day control over the timing of drilling operations. Three wells were drilled prior to 2014, of which one tested oil in non-commercial quantities. Activity was restricted due to political issues in Egypt and a change of control of Aminex Petroleum Egypt Limited's ultimate parent company. The Egyptian authorities extended the second period of the WEEM-2 PSC to facilitate completion of a delayed drilling programme and Aminex was notified in September 2014 that the South Malak-2 ('SM-2') well had been spudded. In February 2015 the SM-2 well was declared a discovery well by the Ministry of Petroleum in Egypt. Tests showed production flow rates of approximately 430 barrels per day of 40° API crude. Based on the success of SM-2, a full field development programme will be presented to the Egyptian Authorities and partners prior to commercial development. Once the full development plan has been presented and in view of the Company's carried interest which will generate income only after the funding partners have recovered their cumulative investment, Aminex will assess the economic benefit of this discovery to the Company and act accordingly.



◆ Storage tanks

MOLDOVA - Production

Following the acquisition of Canyon Oil & Gas Limited in February 2014, Aminex has 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. Since signing the agreement and prior to its acquisition by Aminex, Canyon drilled two wells. As the Board considers the Moldovan assets not to be core to Aminex's business, no further wells are currently planned and the Company has reached provisional agreement to dispose of its interest.

OILFIELD SUPPLY & LOGISTICS

During the year, Aminex ceased to supply equipment through its service division, AMOSSCO, as part of the process of reducing costs and concentrating on core exploration and production assets. The Group will continue to provide technical and administrative support to Aminex's operated joint ventures.

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 continous 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, (69) (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. In December 2011 Mr. Hall retired from an executive role in the Company and in February 2012 was co-opted on to the Audit and Remuneration committees. In January 2013, he was asked to resume the role of Executive Chairman as an interim appointment following the departure of the Company's recently appointed CEO. Mr. Hall stepped down from his memberships of the Audit and Remuneration Committees during the period in which he had been exercising executive responsibilities. Mr. Hall has now reverted to a non-executive role 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, (37) (Canada)

Executive Director, Chief Executive Officer

Jay Bhattacherjee, a reservoir engineer, has 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, (55) (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), a European unconventional gas focused company with interests in Poland and Spain. Between listing on AIM in 2007 and Mr. Thompson leaving the company in 2011, San Leon's market capitalisation grew to £275 million. He expanded San Leon, with original assets in Morocco and Italy, into an unconventional European shale gas leader. 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, (51) (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, (63) (UK)

Non-Executive Director *#

Andrew Hay has spent his career in investment banking in London and New York. Since 1999 he has been Head of Corporate Finance at Edmond de Rothschild Securities (UK) Ltd., the London arm of the 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, (60) (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, (57) (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

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 2014.

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 13 to the financial statements. Principal areas of activity are East Africa and North Africa.

Results and dividends

As set out in the Group Income Statement on page 29, the Group loss after tax amounted to US$7.01 million which compares with a loss after tax of US$17.28 million for 2013. No dividends were paid during the year.

Share capital

At 31 December 2014, 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 1,888,205,480 and 818,658,421 respectively (2013: 818,658,421 Ordinary Shares of €0.06 each). The Company's authorised share capital was €62,000,000 (2013: €60,000,000) comprising 3,000,000,000 Ordinary Shares of €0.001 each and 1,000,000,000 Deferred Shares of €0.059 each (2013: 1,000,000,000 Ordinary Shares of €0.06 each).

At an Extraordinary General Meeting held on 24 February 2014, the shareholders approved the subdivision of each existing Ordinary Share of €0.06 issued and authorised but unissued into one Ordinary Share of €0.001 and one Deferred Share of €0.059 in order to reduce the par value of the Ordinary Shares while not reducing the amount of the Company's issued share capital. In addition, the authorised share capital of the Company was increased from €60,000,000 to €62,000,000 by the creation of 2,000,000,000 Ordinary Shares of €0.001 each to create sufficient authorised Ordinary Share capital to enable new Ordinary Shares of €0.001 each to be issued. At the same meeting, shareholders approved the Placing of 800,000,000 Ordinary Shares, a further 67,079,689 Ordinary Shares under an Open Offer of one new share for every four shares held to existing shareholders, 77,791,100 Ordinary Shares under a Debt for Equity arrangement and 80,000,000 Ordinary Shares in accordance with the terms for the acquisition of Canyon Oil and Gas Limited. A further 14,388,770 Ordinary Shares were issued between May and September 2014 to settle fees for the provision of services and 30,287,500 Ordinary Shares were issued in September 2014 on the exercise of certain warrants. Details of issued share capital are set out in Note 24 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. Mr. Bhattacherjee, Mr. Thompson and Mr. Williams were appointed to the Board on 14 March 2014 and Mr. Mackay was appointed to the Board on 2 September 2014. Mr. Prado retired from the Board on 9 January 2014, Mr. Rego resigned on 14 March 2014 with Mr. Hooker and Mr. Tughan retiring from the Board on 17 October 2014. In accordance with the Articles of Association, Mr. Hall and Mr. Williams retire from the Board and being eligible offer themselves for re-election. Mr. Mackay was appointed to the Board since the last Annual General Meeting and is therefore required to seek election at the forthcoming Annual General Meeting.

With the exception of the transactions stated in Note 30 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 2014 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 2015	31 December 2014	31 December 2013 (or date of appointment if later)
J.C. Bhattacherjee	42,312,820	42,312,820	38,221,620
B.A. Hall	13,594,804	13,594,804	5,000,000
A.N.J. Hay	1,150,000	1,150,000	200,000
T. Mackay	-	-	-
K.J. Phair	7,675,534	7,675,534	2,564,422
W.A.P. Thompson	155,525,869	155,525,869	153,525,869
M.V. Williams (*)	2,723,973	2,723,973	423,973

* Mr. M.V. Williams had an interest in 423,973 Ordinary Shares in the Company at 31 December 2013 prior to his appointment as Director on 14 March 2014.

Details of the Directors' share options are set out in the Remuneration Report on pages 23 to 24.

Directors' Report *continued*

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	155,525,869	8.24
Majedie Asset Management Limited and Majedie Asset Management Investment Fund Company	77,903,280	4.13

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 8. 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 2014 and outlook for 2015 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 9 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 2013 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 33 to 39. The report on Directors' remuneration is set out on pages 23 to 24.

Post Balance Sheet Events

In February 2015, Aminex completed the sale of 6.5% of the Kiliwani North Development Licence to Solo Oil plc ('Solo') for $3.5 million. Under the Asset Sale Agreement, Solo has an option to acquire a further 6.5% interest on the same terms within thirty days of the Kiliwani North Gas Sales Agreement being signed.

In March 2015, Aminex received confirmation that the Tanzanian authorities have agreed to the deferral of a two well drilling 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 deferral is conditional on an Environmental Impact Assessment, which has already commenced, and eventually acquiring 3D seismic in the deep water which will be subject to completion of a tendering process.

Accounting records

The Directors believe that they have complied with the requirements of Section 202 of the Companies Act, 1990 with regard to books of account by employing personnel with appropriate expertise and by providing adequate resources to the financial function. The books of account of the Company are maintained at 7 Gower Street, London, WC1E 6HA, UK.

Auditor

In accordance with Section 160(2) of the Companies Act, 1963, the auditor, KPMG, Chartered Accountants, will continue in office.

On behalf of the Board

J.C. Bhattacherjee
Director

M.V. Williams
Director

15 April 2015

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 Acts.

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 Acts, 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.

Additional Information for Shareholders *continued*

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 Acts, 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 Acts or by the Articles to be exercised by the Company in general meeting. The Directors are, subject to the provisions of the Companies Acts, 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.

Corporate Governance

The Directors are committed to maintaining high standards of corporate governance. This Corporate Governance Statement describes how the Company applied the principles of the UK Corporate Governance Code (the "Code") published in September 2012 as adopted by the Irish Stock Exchange ("ISE") and London Stock Exchange ("LSE") throughout the financial year ended 31 December 2014. 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.

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 two of the Non-Executive Directors, Mr. A.N.J. Hay and Mr. K.J. Phair, 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.

Mr. Hall was appointed as Executive Chairman on a temporary basis in January 2013 while a new Chief Executive Officer was recruited. In September 2013, Mr. Bhattacherjee was appointed Chief Executive Officer and was appointed an Executive Director of the Board on 14 March 2014: at the same time, Mr. Hall resumed his role as Non-Executive Chairman. Since March 2014 there has been a clear division of responsibilities between the roles of Chief Executive Officer and Non-Executive Chairman. The Senior Independent Director was Mr. D.S. Hooker until his retirement from the Board on 17 October 2014 and Mr. Hay assumed the role of Senior Independent Director on that date.

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. Hall and Mr. Williams. Mr. Mackay has been appointed since the previous Annual General Meeting and is required to seek election at the forthcoming Annual General Meeting.

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 and a Nominations Committee, each of which has formal terms of reference approved by the Board.

Audit Committee

Composition of the Audit Committee

During the year, the Audit Committee comprised Mr. F.D. Tughan and Mr. D.S. Hooker until their retirement in October 2014, as well as Mr. A.N.J. Hay and Mr. K.J. Phair. Mr. T. Mackay joined the Committee in January 2015. 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 in 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 agreed the half-year financial statements in August 2014 and the financial statements for the year ended 31 December 2014 in April 2015. 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 2015 and that the Group will not be in a position to repay the balance or meet its operational and capital expenditure planned for 2015 and 2016. 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 2014 is $78.7 million. During the year management 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". Management considered the term left to expiry on each licence, taking into account the agreement of 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 Committee has considered the underlying rationale for the conclusion by management that no adjustment to the impairment provision for exploration and evaluation assets 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 2014 is $13.5 million. During the year management assessed the carrying value of the development asset at Kiliwani North in Tanzania. Management assesses the value in use based on a management estimate which itself is based on independent resources estimates for the Kiliwani North Development Licence and compares these valuations with the expected realisable value of the cash-generating unit. The Committee reviewed and challenged the assumptions used in management's assessment, discussed there 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 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.

Audit Committee *continued*

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 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 Group 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 Committee have an opportunity to meet in private without the presence of either the Executive Directors or the external auditor. The 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. F.D. Tughan and Mr. D.S. Hooker until their retirement from the Board in October 2014, as well as Mr. A.N.J. Hay and Mr. K.J. Phair. Mr. B.A. Hall joined the Committee after relinquishing his temporary executive function in March 2014. Mr. Mackay joined the Committee in 2015. The Remuneration Committee met three times 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. Details of Directors' remuneration and options held is set out in the Directors' Remuneration Report on pages 23 to 24.

Nominations Committee

During the year the Nominations Committee comprised all the Directors.

Corporate Governance *continued*

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 2014.

Number of meetings	Board (Main) 7 Meetings attended	Audit Committee 2 Meetings attended	Remuneration Committee 3 Meetings attended
J.C. Bhattacherjee	5	n/a	n/a
B.A. Hall	7	n/a	n/a
A.N.J. Hay	7	2	3
D.S. Hooker	5	2	3
T. Mackay	2	n/a	n/a
K.J. Phair	7	2	3
A.G. Prado	-	n/a	n/a
M.C.P. Rego	1	n/a	n/a
W.A.P. Thompson	5	n/a	n/a
F.D. Tughan	4	2	3
M.V. Williams	5	n/a	n/a

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

Mr. A.G. Prado retired from the Board in January 2014, Mr. M.C.P. Rego resigned from the Board in March 2014 with Mr. D.S. Hooker and Mr. F.D. Tughan retiring from the Board in October 2014. Mr. J. Bhattacherjee, Mr. W.A.P. Thompson and Mr. M.V. Williams were appointed Directors on 14 March 2014 and Mr. T. Mackay was appointed in September 2014.

During 2014, 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.

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.

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 of the Board 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.

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 2014, the Group reached agreement with Argo Capital Management (Cyprus) Limited, representing the provider of an $8 million loan facility (the "Argo Loan") (see Note 21), to extend the scheduled repayment date of this loan to the end of July 2015. Based on current cash flow projections, the Group will not be in a position to repay the balance of the loan, (estimated to be approximately US$7.8 million including interest and redemption premium and after actual and expected capital repayments since 31 December 2014), in full on the due date or meet its operational and capital expenditure planned for 2015 and 2016.

However the Directors have taken into account that in February 2015 the Group completed the partial sale of its interest in the Kiliwani North Development Licence, selling 6.5% for US$3.5 million, of which Aminex applied net proceeds of US$3.3 million to pay down the Argo Loan. Under the terms of the Asset Sale Agreement, the purchaser has an option to acquire a further 6.5% for consideration of $3.5 million: the option period is for thirty days following the signing of a Gas Sales Agreement for Kiliwani North gas by Aminex's subsidiary company, Ndovu Resources Limited. While the additional sale of 6.5% in the Kiliwani North Development Licence remains at the purchaser's option, the Directors have a reasonable expectation of the option being taken up and the consideration received prior to the Argo Loan repayment date of 31 July 2015 and therefore being able to pay down an amount of approximately $3.3 million from net proceeds of the second sale. The Directors are in discussions regarding the amendment of the terms of the Argo Loan, including the potential extension of the repayment period to enable the balance of the loan to be repaid from revenues from Kiliwani North expected to start being received in the second half of 2015. The Directors are also in discussions with third parties to seek a re-financing of the Argo Loan. The Directors are also 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.

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. 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.

Compliance with the provisions of the UK Corporate Governance 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.

On behalf of the Board

J.C. Bhattacherjee

Director

15 April 2015

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 2012, 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	
	2014 US$'000	2013 US$'000
B.A. Hall	**82**	78
A.N.J. Hay	**33**	31
D.S. Hooker	**26**	31
T. Mackay	**11**	-
K.J. Phair	**33**	31
F.D. Tughan	**26**	31
Total	**211**	202

The remuneration of the Executive Directors was as follows:

	Basic Salary		Benefits in kind		Sub total		Pension		Total	
	2014 US$'000	2013 US$'000	**2014 US$'000**	2013 US$'000	**2014 US$'000**	2013 US$'000	**2014 US$'000**	2013 US$'000	**2014 US$'000**	2013 US$'000
J.C. Bhattacherjee	**198**	-	**-**	-	**198**	-	**49**	-	**247**	-
L.S. Detmer	**-**	17	**-**	-	**-**	17	**-**	-	**-**	17
B.A. Hall	**202**	-	**-**	-	**202**	-	**148**	-	**350**	-
A.G. Prado	**3**	240	**1**	26	**4**	266	**-**	-	**4**	266
M.C.P. Rego	**36**	207	**-**	7	**36**	214	**7**	28	**43**	242
W.A.P. Thompson	**229**	-	**-**	-	**229**	-	**-**	-	**229**	-
M.V. Williams	**156**	-	**6**	-	**162**	-	**32**	-	**194**	-
Total	**824**	464	**7**	33	**831**	497	**236**	28	**1,067**	525

Mr. B.A. Hall assumed the role of Executive Chairman with effect from January 2013. For both 2013 and 2014 he received a Chairman's fee of £50,000/US$82,000 (2013: £50,000/US$78,000). In addition, 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 accrued remuneration amounted to £166,800 at 31 December 2013 and 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. The full amount has been dealt with in the financial statements for the year ended 31 December 2014 as it was conditional on events in 2014.

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 2014, there were three Executive Directors (2013: three) and four Non-Executive Directors (2013: four). There was an average number of three Executive Directors and five 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.

Directors' Remuneration Report *continued*

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, 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 2014 had the following beneficial interests in options over the Company's Ordinary Shares:

Name	Options held at 1 January 2014 Number	Options granted/ (lapsed) during the year Number	Options held at 31 December 2014 Number	Exercise price Sterling	Period of exercise From	To
B.A. Hall	400,000	(400,000)	-	Stg12.5p	Jul-04	Jul-14
	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
	7,700,000	**(400,000)**	**7,300,000**			

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

No options were exercised and 400,000 options lapsed during the year. No options were granted during the year at below market value. No options have lapsed or have been granted to Directors since the year end.

The market price of the shares during the year ranged between Stg0.645p/€0.008 and Stg2.950p/€0.038 and at 31 December 2014 was Stg2.70p/€0.035.

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 years' 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 and as applied in accordance with the Companies Acts, 1963 to 2013.

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 state of affairs of the Group and Company and of their profit and loss for that period. 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 as applied in accordance with the Companies Acts, 1963 to 2013; 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 Interim Transparency Rules of the Irish Financial Services Regulatory Authority 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 proper books of account which disclose with reasonable accuracy at any time the financial position of the Group and Company, and which enable them to ensure that the Financial Statements of the Group and Company are prepared in accordance with applicable IFRS as adopted by the European Union and comply with the provision of the Companies Acts, 1963 to 2013, and as regards to the Group Financial Statements Article 4 of IAS Regulation. 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 website (www.aminex-plc.com). Legislation in 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 and Company Financial Statements, prepared in accordance with IFRS as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position of the Group and Company at 31 December 2014 and of the loss of the Group and Company 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.

On behalf of the Board

J.C. Bhattacherjee
Director

M.V. Williams
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 2014 set out on pages 29 to 62. 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, in accordance with IFRSs as adopted by the EU, of the state of the group's affairs as at 31 December 2014 and of its loss for the year then ended;
- the parent company balance sheet gives a true and fair view, in accordance with IFRSs as adopted by the EU as applied in accordance with the provisions of the Companies Acts 1963 to 2013, of the state of the parent company's affairs as at 31 December 2014; and
- the financial statements have been properly prepared in accordance with the Companies Acts 1963 to 2013 and, as regards the group financial statements, Article 4 of the IAS Regulation.

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 $7 million during the year ended 31 December 2014 and, at that date, the group's current liabilities exceeded its current assets by $8.2 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. For the reasons set out in the basis of preparation paragraph, however, 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 19 (Audit Committee Report) and page 33 (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 c. $12 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 2015. 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 2015 and 2016 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 2015.

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 2015 to 31 December 2016. 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 Tanzanian 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 33 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 property, plant and equipment ($13.5 million) and exploration and evaluation assets (US$78.7 million)
Refer to page 19 (Audit Committee Report), page 33 (accounting policies) and notes 11 and 12 of the financial statements.

The risk

There is a risk that the group's property, plant and equipment and exploration and evaluation assets will not be recovered due to the inherent uncertainties which exist with oil and gas 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 Tanzanian 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 11 and 12) 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 of materiality and an overview of the scope of our audit

The materiality for the group financial statements as a whole was set at US$518,000. This has been calculated with reference to a benchmark of group total assets (of which it presents c.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$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 books and records of each of the group's subsidiaries other than those for the US subsidiary, Aminex USA, Inc. and prepares the consolidation. The books and records of Aminex USA, Inc, up to the date of disposal, were made available at the group's office in London for the purposes of the audit. Aminex USA, Inc. was the group's only key reporting component to the date of disposal and the group audit team performed the audit of this component to a materiality level of US$490,000.

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 in respect of the matters on which we are required to report by exception

ISAs (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 22 relating to the company's compliance with the ten provisions of the UK Corporate Governance Code and the two provisions of 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.

In addition, the Companies Acts require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

5 Our conclusions on other matters on which we are required to report by the Companies Acts 1963 to 2013 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 books of account and, in our opinion, proper books of account 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.

The net assets of the company, as stated in the company balance sheet are more than half of the amount of its called-up share capital and, in our opinion, on that basis there did not exist at 31 December 2014 a financial situation which under Section 40(1) of the Companies (Amendment) Act, 1983 would require the convening of an extraordinary general meeting of the company.

Basis of our report, responsibilities and restrictions on use

As explained more fully in the Directors' Responsibilities Statement set out on page 25, 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 193 of the Companies Act 1990. 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 2015

Group Income Statement

for the year ended 31 December 2014

	Notes	2014 US$'000	2014 US$'000	2013 US$'000 (restated Note 6)	2013 US$'000 (restated Note 6)
Continuing operations					
Revenue	2		**444**		724
Cost of sales			**(412)**		(516)
Gross profit			**32**		208
Administrative expenses		**(2,795)**		(2,589)	
Depreciation of other assets	12	**(9)**		(11)	
			(2,804)		(2,600)
Loss from operating activities before other items			**(2,772)**		(2,392)
Impairment provision against assets held for sale	16		**(622)**		-
Impairment loss on available for sale assets	15		**(243)**		-
Loss on disposal of quoted financial investment	15		**-**		(108)
Loss from operating activities			**(3,637)**		(2,500)
Finance income	7		**11**		-
Finance costs	8		**(2,239)**		(4,423)
Loss before tax	5		**(5,865)**		(6,923)
Income tax expense	9		**-**		-
Loss from continuing operations			**(5,865)**		(6,923)
Discontinued operations					
Loss from discontinued operations	6		**(1,143)**		(10,354)
Loss for the financial year attributable to equity holders of the Company			**(7,008)**		(17,277)
Basic and diluted loss per Ordinary Share (in US cents)	10		**(0.41)**		(2.11)
Basic and diluted loss per Ordinary Share (in US cents) – continuing operations	10		**(0.34)**		(0.85)

Group Statement of Other Comprehensive Income

for the year ended 31 December 2014

	2014 US$'000	2013 US$'000
Loss for the financial year	**(7,008)**	(17,277)
Other comprehensive income:		
Items that are or maybe reclassified to profit or loss:		
Currency translation differences	**(19)**	(234)
Total comprehensive income for the financial year attributable to the equity holders of the Company	**(7,027)**	(17,511)

On behalf of the Board

J.C. Bhattacherjee
Director

M.V. Williams
Director

15 April 2015

Group and Company Balance Sheets

at 31 December 2014

	Notes	Group 2014 US$'000	Group 2013 US$'000	Company 2014 US$'000	Company 2013 US$'000
ASSETS					
Exploration and evaluation assets	11	**78,734**	75,050	**-**	-
Property, plant and equipment	12	**13,510**	19,039	**-**	-
Investments in subsidiary undertakings	13	**-**	-	**6,603**	6,971
Amounts due from subsidiary undertakings	14	**-**	-	**95,012**	88,147
Available for sale assets	15	**107**	-	**107**	-
Trade and other receivables	17	**2,800**	-	**2,800**	-
Total non-current assets		**95,151**	94,089	**104,522**	95,118
Assets held for sale	16	**850**	-	**-**	-
Trade and other receivables	17	**1,217**	2,515	**313**	106
Amounts due from subsidiary undertakings	14	**-**	-	**1,363**	4,579
Cash and cash equivalents	18	**1,765**	166	**617**	44
Total current assets		**3,832**	2,681	**2,293**	4,729
Total assets		**98,983**	96,770	**106,815**	99,847
LIABILITIES					
Current liabilities					
Loans and borrowings	21	**(10,218)**	(9,706)	**(10,218)**	(9,693)
Trade and other payables	19	**(1,863)**	(7,236)	**(51)**	(1,027)
Decommissioning provision	20	**-**	(287)	**-**	-
Total current liabilities		**(12,081)**	(17,229)	**(10,269)**	(10,720)
Non-current liabilities					
Loans and borrowings	21	**-**	(19)	**-**	-
Decommissioning provision	20	**(425)**	(2,053)	**-**	-
Total non-current liabilities		**(425)**	(2,072)	**-**	-
Total liabilities		**(12,506)**	(19,301)	**(10,269)**	(10,720)
NET ASSETS		**86,477**	77,469	**96,546**	89,127
Equity					
Issued capital	24	**67,094**	65,629	**67,094**	65,629
Share premium		**93,505**	79,431	**93,505**	79,431
Capital conversion reserve fund		**234**	234	**234**	234
Share option reserve		**3,891**	3,891	**3,891**	3,891
Share warrant reserve	25	**3,031**	2,535	**3,031**	2,535
Foreign currency translation reserve		**(1,166)**	(1,147)	**-**	-
Retained earnings		**(80,112)**	(73,104)	**(71,209)**	(62,593)
TOTAL EQUITY		**86,477**	77,469	**96,546**	89,127

On behalf of the Board

J.C. Bhattacherjee
Director

M.V. Williams
Director

15 April 2015

Group Statement of Changes in Equity

for the year ended 31 December 2014

	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 2013	65,629	79,431	234	3,883	-	(913)	(55,827)	92,437
Transactions with shareholders recognised directly in equity								
Share based payment charge	-	-	-	8	-	-	-	8
Share warrants granted	-	-	-	-	2,535	-	-	2,535
Comprehensive income:								
Currency translation differences	-	-	-	-	-	(234)	-	(234)
Loss for the financial year	-	-	-	-	-	-	(17,277)	(17,277)
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 31 December 2014	**67,094**	**93,505**	**234**	**3,891**	**3,031**	**(1,166)**	**(80,112)**	**86,477**

Company Statement of Changes in Equity

for the year ended 31 December 2014

	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 2013	65,629	79,431	234	3,883	-	(42,906)	106,271
Transactions with shareholders recognised directly in equity							
Share based payment charge	-	-	-	8	-	-	8
Share warrants granted	-	-	-	-	2,535	-	2,535
Comprehensive income:							
Loss for the financial year	-	-	-	-	-	(19,687)	(19,687)
At 1 January 2014	65,629	79,431	234	3,891	2,535	(62,593)	89,127
Transactions with shareholders recognised directly in equity							
Shares 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 31 December 2014	**67,094**	**93,505**	**234**	**3,891**	**3,031**	**(71,209)**	**96,546**

Group and Company Statements of Cashflows

for the year ended 31 December 2014

	Notes	Group 2014 US$'000	Group 2013 US$'000	Company 2014 US$'000	Company 2013 US$'000
Operating activities					
Loss for the financial year		**(7,008)**	(17,277)	**(8,616)**	(19,687)
Depletion, depreciation and decommissioning		**92**	950	**-**	-
Impairment provision against assets held for sale		**872**	9,304	**-**	-
Provision against doubtful debts		**-**	-	**15**	-
Finance income		**(11)**	-	**(11)**	-
Finance costs		**2,295**	4,577	**2,200**	4,420
Loss on disposal of subsidiary undertaking		**368**	-	**(1,769)**	-
Impairment of available for sale assets		**243**	-	**243**	-
Loss on disposal of quoted financial investment		**-**	108	**-**	108
Gain on disposal of producing asset		**-**	(5)	**-**	-
Impairment provision against intercompany loans		**-**	-	**6,945**	14,183
Impairment provision against investment in subsidiary undertakings		**-**	-	**463**	-
Equity-settled share-based payment charge		**-**	8	**-**	-
Decrease/(increase) in trade and other receivables		**1,505**	2,132	**67**	(68)
(Decrease)/increase in trade and other payables		**(625)**	1,252	**404**	494
Net cash (absorbed by)/generated by operations		**(2,267)**	1,049	**(59)**	(550)
Cost of decommissioning		**-**	(25)	**-**	-
Interest paid		**(1,179)**	(198)	**(1,179)**	(192)
Net cash (outflows)/inflows from operating activities		**(3,446)**	826	**(1,238)**	(742)
Investing activities					
Acquisition of property, plant and equipment		**(234)**	(641)	**-**	-
Expenditure on exploration and evaluation assets		**(7,053)**	(8,831)	**-**	-
Increase in amounts due from subsidiary undertakings		**-**	-	**(10,468)**	(7,469)
Proceeds from sale of producing asset		**-**	150	**-**	-
Loss on disposal of subsidiary undertaking		**-**	-	**(66)**	-
Cost of disposal of subsidiary undertaking		**(368)**	-	**(368)**	-
Proceeds from disposal of quoted financial investment		**-**	189	**-**	189
Interest received		**11**	-	**11**	-
Net cash outflows from investing activities		**(7,644)**	(9,133)	**(10,891)**	(7,280)
Financing activities					
Proceeds from issue of share capital		**14,907**	-	**14,907**	-
Payment of transaction expenses		**(2,205)**	-	**(2,205)**	-
Advances on new loans		**-**	8,000	**-**	8,000
Loans repaid		**(13)**	(22)	**-**	-
Net cash inflows from financing activities		**12,689**	7,978	**12,702**	8,000
Net increase/(decrease) in cash and cash equivalents		**1,599**	(329)	**573**	(22)
Cash and cash equivalents at 1 January		**166**	495	**44**	66
Cash and cash equivalents at 31 December	18	**1,765**	166	**617**	44

Notes Forming Part of the Financial Statements *for the year ended 31 December 2014*

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 2014 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 2014, the Group reached agreement with Argo Capital Management (Cyprus) Limited, representing the provider of an US$8 million loan facility (the "Argo Loan"), to extend the scheduled repayment date of this loan to the end of July 2015. Based on current cash flow projections, the Group will not be in a position to repay the balance of the loan, (estimated to be approximately US$7.8 million including interest and redemption premium and after actual and expected capital repayments since 31 December 2014), in full on the due date or meet its operational and capital expenditure planned for 2015 and 2016.

However the Directors have taken into account that in February 2015 the Group completed the partial sale of its interest in the Kiliwani North Development Licence, selling 6.5% for US$3.5 million, of which Aminex applied net proceeds of US$3.3 million to pay down the Argo Loan. Under the terms of the Asset Sale Agreement, the purchaser has an option to acquire a further 6.5% for consideration of US$3.5 million: the option period is for thirty days following the signing of a Gas Sales Agreement for Kiliwani North gas by Aminex's subsidiary company, Ndovu Resources Limited. While the additional sale of 6.5% in the Kiliwani North Development Licence remains at the purchaser's option, the Directors have a reasonable expectation of the option being taken up and the consideration received prior to the Argo Loan repayment date of 31 July 2015 and therefore being able to pay down an amount of approximately US$3.3 million from net proceeds of the second sale. The Directors are in discussions regarding the amendment of the terms of the Argo Loan, including the potential extension of the repayment period to enable the balance of the loan to be repaid from revenues from Kiliwani North expected to start being received in the second half of 2015. The Directors are also in discussions with third parties to seek a re-financing of the Argo Loan. The Directors are also 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.

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. 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.

The Financial Statements were approved for issuance by the Board on 15 April 2015.

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, 1963 to 2013 which permits a company that publishes its company and group financial statements together, to take advantage of the exemption in Section 148(8) of the Companies Act, 1963 from presenting to its members its company income statement and related notes that form part of the approved Company Financial Statements.

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 2014. There was no material impact to the financial statements in the current year from these standards set out below:

- IFRS 10 Consolidated Financial Statements
- IFRS 11 Joint Arrangements
- IFRS 12 Disclosure of Interests in Other Entities
- IAS 27 Separate Financial Statements (2011) (Amended)
- IAS 28 Investments in Associates and Joint Ventures (2011)
- IAS 32 Financial Instruments: Presentation (Amended)
- Investment entities (amendment to IFRS 10) – effective 1 January 2014
- IFRIC 21: Levies - effective 1 January 2014
- Novation of derivatives and continuation of hedge accounting (amendments to IAS 39) - effective 1 January 2014

1 Statement of Accounting Policies (continued)

ii) New standards and interpretations not adopted

Standards 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 prospective basis.

- Annual improvements to IFRSs 2010-2012 Cycle and Annual Improvements to IFRSs 2011-2013 Cycle – effective 1 February 2015 (see below)

As part of its annual improvements process, the IASB has published non-urgent but necessary amendments to IFRS. Together, the two cycles cover a total of nine standards, with consequential amendments to other standards. The amendments apply prospectively for annual periods beginning on or after 1 February 2015 and are available for early adoption. The topics covered in these revisions are listed below.

Annual improvements to IFRSs 2010-2012 Cycle

- IFRS 2 Share-based Payment: definition of a vesting condition
- IFRS 3 Business Combinations: accounting for contingent consideration in a business combination
- IFRS 8 Operating segments: (i) aggregation of operating segments and (ii) reconciliation of the total of the reportable segments' assets to the entity's assets
- IFRS 13 Fair Value Measurements: short-term receivables and payables
- IAS 16 Property, Plant and Equipment: revaluation method - proportionate restatement of accumulated depreciation
- IAS 24 Related Party Disclosures: key management personnel services
- IAS 38 Intangible Assets: revaluation method; proportionate restatement of accumulated amortisation

Annual Improvements to IFRSs 2011-2013 Cycle

- 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 classifying property as investment or owner-occupied property

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.

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.

1 Statement of Accounting Policies (continued)

Revenue recognition

Revenue comprises oil and gas sales, the provision of oilfield equipment and the provision of technical oilfield and administrative services. Revenue from oil and gas sales represents the Group's share of oil and gas production sold in the 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. 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 the Share Premium account.

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.

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.

1 Statement of Accounting Policies (continued)

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.

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	**2014**	2013	**2014**	2013
Pound sterling	**0.6069**	0.6397	**0.6407**	0.6050
Australian dollar	**1.1095**	1.0368	**1.2185**	1.1183

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.

1 Statement of Accounting Policies (continued)

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 license 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.

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.

1 Statement of Accounting Policies (continued)

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	25-50 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 – 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.

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.

1 Statement of Accounting Policies (continued)

Provisions

A provision is recognised in the balance sheet i) when 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 are represented by 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 Services and Supplies. 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

	2014 US$'000	2013 US$'000 (restated)
Region of destination		
Provision of oilfield goods and services		
Africa	**444**	719
Europe	**-**	5
Revenue	**444**	724
Segment loss for the financial year		
Africa – exploration assets	**(253)**	(171)
Europe – oilfield goods and services	**(53)**	(179)
Europe – group costs (1)	**(5,559)**	(6,573)
Discontinued operations	**(1,143)**	(10,354)
Total Group loss for the financial year	**(7,008)**	(17,277)
Segment assets		
Africa – producing oil and gas properties	**13,488**	13,292
Africa – exploration assets	**80,043**	77,345
Europe – oilfield goods and services	**56**	47
Europe – group assets (2)	**4,546**	256
Europe – assets held for sale (3)	**850**	-
US – producing oil and gas properties (discontinued)	**-**	5,830
Total assets	**98,983**	96,770
Segment liabilities		
Africa – exploration assets	**(1,961)**	(5,425)
Europe – oilfield goods and services	**-**	(8)
Europe – group liabilities (4)	**(10,545)**	(11,488)
US – producing oil and gas properties (discontinued)	**-**	(2,380)
Total liabilities	**(12,506)**	(19,301)

Total non-current assets and liabilities by geographical region are set out in Notes 11 and 12 to the financial statements.

(1) Group costs primarily comprise 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)

	2014 US$'000	2013 US$'000
Capital expenditure		
Africa – exploration assets	**3,684**	1,960
Africa – producing assets	**196**	195
Europe – Group assets	**28**	9
Europe – producing assets	**1,092**	-
US – producing oil and gas properties (discontinued)	**11**	245
Total capital expenditure	**5,011**	2,409

	2014 US$'000	2013 US$'000 (restated)
Non-cash items: continuing operations		
Europe: depreciation – Group assets	**9**	11
Share based payment charge	**-**	8
Gain on disposal of producing assets	**-**	(5)
Loss on disposal of quoted financial investment	**-**	108
Interest expense on financial liabilities measured at amortised cost	**2,198**	4,420
Impairment provision against assets held for sale	**622**	-
Impairment provision against quoted financial investment	**243**	-

3 Employment

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

	2014 US$'000	2013 US$'000 (restated)
Salaries and wages	**1,588**	1,499
Social security costs	**184**	165
Other pension costs	**276**	139
Share based payment charge	**-**	8
	2,048	1,811
Employment costs capitalised (Note 11)	**(477)**	(286)
Employment costs charged against the Group operating loss	**1,571**	1,525

The amount charged under share based payment costs relates to share options.

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

	2014 US$'000	2013 US$'000 (restated)
Europe	**10**	12
Tanzania	**6**	8
	16	20

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 23 to 24.

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.

The following expenses have been recognised in the income statement arising on share based payments and included within administrative expenses:

	2014 US$'000	2013 US$'000
Share based payment charge	**-**	8

No options were granted in either the current or the prior period.

The total number of share options outstanding and exercisable are summarised as follows:

	Number of options	Average exercise price
Outstanding at 1 January 2013	49,115,000	Stg10.61p
Expired	(22,500,000)	Stg 5.07p
Outstanding at 1 January 2014	26,615,000	Stg15.3p
Expired	(5,500,000)	Stg17.46p
Outstanding at 31 December 2014	21,115,000	Stg14.75p
Exercisable at 31 December 2014	21,115,000	Stg14.75p
Exercisable at 31 December 2013	26,615,000	Stg15.3p

On 31 December 2014, there were options over 21,115,000 (2013: 26,615,000) 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 3.45 years (2013: 5.11 years). The weighted average share price for the year ended 31 December 2014 was Stg1.31 pence/€0.0137 (2013: Stg3.04 pence/€0.037).

5 Loss before tax

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

		2014 US$'000	2013 US$'000 (restated)
Depreciation of other property, plant and equipment		**9**	11
Auditor's remuneration	– audit (i)	**81**	107
Auditor's remuneration	– tax advisory services	**11**	13
Auditor's remuneration	– of non-audit services	**116**	-
Impairment provision against assets held for sale		**622**	-
Impairment of available for sale equity instruments		**243**	-
Loss on disposal of quoted financial investment		**-**	108
Operating lease payments	– land and buildings	**209**	179
	– other	**-**	5

(i) Audit comprises audit work performed by KPMG Dublin on the consolidated financial statements. In 2014, US$7,000 (2013: US$7,000) of audit fees related to the audit of the Company.

6 Discontinued operations

During the 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 Ltd, ('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 production payment of US$10 per barrel until a total of US$4,500,000 has been recovered. The first payments are to be based on production from 1 January 2015. The Directors have reviewed the timing of anticipated production payments and are satisfied that the net present value, using a discount factor of 10%, of US$2.9 million included in non-current and current assets represents the fair value of future expected production payments. The shares held in Northcote at 31 December 2014 are classified as available for sale assets on the balance sheet.

The results from the US operation have been presented as a discontinued operation as the entity disposed of represented a separate geographical area of operation. The income statement for the prior year has been restated to show the discontinued operations separately from continuing operations.

	2014 US$'000	2013 US$'000 (restated)
(a) Results of discontinued operation		
Revenue	**165**	1,552
Cost of sales	**(384)**	(932)
Depletion, depreciation and decommissioning of oil and gas interests	**(83)**	(939)
Gross loss	**(302)**	(319)
Administrative expenses	**(167)**	(605)
Finance costs - decommissioning provision interest charge (see Note 20)	**(56)**	(148)
Other finance charges	**-**	(6)
Results from operating activities	**(525)**	(1,078)
Income tax	**-**	-
Result from operating activities, net of tax	**(525)**	(1,078)
Cost of disposal of discontinued operation	**(368)**	-
Impairment provision against discontinued operation	**(250)**	-
Gain on disposal of fixed asset	**-**	28
Impairment provision against producing asset	**-**	(9,304)
Loss for the period attributable to equity holders of the Company	**(1,143)**	(10,354)
Basic and diluted loss per share (cents) - discontinued operation	**(0.07)**	(1.26)
(b) Cash flows from/(used in) discontinued operations		
Net cash from operating activities	**6**	185
Net cash used in investing activities	**(11)**	(245)
Net cash outflow for the period	**(5)**	(60)

	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**

7 Finance income

	2014 US$'000	2013 US$'000 (restated)
Deposit interest income	**11**	-

8 Finance costs

	2014 US$'000	2013 US$'000 (restated)
Interest expense on financial liabilities measured at amortised cost (see Note 21)	**2,198**	4,420
Other finance costs – decommissioning provision interest charge (see Note 20)	**39**	3
Other finance charges	**2**	-
	2,239	4,423

Included in finance costs for the period is an interest charge of US$2.2 million in respect of the US$8 million corporate loan. The charge for the current period comprises the remaining charge due on the loan prior to modifications effective on 24 February 2014, which were the extension of the loan repayment date and the re-pricing of the warrants granted to the lender from €0.06 per warrant to £0.01 per warrant. In compliance with IFRS 2, the modifications of the loan terms and the warrant pricing have given rise to an additional finance charge, including a further warrant charge of US$496,000, which will be charged on an effective interest rate basis from the date of modification to the repayment date of 31 July 2015.

9 Income tax expense

The components of the income tax expense for the years ended 31 December 2014 and 2013 were as follows:

	2014 US$'000	2013 US$'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:

	2014 US$'000	2013 US$'000
Loss before tax	**(7,008)**	(17,277)
Irish standard tax rate	**12.5%**	12.5%
Taxes at the Irish standard rate	**(876)**	(2,160)
Effect of different tax rates in foreign jurisdiction	**(561)**	(651)
Expenses not deductible for tax purposes	**185**	1,673
Losses forward	**1,252**	1,138
	-	-

9 Income tax expense (continued)

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.

	2014 US$'000	2013 US$'000
Net operating losses	**7,203**	11,972

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

	Ireland 2014 US$'000	**US 2014 US$'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**

	Ireland 2013 US$'000	US 2013 US$'000	UK 2013 US$'000	ROW 2013 US$'000	Total 2013 US$'000
One year	-	-	-	-	-
Two years	-	-	-	-	-
Three years	-	-	-	-	-
Four years	-	-	-	-	-
Five years	-	-	-	-	-
More than five years	8,207	13,239	16,784	2,161	40,391
Total	**8,207**	**13,239**	**16,784**	**2,161**	**40,391**

At 31 December 2014, certain of the Irish, UK and Australian subsidiary undertakings had net operating losses available to be carried forward for income tax purposes of approximately US$7.1 million, US$16.4 million and US$2.2 million respectively (2013: Ireland US$8.2 million, UK US$16.8 million, Australia 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. Losses amounting to US$13.2 million which had arisen on US operations are no longer available to the Group following the disposal of Aminex USA, Inc. during the year (see Note 6).

10 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 2014 and 2013 are as follows:

	2014	2013
Loss for the financial year (US$'000)	**(7,008)**	(17,277)
Weighted average number of Ordinary Shares ('000)	**1,704,114**	818,658
Basic and diluted loss per Ordinary Share (US cents)	**(0.41)**	(2.11)
Continuing operations (US cents)	**(0.34)**	(0.85)

There is no difference between the basic loss per Ordinary Share and the diluted loss per Ordinary Share for the years ended 31 December 2014 and 2013 as all potentially dilutive Ordinary Shares outstanding are anti-dilutive. There were 21,115,000 (2013: 26,615,000) anti-dilutive share options in issue as at 31 December 2014 and 88,176,455 (2013: 40,932,916) warrants in issue at 31 December 2014 (Note 25).

11 Exploration and evaluation assets

Group

	Tanzania and Total US$'000
Cost	
At 1 January 2013	77,636
Additions	1,674
Employment costs capitalised	286
Increase in decommissioning provision	182
At 1 January 2014	79,778
Additions	3,207
Employment costs capitalised	477
At 31 December 2014	**83,462**
Provisions for impairment	
At 1 January and 31 December	**4,728**
Net book value	
At 31 December 2014	**78,734**
At 31 December 2013	75,050

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, which are, with the exception of the partial write down on the Nyuni-1 well in Tanzania, carried at historical cost. 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. 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.

12 Property, plant and equipment

Group	Development property - Tanzania US$'000	Developed and producing oil and gas properties - USA US$'000	Other assets US$'000	Total US$'000
Cost				
At 1 January 2013	12,926	24,396	453	37,775
Additions in the year	195	245	9	449
Reclassified as held for sale**	-	(3,177)	-	(3,177)
Increase/(decrease) in decommissioning provision	171	(177)	-	(6)
Written off in period	-	(153)	-	(153)
Disposed of during the year	-	(62)	-	(62)
Exchange rate adjustment	-	-	3	3
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 31 December 2014	**13,488**	**-**	**468**	**13,956**
Depreciation and impairment				
At 1 January 2013	-	7,993	445	8,438
Charge for the year	-	939	11	950
Impairment	-	9,304	-	9,304
Reclassified as held for sale**	-	(2,739)	-	(2,739)
Written off in period	-	(124)	-	(124)
Eliminated on disposal	-	(42)	-	(42)
Exchange rate adjustment	-	-	3	3
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 31 December 2014	**-**	**-**	**446**	**446**
Net book value				
At 31 December 2014	**13,488**	**-**	**22**	**13,510**
At 31 December 2013	13,292	5,741	6	19,039

* "Other assets" include the additions for Moldova assets subsequently reclassified to assets held for sale (see Note 16).

** In the prior year, the South Weslaco field was reclassified as held for sale and this asset was subsequently disposed of in October 2013.

As at 31 December 2014, "Other assets" comprises leasehold property US$16,000 (2013: nil), plant and equipment US$5,000 (2013: US$5,000), and fixtures and fittings US$1,000 (2013: US$1,000).

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

	2014 US$'000	2013 US$'000
Net book value	**-**	31
Depreciation charge for the year	**1**	32

During the 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 6).

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 2014 based on estimated discounted future cashflows and are satisfied that no impairment has occurred.

13 Investment in subsidiaries and other investments

	2014 US$'000	2013 US$'000
Company		
At 1 January	**6,971**	6,971
Acquisition of subsidiary undertakings	**1,396**	-
Disposal of subsidiary undertakings	**(1,764)**	-
At 31 December	**6,603**	6,971

Subsidiary undertakings

As at 31 December 2014 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 Ltd (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.

14 Amounts due from subsidiary undertakings

Company	US$'000
Cost	
At 1 January 2013	126,314
Advances to subsidiary undertakings	7,172
Share based payments charged to subsidiary undertakings	8
At 1 January 2014	133,494
Advances to subsidiary undertakings	10,594
At 31 December 2014	**144,088**
Provisions for impairment	
At 1 January 2013	26,585
Increase in provision	14,183
At 1 January 2014	40,768
Increase in provision	6,945
At 31 December 2014	**47,713**
Net book value	
At 31 December 2014	**96,375**
At 31 December 2013	92,726

14 Amounts due from subsidiary undertakings (continued)

	2014 US$'000	2013 US$'000
Included in non-current assets	**95,012**	88,147
Included in current assets	**1,363**	4,579
At 31 December	**96,375**	92,726

Included in current assets are loans provided to subsidiary undertakings which are interest free and repayable on demand. The balance of US$95,012,000 (2013: US$88,147,000) 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$6,945,000 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.

15 Available for sale assets

	2014 US$'000	2013 US$'000
At 1 January	**-**	-
Additions	**350**	297
Disposals	**-**	(297)
Impairment loss charged to income statement	**(243)**	-
At 31 December	**107**	-

As part of the disposal proceeds for the Company's wholly-owned subsidiary Aminex USA, Inc., the Company was granted shares with a fair market value of US$350,000 in Northcote Energy Limited, an AIM listed oil and gas company (see Note 6). 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 2014. Accordingly the impairment has been expensed in the income statement.

In the prior year, the Company completed its disposal to Northcote of its interest in the oil and gas leases in South Weslaco for a consideration of US$447,000 which consisted of a cash payment of US$150,000 and 12,348,372 ordinary shares in Northcote, resulting in a gain on disposal of US$5,000. The Company sold its shareholding in Northcote during the prior year for a net consideration of US$189,000, resulting in a loss on disposal of US$108,000.

16 Assets held for sale

On 24 February 2014, the Company acquired the entire share capital of Canyon Oil and Gas Ltd. ('Canyon') for a consideration of 80,000,000 Ordinary Shares with a value of US$1.33 million at that date. 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 licenses 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 and have reached a provisional agreement to sell these assets. The Directors are satisfied that it is appropriate to classify the Moldova assets as an asset held for sale within current assets as a sale is highly probable within twelve months of the date of issue of this report. At 30 June 2014, the Directors reviewed the carrying value of the Victorovca and Valeni licenses for indicators of impairment and the net assets held for sale were considered to be impaired and their carrying value written down by US$622,000 to a carrying value of US$850,000. At 31 December 2014, the Directors again reviewed the carrying value of the Victorovca and Valeni licenses for indicators of impairment. The Directors are satisfied that no further impairment is considered to have occurred.

17 Trade and other receivables

	Group		Company	
	2014	2013	**2014**	2013
	US$'000	US$'000	**US$'000**	US$'000
Current				
Trade receivables	**13**	33	**-**	-
Amounts due from partners in jointly controlled operations	**-**	1,461	**-**	-
VAT recoverable	**58**	1	**-**	-
Withholding tax recoverable	**175**	175	**-**	-
Other receivables	**826**	652	**288**	-
Prepayments and accrued income	**145**	193	**25**	106
	1,217	2,515	**313**	106

All amounts fall due within one year.

	Group and Company	
	2014	2013
	US$'000	US$'000
Non-current		
Other receivables	**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 6) and comprise a production payment of US$10 per barrel until a total of US$4.5 million has been recovered. The first production payments are to commence based on production from 1 January 2015. The Directors have reviewed the timing of anticipated production payments and are satisfied that the net present value of US$2,938,000, using a discount factor of 10%, represents the fair value of future expected production payments. An amount of US$138,000 is considered receivable within one year and US$2.8 million is receivable after one year.

18 Cash and cash equivalents

	Group		Company	
	2014	2013	**2014**	2013
	US$'000	US$'000	**US$'000**	US$'000
Cash at bank and in hand	**1,765**	166	**617**	44

Included in cash and cash equivalents is an amount of US$304,000 (2013: US$10,000) held on behalf of partners in jointly controlled operations.

19 Trade and other payables

	Group		Company	
	2014	2013	**2014**	2013
	US$'000	US$'000	**US$'000**	US$'000
Trade payables	**273**	5,828	**6**	445
Amounts due to partners in jointly controlled operations	**95**	-	**-**	-
Overseas employment-related taxes	**52**	31	**-**	-
Other payables	**18**	286	**-**	-
Accruals	**1,425**	1,091	**45**	582
	1,863	7,236	**51**	1,027

20 Provisions – decommissioning

Group	**US$'000**
At 1 January 2013	2,057
Discount unwound in the year - continuing operations	3
Discount unwound in the year - discontinued operations (see Note 6)	148
Increase in decommissioning provision - exploration and evaluation assets (see Note 11)	182
Decrease in decommissioning provision - property, plant and equipment (see Note 12)	(6)
Release from decommissioning provision on disposal of property, plant and equipment	(19)
Payments made in the year	(25)
At 1 January 2014	2,340
Discount unwound in the year - continuing operations (see Note 8)	39
Discount unwound in the year - discontinued operations (see Note 6)	56
Release from decommissioning provision on disposal of property, plant and equipment	(2,010)
At 31 December 2014	**425**

	2014 US$'000	2013 US$'000
Current	**-**	287
Non-current	**425**	2,053
Total decommissioning provision	**425**	2,340

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 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.

21 Loans and borrowings

	Group		Company	
	2014 US$'000	2013 US$'000	**2014 US$'000**	2013 US$'000
Obligations under finance leases	**-**	32	**-**	-
Secured loan (including accrued finance costs)	**10,218**	9,693	**10,218**	9,693
	10,218	9,725	**10,218**	9,693
Comprising:				
Current liabilities	**10,218**	9,706	**10,218**	9,693
Non-current liabilities	**-**	19	**-**	-
	10,218	9,725	**10,218**	9,693

The obligations under finance leases were secured on specific items of plant and equipment relating to assets held in the USA. These items of plant and equipment were disposed of during the year.

In February 2014, the Company agreed with the lender, a fund managed by Argo Capital Management (Cyprus) Ltd, for an extension of the repayment period to 31 July 2015. 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.

At an Extraordinary General Meeting held on 24 February 2014, the exercise price of warrants originally granted to the lender was re-priced from €0.06 per share to Stg£0.01 per share and the new exercise price applies to new warrants granted to the lender as a result of the fund raising completed in February 2014. The cost of these warrants falls within the scope of IFRS 2 Share-based Payment and is recognised over the term of the facility. All warrants are exercisable until 30 June 2017. The warrants are subject to anti-dilution rights at the same exercise price. The Company has recalculated the fair value of the warrants at the date of grant using the Black Scholes model and an additional US$496,000 has been included in a share warrant reserve in both the Group and Company Statement of Changes in Equity at 31 December 2014, with a corresponding amount offset against the initial value of the loan to reflect the modification of the terms of the loan. The key assumptions used to value the warrants include a volatility rate of 60% and a risk free rate of 0.33%.

Including the extension of the repayment period and the revaluation of the warrants, US$2.20 million has been charged to the Group Income Statement as Finance Costs (December 2013: US$4.42 million) (see Note 8). 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.

22 Acquisition of a subsidiary

During the year the Group acquired 100% of the shares in Canyon Oil and Gas Limited ('Canyon') (see Note 16 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, has been included in the impairment charge of US$622,000. The Group intends to dispose of the Canyon producing asset in the near term and at 31 December 2014 has classified it as held for sale (see Note 16 for further details).

23 Financial instruments and risk management

Group

Financial Risk Management

The Group's financial instruments comprise bank finance leases, 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 2014 or 31 December 2013.

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, finance lease borrowings and working capital. Board approval is required for all new borrowing facilities. During the prior year 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 28 February 2014. In February 2014, the terms of the loan facility were renegotiated with the repayment date extended to July 2015.

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.

23 Financial instruments and risk management (continued)

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 as follows:

	Loans and receivables 2014 US$'000	Liabilities at amortised cost 2014 US$'000	Total carrying amount 2014 US$'000	Fair value 2014 US$'000
Non-current trade and other receivables	2,800	-	2,800	2,800
Available for sale assets	107	-	107	107
Assets held for sale	850	-	850	850
Current trade and other receivables	1,217	-	1,217	1,217
Cash and cash equivalents	1,765	-	1,765	1,765
Loans and borrowings	-	(10,218)	(10,218)	(10,218)
Trade payables	-	(273)	(273)	(273)
Other payables	-	(165)	(165)	(165)
Accruals	-	(1,425)	(1,425)	(1,425)
	6,739	**(12,081)**	**(5,342)**	**(5,342)**

	Loans and receivables 2013 US$'000	Liabilities at amortised cost 2013 US$'000	Total carrying amount 2013 US$'000	Fair value 2013 US$'000
Trade and other receivables	2,515	-	2,515	2,515
Cash and cash equivalents	166	-	166	166
Loans and borrowings	-	(9,725)	(9,725)	(9,725)
Trade payables	-	(5,828)	(5,828)	(5,828)
Other payables	-	(317)	(317)	(317)
Accruals	-	(1,091)	(1,091)	(1,091)
	2,681	**(16,961)**	**(14,280)**	**(14,280)**

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 of US$10 per barrel up to a maximum of US$4,500,000 receivable as part consideration for the disposal of Aminex USA, Inc. 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.

23 Financial instruments and risk management (continued)

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.

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

	2014	2013
	US$'000	US$'000
US – current receivables	**138**	5
US – non-current receivables	**2,800**	-
Africa	**13**	28
	2,951	33

At 31 December 2014 there was a bad debt provision against trade receivables of US$15,000 (2013: nil).

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 2015.

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.

23 Financial instruments and risk management (continued)

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 the prior year 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 and the repayment date extended to July 2015. Additionally the Group raised US$13.7 million net of expenses, through a placing and open offer. During the year the Company disposed of its wholly owned subsidiary Aminex USA Inc. for a total consideration with an estimated net present value of US$3.4 million (see Note 6). 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. Under the Asset Sale Agreement, Solo has an option to acquire a further 6.5% interest on the same terms within thirty days of the Kiliwani North Gas Sales Agreement being signed.

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

	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
Loan facility	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**	**-**	**-**	**-**

	Carrying amount 2013 US$'000	Contractual cashflows 2013 US$'000	6 months 2013 US$'000	6-12 months 2013 US$'000	1-2 years 2013 US$'000	2-5 years 2013 US$'000	More than 5 years 2013 US$'000
Finance lease liabilities	32	36	7	7	10	12	-
Loan facility	9,693	9,693	9,693	-	-	-	-
Trade payables	5,828	5,828	5,828	-	-	-	-
Other payables	317	317	317	-	-	-	-
Accruals	1,091	1,091	1,091	-	-	-	-
	16,961	16,965	16,936	7	10	12	-

The Group's borrowings at 31 December 2014 relate to a US$8 million loan facility with a fund managed by Argo Management (Cyprus) Ltd. At 31 December 2013, the Group's borrowings included hire purchase finance agreements amounting to US$32,000 as well as the loan facility for US$8 million which was fully drawn down during 2013.

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 a taxed interest rate of 15%.

23 Financial instruments and risk management (continued)

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:

	2014 Sterling US$'000	2014 Euro US$'000	2014 US dollars US$'000	2013 Sterling US$'000	2013 Euro US$'000	2013 US dollars US$'000
Trade receivables	**-**	**-**	**-**	-	-	17
Cash and cash equivalents	**602**	**2**	**60**	-	1	-
Trade payables	**-**	**(7)**	**-**	(50)	(68)	(17)
	602	**5**	**60**	(50)	(67)	-

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 2014 (2013: 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 2014 US$'000	15% decrease 2014 US$'000	15% increase 2013 US$'000	15% decrease 2013 US$'000
Trade receivables	**-**	**-**	3	(3)
Cash and cash equivalents	**99**	**(99)**	-	-
Trade payables	**(1)**	**(1)**	(20)	20
	98	**(98)**	(17)	17
Tax impact	**-**	**-**	-	-
After tax	**98**	**(98)**	(17)	17

The Group finances its operations through a mixture of shareholders' funds, bank and other 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 2014 was as follows:

	Fixed rate 2014 US$'000	Floating rate 2014 US$'000	Total 2014 US$'000	Fixed rate 2013 US$'000	Floating rate 2013 US$'000	Total 2013 US$'000
Cash and cash equivalents	-	1,765	1,765	-	166	166
Finance lease obligations	-	-	-	(32)	-	(32)
Loan facility	(10,218)	-	(10,218)	(9,693)	-	(9,693)
	(10,218)	**(1,765)**	**(8,453)**	**(9,725)**	**166**	**(9,559)**

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 2014 US$'000	500 bps decrease profit 2014 US$'000	500 bps increase profit 2013 US$'000	500 bps decrease profit 2013 US$'000
Cash and cash equivalents	**88**	**-**	8	-
Tax impact	**-**	**-**	-	-
After tax	**88**	**-**	8	-

The Group only has a fixed rate loan facility at 31 December 2014. As there are no variable rate loans, there is no potential impact to profit from a change in interest rates.

23 Financial instruments and risk management (continued)

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 2014 US$'000	Liabilities at amortised cost 2014 US$'000	Total carrying amount 2014 US$'000	Fair value 2014 US$'000
Non current trade and other receivables	2,800	-	2,800	2,800
Available for sale assets	107	-	107	107
Current trade and other receivables	313	-	313	313
Amounts due from subsidiary undertakings	96,375	-	96,375	96,375
Cash and cash equivalents	617	-	617	617
Loans and borrowings	-	(10,218)	(10,218)	(10,218)
Trade payables	-	(6)	(6)	(6)
Accruals	-	(45)	(45)	(45)
	100,212	**(10,269)**	**89,943**	**89,943**

	Loans and receivables 2013 US$'000	Liabilities at amortised cost 2013 US$'000	Total carrying amount 2013 US$'000	Fair value 2013 US$'000
Trade and other receivables	106	-	106	106
Amounts due from subsidiary undertakings	92,726	-	92,726	92,726
Cash and cash equivalents	44	-	44	44
Loans and borrowings	-	(9,693)	(9,693)	(9,693)
Trade payables	-	(445)	(445)	(445)
Accruals	-	(582)	(582)	(582)
	92,876	(10,720)	(82,156)	(82,156)

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 process 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.

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$6.9 million (2013: US$14.2 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$51,000 (2013: US$10.7 million) fall due within six months of the balance sheet date. Borrowings of $10.2 million are repayable within 7 to 12 months of the balance sheet date (2013: nil). The Directors have given careful consideration to the Company's and the Group's ability to continue as a going concern.

23 Financial instruments and risk management (continued)

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:

	2014 Sterling US$'000	2014 Euro US$'000	2013 Sterling US$'000	2013 Euro US$'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 (2013: 15%), based on the outstanding financial assets and liabilities at 31 December 2014, 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 2014 was as follows:

	Fixed rate 2014 US$'000	Floating rate 2014 US$'000	Total 2014 US$'000	Fixed rate 2013 US$'000	Floating rate 2013 US$'000	Total 2013 US$'000
Cash and cash equivalents	**-**	**617**	**617**	-	44	44
Secured loan	**(10,218)**	**-**	**(10,218)**	(9,693)	-	(9,693)
	(10,218)	**-**	**(9,601)**	(9,693)	44	(9,649)

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 2014 US$'000	500 bps decrease 2014 US$'000	500 bps increase 2013 US$'000	500 bps decrease 2013 US$'000
Cash and cash equivalents	**31**	**-**	2	-
Tax impact	**-**	**-**	-	-
After tax	**31**	**-**	2	-

24 Issued capital

Authorised	Number	Value €
At 1 January 2014		
Ordinary Shares of €0.06 each:		
	1,000,000,000	60,000,000
On 14 February 2014		
Renominalisation of share capital		
Ordinary Shares of €0.001	1,000,000,000	1,000,000
Deferred Shares of €0.059	59,000,000,000	59,000,000
	60,000,000,000	60,000,000
Increase in Ordinary Share capital	2,000,000,000	2,000,000
At 31 December 2014	**62,000,000,000**	**62,000,000**

At an Extraordinary General Meeting, held on 24 February 2014, the Group renominalised its ordinary shares, reducing the nominal value of each Ordinary Share from €0.06 to €0.001. At the Extraordinary General Meeting each existing Ordinary Share was subdivided into one new Ordinary Share of €0.001 and one new Deferred Share of €0.059.

On 24 February 2014, the Group issued 957,791,100 Ordinary Shares for a combination of cash, a reduction of debt in exchange for equity, and as consideration for the acquisition of Canyon Oil and Gas Limited increasing share capital by US$15.3 million. The premium arising on the issue amounted to US$12.4 million, after share issue costs of US$2.2 million. On 4 March 2014, the Group issued 67,079,689 Ordinary Shares for cash in respect of an open offer to shareholders, increasing share capital by US$0.09 million. The premium arising on the issue, after share issue costs, amounted to US$1.0 million. On 22 May 2014, the Group issued 3,750,000 Ordinary Shares for the settlement of third party service provider fees increasing share capital by US$0.005 million. The premium arising on the issue amounted to $0.04 million. On 15 September 2014, the Group issued 10,638,770 Ordinary Shares for the settlement of third party service provider fees, increasing share capital by US$0.01 million together with a premium of US$0.14 million. On 23 September 2014, the Group issued 30,287,500 Ordinary Shares as a result of an excercise of warrants by a warrant holder. The increase in share capital amounted to US$0.04 million together with premium of US$0.45 million.

Allotted, called up and fully paid	Number	€	US$
Ordinary Shares of €0.06 each:			
At 31 December 2013	**818,658,421**	**49,119,505**	**65,629,490**
Renominalisation of share capital			
Ordinary Shares	818,658,421	818,658	1,093,825
Deferred Shares	818,658,421	48,300,847	64,535,665
New Ordinary Shares issued			
during 2014 post renominalisation	1,069,547,059	1,069,547	1,464,096
At 31 December 2014	**2,706,863,901**	**50,189,052**	**67,093,586**
Comprised of:			
Ordinary Shares of €0.001	1,888,205,480		
Deferred Shares of €0.059	818,658,421		
	2,706,863,901		

The increase in Ordinary Shares of €0.001 each during the year in the issued Ordinary Share capital and share premium (net of issue costs) of the Company related to the following:

Details	Date of issue	Number	Issued capital US$'000	Share premium US$'000	Total US$'000
Placing	24 February 2014	957,791,100	1,314,760	12,416,209	13,730,969
Open offer	4 March 2014	67,079,689	92,181	1,026,239	1,118,420
Placing	22 May 2014	3,750,000	5,121	44,024	49,145
Placing	15 September 2014	10,638,770	13,514	140,347	153,861
Placing	23 September 2014	30,287,500	38,520	447,726	486,246
		1,069,547,059	**1,464,096**	**14,074,545**	**15,538,641**

25 Share warrants

During the 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 is US$211,000. These warrants were exercised on 23 September 2014.

The fair values of warrants granted in the year to Shore Capital Stockbrokers Limited were calculated using the following inputs into the Black Scholes model:

Date of grant	24 February 2014
Contractual life	3 years
Exercise price	£0.01
Number of warrants granted or deemed granted (vesting period variable)	30,287,500
Expected volatility	60%
Vesting conditions – weighting average vesting period	Immediately
Fair value per option	£0.0042
Expected dividend yield	nil
Risk-free rate	33%

During the year the Company increased its issued share capital, and Argo Capital were granted an additional 47,243,539 warrants in line with the terms of the financing agreement. These warrants were deemed to be granted in the prior year in order to comply with the provisions of IAS 39 - Financial Instruments: Recognition and Measurement.

At an Extraordinary General Meeting held on 24 February 2014, the exercise price of 40,932,916 warrants originally granted to the lender in 2013 were re-priced from €0.06 per share to Stg£0.01 per share and the new exercise price also relates to 47,243,539 new warrants granted as a result of the fund raising completed in February 2014, in line with the terms of the financing agreement. These warrants were deemed to be granted in the prior year in order to comply with the provisions of IAS 39 - Financial Instruments: Recognition and Measurement. The cost of these warrants falls within the scope of IFRS 2 Share-based Payment and is recognised over the term of the facility. All warrants are exercisable until 30 June 2017. The warrants are subject to anti-dilution rights at the same exercise price. The Company has recalculated the fair value of the warrants at the date of grant using the Black Scholes model and an additional $496,000 has been included in a share warrant reserve in the Group Statement of Changes In Equity at 31 December 2014, with a corresponding amount offset against the initial value of the loan. The key assumptions used to value the warrants include a volatility rate of 60% and a risk free rate of 0.33%.

26 Loss for the financial year

The loss for the financial year arises as follows:

	2014 **US$'000**	2013 US$'000
In Aminex PLC - loss	**(8,616)**	(19,687)
In subsidiary companies - profit	**1,608**	2,410
	(7,008)	(17,277)

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, 1963 to 2013, which permit a company that publishes its company and group financial statements together, to take advantage of the exemption in Section 148(8) of the Companies Act 1963 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$8,616,000 (2013: loss US$19,687,000) is dealt with in the company income statement of Aminex PLC.

27 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 ending 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. The deferral is conditional on an Environmental Impact Assessment, which has already commenced, and the eventual acquisition of 3D seismic in the deep water sector of the licence, which will be subject to the completion of a tendering process.

(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 the December 2016. In addition to the exploration wells, an appraisal well is planned to be drilled in late 2015 as part of the appraisal work programme for the Ntorya Prospect.

Commitments under operating leases are as follows:

	Land and buildings		Other	
	2014	2013	**2014**	2013
Group	**US$'000**	US$'000	**US$'000**	US$'000
Operating leases which expire:				
Within one year	**179**	197	**-**	1
In two to five years	**64**	288	**-**	4
	243	485	**-**	5

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 Tanzanian 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 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.

28 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$276,000 for 2014 (2013: US$139,000 restated).

29 Analysis of net (debt)/funds

Group	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 1 January 2013 US$'000	Cash flow US$'000	At 31 December 2013 US$'000
Cash at bank	495	(329)	166
Finance leases	(87)	55	(32)
Secured loan	-	(9,693)	(9,693)
Total	408	(9,967)	(9,559)

At 31 December 2014 the Company had net debt of US$8,453,000 (2013: US$9,559,000). The net debt at 31 December 2014 was wholly comprised of cash at bank and the secured loan. In the prior year net debt included finance lease of US$32,000 relating to Aminex USA, Inc. disposed of during the year.

30 Related party transactions

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

	2014 US$'000	2013 US$'000
Transactions during the year		
Interest receivable from subsidiary undertakings	-	-
Balances at 31 December		
Amounts owed by subsidiary undertakings	96,375	92,726

Details of loans advanced to subsidiary undertakings during the year are set out in Note 14.

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 23 to 24.

	2014 US$'000	2013 US$'000
Short-term employee benefits	**831**	699
Pension contributions	**236**	28
	1,067	727

During the course of the year, the Group entered into the following related party transactions: (a) consultancy fees were paid to Blixtra Limited, a company connected with Mr. J.C. Bhattacherjee amounting to US$54,000 (2013: nil) prior to his appointment as director, (b) fees were paid to Storm Petroleum Limited, a company connected with Mr. D.S. Hooker, amounting to US$26,000 (2013: US$31,000), (c) fees amounting to US$11,000 (2013: nil) were paid to Upstream Solutions Limited, a company connected with Mr. T. Mackay, (d) corporate advisory fees of US$205,000 (2013: nil) were paid to Edmond de Rothschild Securities (UK) Limited, of which Mr. A.N.J. Hay is a director and (e) consultancy fees were paid to Mr. W.A.P. Thompson amounting to US$74,000 (2013: nil) prior to his appointment as director.

31 Post balance sheet events

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. Under the Asset Sale Agreement, Solo has an option to acquire a further 6.5% interest on the same terms within thirty days of the Kiliwani North Gas Sales Agreement being signed.

In March 2015, Aminex received confirmation that the Tanzanian authorities had agreed to the deferral of a two well drilling 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 deferral is conditional on an Environmental Impact Assessment, which has already commenced, and eventually acquiring 3D seismic in the deep water which will be subject to completion of a tendering process.

32 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 11 and 12 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 statement of accounting policies.

33 Approval of financial statements

These financial statements were approved by the Board of Directors on 15 April 2015.

Reserves

Independently audited estimates of resources in Tanzania

PSA/Licence	Licence status	Gas resource	Gross GIIP BCF Pmean	Aminex Interest	Net GIIP BCF Pmean
Kiliwani North	Development	Discovered	45	58.5%	26
Ntorya Discovery	Appraisal	Discovered	178	75%	134
Ntorya Updip	Appraisal	Undiscovered	990	75%	743
Ruvuma (other)	Exploration	Undiscovered	4,583	75%	3,437
Nyuni Area	Exploration	Undiscovered	5,668	70%	3,967
Total			**11,464**		**8,307**

IMPORTANT NOTES:
The volumes shown to the above were independently assessed by ISIS Petroleum Consultants in 2010 for Kiliwani North and 2012 for Nyuni Area PSA and Ruvuma PSA (including the Ntorya discovery and prospect).
They are defined as discovered or undiscovered Gas Initially In Place before application of a recovery factor and cannot be categorised as reserves.
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.

Principal operating companies

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7 Gower Street
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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. 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.

Registrars and Advisers

Registrars	Computershare Investor Services (Ireland) Limited Heron House, Corrig Road Sandyford Industrial Estate, Dublin 18	
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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
	Telephone number for UK shareholders:	0870 702 0107
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
	GMP Securities Europe LLP	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
MMcfd	Millions of 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
WTI:	West Texas Intermediate, a ‘marker price’ for American oil